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# **Comprehensive Annual Financial Report**

Fiscal Year Ended  
April 30, 2015

Frankfort, Illinois 60423

**VILLAGE OF FRANKFORT, ILLINOIS**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED**  
**APRIL 30, 2015**

Prepared by:

Jerald P. Ducay  
Village Administrator

**VILLAGE OF FRANKFORT, ILLINOIS**

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## **INTRODUCTORY SECTION**

This section includes miscellaneous data regarding the Village of Frankfort:

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

## **VILLAGE OF FRANKFORT, ILLINOIS**

### **List of Principal Officials April 30, 2015**

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#### **VILLAGE PRESIDENT**

Jim Holland

#### **BOARD OF TRUSTEES**

Keith Ogle, Clerk

Demetrius J. Karos, Treasurer

Cynthia Corso Heath, Trustee

Mike Stevens, Trustee

Robert J. Kennedy, Trustee

Richard Trevarthan, Trustee

Todd S. Morgan, Trustee

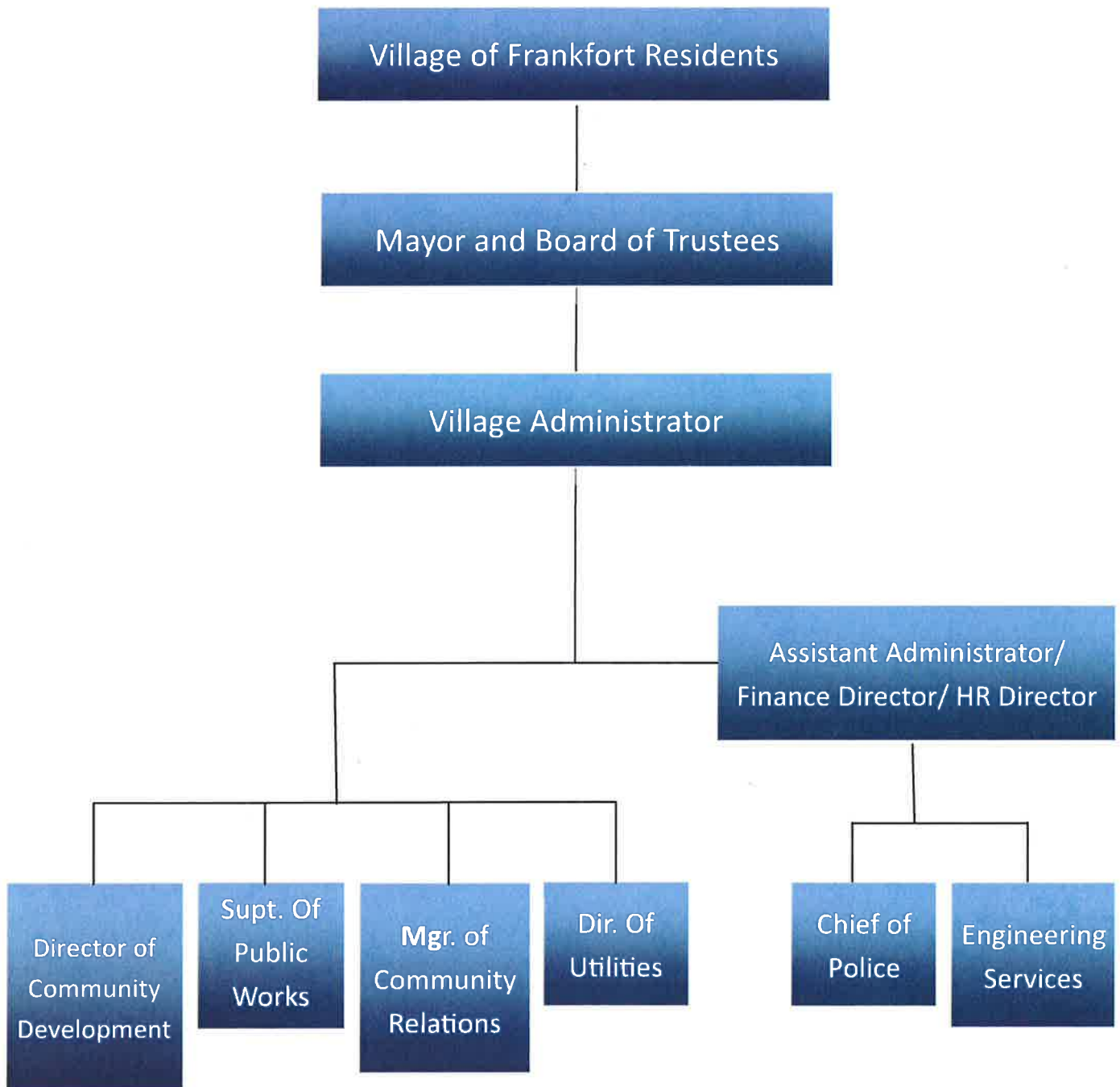
R. Douglas Walker, Trustee

#### **ADMINISTRATION**

Jerald P. Ducay, Village Administrator

George Mahoney, Village Attorney

# Village of Frankfort Organizational Chart





VILLAGE OF  
**FRANKFORT**  
INC • 1879

July 21, 2015

Honorable Mayor and Board of Trustees  
Village of Frankfort  
Frankfort, Illinois

The Comprehensive Annual Financial Report of the Village of Frankfort for the fiscal year ended April 30, 2015, is hereby submitted. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the Village. To the best of my knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the Village of Frankfort. All disclosures necessary to enable the reader to gain an understanding of the government's financial activities have been included.

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.

The Village's reporting entity includes the Village government and all related organizations for which the Village exercises financial accountability as defined by the Governmental Accounting Standards Board (GASB). The Village has developed criteria to determine whether outside agencies with activities that benefit the citizens of the Village should be included within its financial reporting entity. Governmental entities, such as Frankfort Fire Protection District, Frankfort Public Library District, Frankfort Park District, Frankfort Square Park District, Frankfort School District 157-C, Summit Hill School District 161, and Lincoln-Way Community High School District 210 are not included in the Village's reporting entity. The Village exercises no financial accountability for these entities, and they are therefore not included in the Village's basic financial statements.

The Village and its Services

The Village of Frankfort was founded in 1855 and incorporated in 1879. Frankfort operates under the Village form of local government and has a President and Board of Trustees. The President, Village Clerk and the six trustees of the Village Board are elected for staggered, four-year terms.

The Village of Frankfort is a residential community of 18,850 people. It is approximately thirty-seven miles southwest of Chicago's Central Business District. Frankfort is situated at the crossroads of U.S. Route 45 and U.S. Route 30 in Will County, just three miles south of I-80, six miles southeast of I-355, and six miles west of I-57.

The Village of Frankfort provides the following municipal services:

Administration  
Building and Zoning  
Economic Development  
Police

Public Works  
Solid Waste Disposal/Recycling  
Water and Sewer

### Major Initiatives

## ECONOMIC CONDITION AND OUTLOOK

Frankfort's property tax is \$9.2171 per \$100 of assessed value for 2014. The tax rate for the Village of Frankfort and the Village Road and Bridge Fund is \$0.4444, which is a decrease of \$0.2037 from the 2000 tax rate of \$0.6481. With the state tax cap limiting tax revenue increases to the lesser of 5% or the local CPI rate, reliance upon property taxes for operating revenue has decreased. Sales tax remains one of the largest revenue sources, comprising forty-eight percent (48%) of general governmental revenues.

### FOR THE YEAR

In FY 2014-2015, sales tax and income tax revenues reached record highs at \$5,797,015 and \$1,791,461 respectively. Property tax revenue declined by approximately \$100,000 during FY 2014-2015 and went from \$3.6 million to \$3.5 million. The increased revenue from sales and income tax has helped Frankfort rely less on property taxes.

Sales tax revenue on food has been higher than usual, starting in the second quarter of 2013 and continuing every quarter thereafter. Mariano's opened in March 2013, while Dominick's closed in December 2013. The Village did not notice a decrease in sales tax revenue from food after Dominick's closed.

Sales tax on automotive and filling stations also increased greatly in calendar year 2014. Out of all of the categories of sales tax, automotive and filling stations bring in the most sales tax revenue for the Village of Frankfort.

Expenditures for the fiscal year fell short of budget projections. This shortfall was the result of conservative spending by the departments. Most departments finished the fiscal year under budget. The Public Works department saw increased spending on storm system maintenance and road salt. Overall, transfers from operating surplus allow for a healthy capital fund to support ongoing and future projects.

### FOR THE FUTURE

The Village of Frankfort enters fiscal year 2016 on a sound financial basis. Budgeted revenues and expenditures for the General Fund in FY 2015-2016 are balanced. Budgeted revenues and expenditures in the Enterprise Fund are also balanced for FY 2015-2016. With conservative spending and revenue increases in sales and income tax expected, staff continues to strive for an end of year surplus in both funds.

During FY 2015, the Village started and finished several large capital projects. The project at the forefront during FY 2015 and for years into the future involves the wastewater facilities. In early 2015, the Village Board voted to close the North and West Plants and divert all waste to the Regional Plant at an estimated cost of \$54 million. The board took action after reviewing options in the Village's recently updated 20-year Facilities Planning Report. Consolidating the plants was the most affordable choice when taking into account operational savings associated with closing the North Plant. The Village expects that it will need to issue bonds within the year to implement some of the first parts of the sewer plant consolidation. In 2015, the Village moved forward with the project by hiring and starting to work with engineering firms, a financial advisor, bond counsel, and a credit rating agency.

At the end of FY 2015, Frankfort was completing the 10,000-square-foot expansion of the Village Administration building. The centerpiece of the project is a new 3,200-square-foot board room for Village Board and community meetings. Other aspects of the expansion include additional office space, more public restrooms, a new lobby, added parking spaces, a pedestrian plaza and walkways with landscaping features. The Village used cash reserves to pay for the project. The expansion is expected to cost less than \$6 million when all of the invoices for the project have been paid.

Another significant capital project that the Village finished in 2015 was the construction of a new water tower and two wells on 80<sup>th</sup> Avenue, north of Steger Road. The new water tower and wells will sustain water pressure and provide additional storage capacity for the southeast portion of the Village. The project was paid for with cash reserves from the Utility Capital Fund.

As in the past, the Motor Fuel Tax Fund will be used to support grant projects for road improvements. Steger Road has already been approved for Surface Transportation Program (STP) funding. Phase II engineering commenced during the 2014-2015 fiscal year. St. Francis Road was also approved for STP funding, and Phase II engineering began during FY 2015. Other roadways are being studied to prepare for future STP opportunities. During FY 2015, the Village also started paying for road salt with MFT funds.

As part of a master plan, the Village continued buying primarily residential properties in the historic downtown district to support future economic development. The downtown area has a shortage of available units to rent for businesses. The intent of Village officials is to acquire downtown properties and sell them, in order to bring retail development to the Historic District. Staff began marketing the properties the investors and developers during FY 2015.

As stated earlier, although the Village of Frankfort has been less reliant upon property tax as a primary revenue source, it is exciting to note that new home starts have continued to increase at a steady rate. The new residents will help support new retail businesses that have increasingly been investing in the Village of Frankfort. To support industrial development, the Village started a limited time program in FY 2014 called Target Industry & Industrial Incentive Program (T3IP), which provides incentives for industrial companies that open or expand in Frankfort.

#### LONG-TERM FINANCIAL PLANNING

The Village expects to continue to increase General Fund revenues above expenditures. This surplus will continue to be transferred to the Capital Fund to pay for capital projects. The Village continues to seek federal and state funding grants to assist in the cost of these projects.

### Accounting System and Budgetary Control

The Finance Director and Village Administrator are responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the Village are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. We believe that the Village's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Budgetary control is maintained at the detailed account level through the use of departmental Internal Management reports. These monthly departmental Internal Management reports are utilized to analyze actual versus the budget. The Mayor and Village Board meet regularly to discuss the favorable and unfavorable variances of the actual to budget.

### Financial Highlights

The accounts of the Village are organized on the basis of funds, each of which is considered a separate accounting entity. The operation of each fund is accounted for with a separate set of self-balancing accounts that includes its assets, liabilities, fund balance, revenues and expenditures. This method of accounting is known as Fund Accounting. Fund Accounting shows how money was spent rather than how much profit is earned.

### Cash and Investments

All of the Village's cash and investments are insured, or collateral is obtained for the amounts invested over the FDIC insured amount.

The Village is a participant in the Illinois Public Treasurers' Investment Pool. This pool is an investment alternative for public treasurers across the State of Illinois.

The pooling of funds enables public treasurers to receive a higher rate of return than if funds were invested separately with local financial institutions. The funds can be deposited in any amount, earn a competitive rate of return, are fully collateralized, and the funds are always available as needed by the Village.

The Village is also a participant in the Illinois Metropolitan Investment Fund (IMET). IMET is a Triple-A rated, one-to-three year investment fund controlled by and for Illinois public funds managers and finance officers to enhance investment opportunity.

### Debt Administration

The Village of Frankfort paid off its remaining bonded debt of \$690,000 in FY 2015. Moody's Investors' Services had issued the Village of Frankfort a bond rating of AA3 during FY 2007.

### Independent Audit

State statutes require an annual audit by independent certified public accountants. The accounting firm of Lauterbach & Amen was selected by the Village Board to perform the audit in conformance with the requirements set forth in Illinois Compiled Statutes. The independent auditor's report on the basic financial statements and combining, individual fund statements is included in the financial section of this report.

### Certificate of Achievement for Excellence in Financial Reporting

The Government Finance Officers Association (GFOA) awards a Certificate of Achievement for Excellence in Financial Reporting to governmental units that 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. The Village of Frankfort received the Certificate for twenty-six consecutive years: from fiscal year 1989 to 2014.

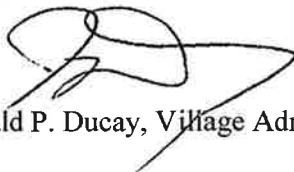
The Village of Frankfort is herewith submitting the enclosed financial report for fiscal year ended April 30, 2015, to re-apply for another Certificate of Achievement award. Since the Certificate is valid for a period of one year, the Village will need to annually re-apply for certification. It is the goal of the Village's Mayor and Board members to annually be eligible for the Certificate of Achievement award.

### Acknowledgements

The preparation of the comprehensive annual financial report on a timely basis was made possible by the dedicated service of the entire staff of the Village of Frankfort. In addition, the firm of Lauterbach & Amen made substantial contributions by way of consulting on, and interpretations of recent pronouncements.

Our appreciation is sincerely expressed to the Village President and Board of Trustees for their foresight and contribution of support for this CAFR, and for their responsible and progressive approach that contributes to the financial strength of the Village of Frankfort.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Jerald P. Ducay', with a stylized, sweeping flourish extending to the right.

Jerald P. Ducay, Village Administrator



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**Village of Frankfort  
Illinois**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**April 30, 2014**

Executive Director/CEO

## **FINANCIAL SECTION**

## **INDEPENDENT AUDITORS' REPORT**

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





## **INDEPENDENT AUDITORS' REPORT**

July 21, 2015

The Honorable Village President  
Members of the Board of Trustees  
Village of Frankfort, Illinois

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 Frankfort, Illinois, as of and for the year ended April 30, 2015, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Frankfort, Illinois, as of April 30, 2015, 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.

## **Other Matters**

### *Required Supplementary Information*

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

### *Other Information*

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

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

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

  
LAUTERBACH & AMEN, LLP

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

VILLAGE OF FRANKFORT, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS

APRIL 30, 2015

---

The management of the Village of Frankfort ("Village") presents this discussion and analysis to provide its readers with a narrative overview and analysis of the Village's financial activities for the year ended April 30, 2015. We encourage readers to consider the information presented here in conjunction with the information provided in the letter of transmittal, which can be found starting on page iii of this report.

As with other sections of this financial report, the information contained within this MD&A should be considered only a part of the greater whole. The readers of this statement should take time to read and evaluate all sections of this report, including the footnotes and the Required Supplementary Information that is provided in addition to the MD&A.

### **Financial Highlights**

- The assets of the Village exceeded its liabilities at the close of this year by \$225,386,933 (net position). Of this amount, \$20,052,658 (unrestricted net position) may be used to meet the Village's ongoing obligations to citizens and creditors.
- The governmental funds reported combined ending fund balances of \$15,129,605 of which \$2,455,369 was unassigned and is available for spending at the Village's discretion (unassigned fund balance).
- At the end of the fiscal year, unassigned fund balance for the General Fund was \$2,456,397, or 118.3% of total General Fund expenditures.
- The Village's long-term liabilities decreased by \$760,275 during the year.

### **Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the Village's basic financial statements. These basic financial statements are comprised of three components: government-wide financial statements, fund financial statements, and notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

### **Government-wide Financial Statements**

The government-wide financial statements are designed to provide readers with a broad overview of the Village of Frankfort's finances, in a manner similar to a private-sector business. The government-wide financial statements can be found on pages 3 - 6 of this report.

The Statement of Net Position presents information on all the Village's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Village of Frankfort is improving or deteriorating.

The Statement of Activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods, i.e. uncollected taxes and earned but unused vacation leave.

Government-wide financial statements distinguish functions of the Village of Frankfort that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The Village's governmental activities include public safety, public works, building and community development, solid waste, general government, and interest expense. The business-type activity of the Village includes waterworks and sewerage services.

### **Fund Financial Statements**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village of Frankfort, like other governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Village of Frankfort can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

**Governmental Funds.** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the Village's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Village of Frankfort maintains ten individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditure, and changes in fund balances for the General Fund, Police Protection Fund, Street and Bridge Fund, Garbage Disposal Fund, Motor Fuel Tax Fund and Capital Development Fund. Data from the other four governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements in the Village's full report.

The Village of Frankfort adopts an annual Appropriation Ordinance (Budget) for all of the governmental funds. Budgetary comparison schedules have been provided to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found on pages 7 - 12 of this report.

**Proprietary Fund.** The Village maintains one proprietary fund. This fund is used to report the same functions presented as business-type activities in the government-wide financial statements. The Village uses the enterprise fund to account for its waterworks and sewerage system.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Waterworks and Sewerage Fund, which is considered the only major fund. The basic proprietary fund financial statements can be found on pages 13 - 16 of this report.

**Fiduciary Funds.** A fiduciary fund is used to account for resources held for the pension benefit payments to qualified police personnel. This fund is not reflected in the government-wide financial statements because the resources of this fund are not available to support the Village's own programs. The accounting used for the fiduciary fund is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on pages 17 - 18 of this report.

#### *Notes to the Financial Statements*

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 19 - 53 of this report.

#### *Other Information*

In addition to the basic financial statements and accompanying notes, this report also represents certain required supplementary information. Required supplementary information can be found on pages 54 -64 of this report. The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information. Combining and individual fund statement and schedules can be found on pages 65 - 77 of this report.

### **Government-wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of the government's financial position. The following tables show that as of April 30, 2015 and 2014, the Village's assets exceeded liabilities by \$225,386,933 and \$229,107,179, respectively.

	Net Position					
	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Current and Other Assets	\$ 20,499,967	23,315,865	14,689,080	20,979,467	35,189,047	44,295,332
Capital Assets	117,128,772	117,475,639	82,664,097	76,830,414	199,792,869	194,306,053
Total Assets	137,628,739	140,791,504	97,353,177	97,809,881	234,981,916	238,601,385
Long-Term Debt	1,217,607	2,015,786	1,526,145	1,728,792	2,743,752	3,744,578
Other Liabilities/Def. Inflows	5,470,286	5,394,979	1,380,945	354,649	6,851,231	5,749,628
Total Liabilities/Def. Inflows	6,687,893	7,410,765	2,907,090	2,083,441	9,594,983	9,494,206
Net Position						
Net Investment in Capital Assets	117,128,772	117,254,446	81,119,996	75,189,807	198,248,768	192,444,253
Restricted	7,085,507	964,242	-	-	7,085,507	964,242
Unrestricted	6,726,567	15,162,051	13,326,091	20,536,633	20,052,658	35,698,684
Total Net Position	130,940,846	133,380,739	94,446,087	95,726,440	225,386,933	229,107,179

The chart below shows the changes in net position. Overall net position decreased for the year ended April 30, 2015 by \$3,720,246 and decreased \$2,336,320 for the year ended April 30, 2014.

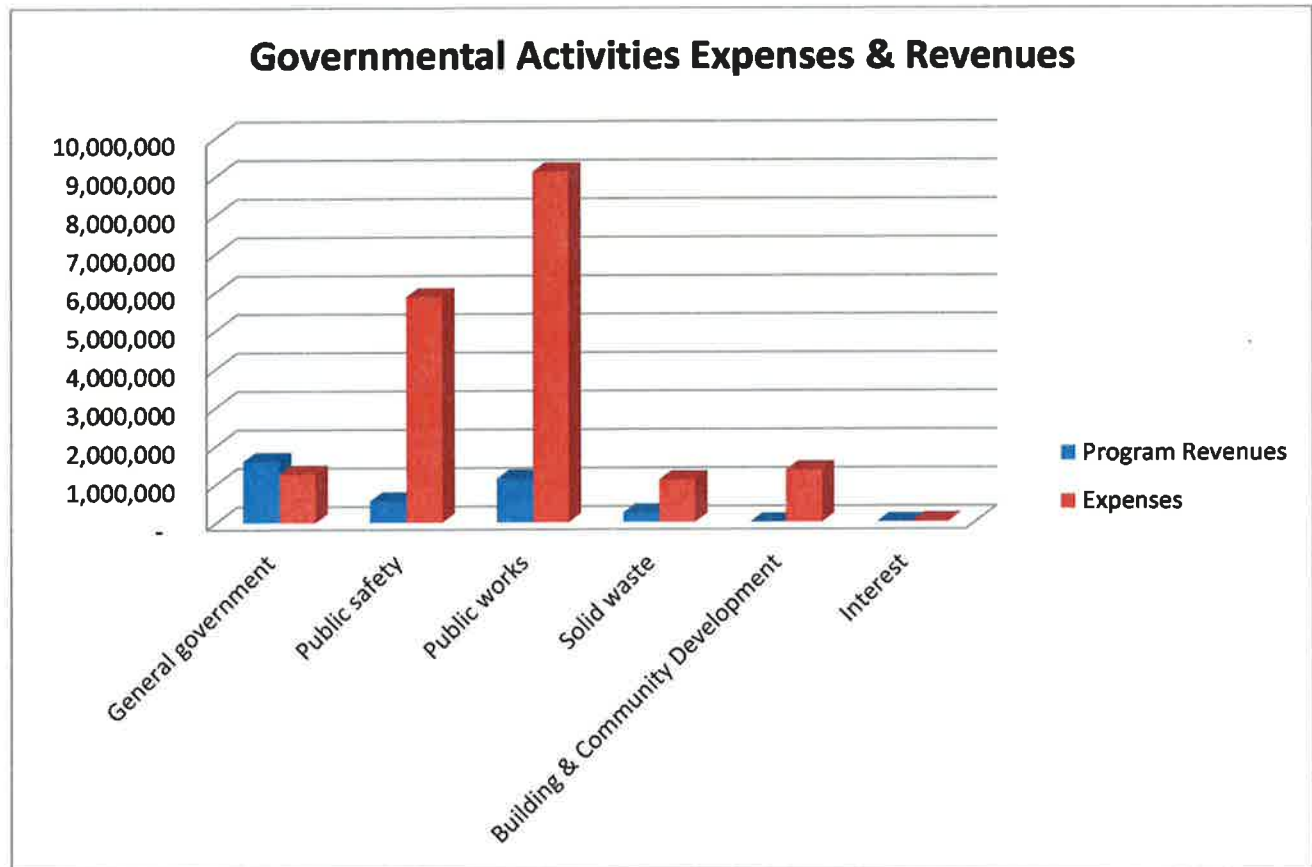
	Changes in Net Position					
	Governmental		Business-Type		Total	
	Activities		Activities			
	2015	2014	2015	2014	2015	2014
<b>Revenues</b>						
Program Revenues						
Charges for Services	\$ 2,971,881	2,066,805	7,638,725	7,926,304	10,610,606	9,993,109
Operating Grants/Contrib.	468,251	494,933	-	-	468,251	494,933
Capital Grants/Contrib.	104,574	349,361	-	-	104,574	349,361
General Revenues						
Property Taxes	3,541,613	3,637,695	-	-	3,541,613	3,637,695
Sales Taxes	5,797,015	5,756,785	-	-	5,797,015	5,756,785
Income Taxes	1,791,461	1,698,153	-	-	1,791,461	1,698,153
Use Taxes	359,276	-	-	-	359,276	-
Replacement Taxes	54,238	55,772	-	-	54,238	55,772
Interest Income	59,032	30,786	59,295	38,926	118,327	69,712
Miscellaneous	457,826	526,201	29,327	453,378	487,153	979,579
Total Revenues	15,605,167	14,616,491	7,727,347	8,418,608	23,332,514	23,035,099
<b>Expenses</b>						
General Government	1,263,524	1,395,084	-	-	1,263,524	1,395,084
Public Safety	5,866,812	5,422,269	-	-	5,866,812	5,422,269
Public Works	9,115,705	8,758,146	-	-	9,115,705	8,758,146
Solid Waste	1,358,153	1,286,640	-	-	1,358,153	1,286,640
Building & Community Development	1,104,635	908,189	-	-	1,104,635	908,189
Interest on Long-Term Debt	26,606	63,732	-	-	26,606	63,732
Waterworks and Sewerage	-	-	8,317,325	7,537,359	8,317,325	7,537,359
Total Expenses	18,735,435	17,834,060	8,317,325	7,537,359	27,052,760	25,371,419
<b>Change in Net Position</b>						
Before Transfers	(3,130,268)	(3,217,569)	(589,978)	881,249	(3,720,246)	(2,336,320)
<b>Transfers</b>	690,375	665,600	(690,375)	(665,600)	-	-
<b>Change in Net Position</b>	(2,439,893)	(2,551,969)	(1,280,353)	215,649	(3,720,246)	(2,336,320)
<b>Net Position - Beginning</b>	133,380,739	135,932,708	95,726,440	95,510,791	229,107,179	231,443,499
<b>Net Position - Ending</b>	130,940,846	133,380,739	94,446,087	95,726,440	225,386,933	229,107,179

- The Village of Frankfort received a record amount of sales tax revenue in fiscal year 2015, \$5,797,015. The FY 2015 sales tax revenue is \$351,604, or 6.5%, greater than the FY 2014 revenue of \$5,445,411. (In the above table, the FY 2014 sales tax figure of \$5,756,785 includes use tax of \$311,374, whereas the number is broken out in FY 2015.)
- Income tax revenue also reached a record high during FY 2015 at \$1,791,461.
- Property tax revenue fell by approximately \$100,000 in Frankfort because of declining equalized assessed value of real property within the Village and the lag property taxes have with the real estate market.
- Earnings from investments have increased slightly, as interest rates slowly rose.

The Village's investment in capital assets, i.e. buildings and equipment, less any related outstanding debt used to acquire those assets represents 88.0% of the Village's net position. The Village uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Village's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources (i.e. water/sewer rates), since the capital assets themselves cannot be used to liquidate these liabilities.

An additional 3.1% of the Village's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$20,052,658 or 8.9% represents unrestricted net position, which may be used to meet the government's ongoing obligations to citizens and creditors.

	Expenses	Program Revenues	Net (Expense) Revenue
General government	\$ 1,263,524	1,596,632	333,108
Public safety	5,866,812	562,853	(5,303,959)
Public works	9,115,705	1,139,043	(7,976,662)
Solid waste	1,104,635	246,178	(858,457)
Building & Community Development	1,358,153	-	(1,358,153)
Interest	26,606	-	(26,606)





## Government Activities

The form of government of Frankfort is that of a village with an elected President and Board of Trustees elected at large.

Governmental activities include the following functions:

- General government includes the administration and finance departments and civil defense.
- Public Safety includes police protection, police commission, and civil defense.
- Public Works includes the streets and bridges maintenance, public grounds and buildings maintenance, motor fuel tax projects and other projects.
- Building and Community Development includes building, zoning, community development, and engineering activities.
- Solid Waste reflects the collection of solid waste refuse and recycling materials.
- Interest on long-term debt contains interest payments and debt related fees.

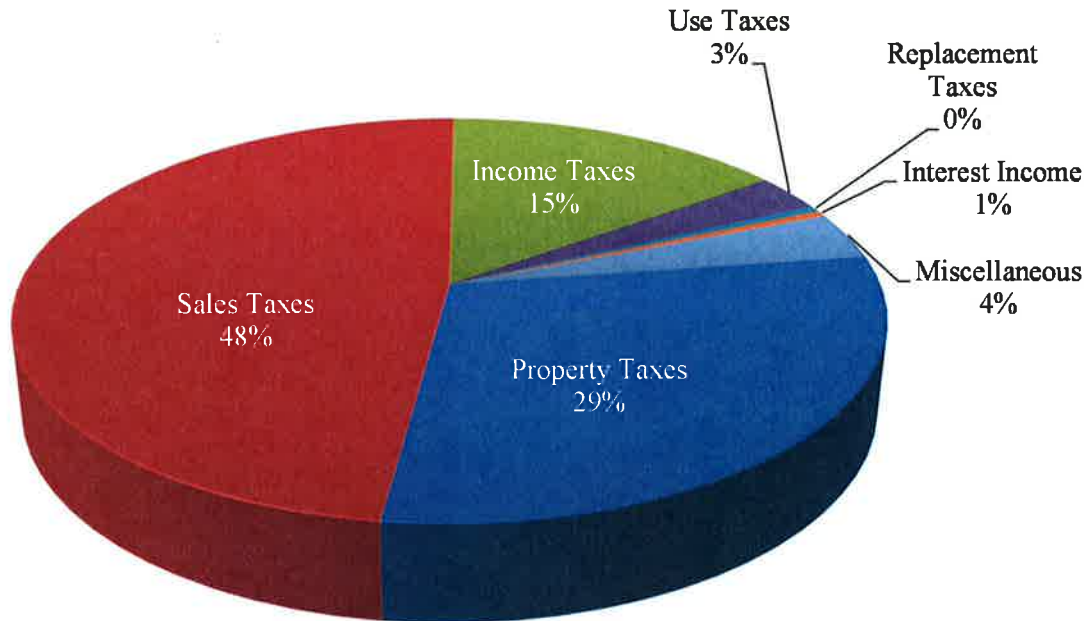
	Expenses		Program Revenues		Net (Expense) Revenue	
	2015	2014	2015	2014	2015	2014
General government	\$ 1,263,524	1,395,084	1,596,632	867,087	333,108	(527,997)
Public safety	5,866,812	5,422,269	562,853	310,426	(5,303,959)	(5,111,843)
Public works	9,115,705	8,758,146	1,139,043	913,287	(7,976,662)	(7,844,859)
Building & Community Development	1,358,153	1,286,640	246,178	263,076	(1,111,975)	(1,023,564)
Solid waste	1,104,635	908,189	-	557,223	(1,104,635)	(350,966)
Interest	26,606	63,732	-	-	(26,606)	(63,732)
	18,735,435	17,834,060	3,544,706	2,911,099	(15,190,729)	(14,922,961)

The table above makes it clear that the majority of general government functions require subsidy by taxpayers. Subsidies come from general revenues such as sales, income and property taxes.

Program and general revenues are those available for the Village of Frankfort to use to pay for the governmental activities described above. The following table and chart shows the Village's general revenues:

	2015	
	Amount	Percentage
Property Taxes	3,541,613	29.4%
Sales Taxes	5,797,015	48.1%
Income Taxes	1,791,461	14.9%
Use Taxes	359,276	3.0%
Replacement Taxes	54,238	0.4%
Interest Income	59,032	0.5%
Miscellaneous	457,826	3.8%
Total	12,060,461	100.0%

## Governmental Activities - General Revenue



Sales tax is one of the largest revenue sources for the Village comprising 48.1% of general governmental revenues. Property taxes collected during the year were comparable to fiscal year 2014. The combined tax rate of the Village of Frankfort and the Village of Frankfort Road and Bridge Fund, the latter of which is levied by Frankfort Township, increased from 0.4389 to 0.4444 per \$100 of equalized assessed valuation. This rate increase is mitigated by the 1.1% decrease in the total equalized assessed value (EAV) of properties located in Frankfort. Property values are down throughout Will County.

### Business-type Activities

The business-type activity of the Village is the Waterworks and Sewerage System, wherein the Village charges a fee to customers to help cover the cost of the services it provides. The expenses for the Waterworks and Sewerage Fund exceeded the revenues by \$1,280,353.

### Financial Analysis of the Government's Funds

As noted earlier, the Village of Frankfort uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Funds.** The focus of the Village of Frankfort's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Village's financing requirements. In particular, unassigned fund balance may serve as a useful measure in the Village's net resources available for spending at the end of the fiscal year.

As of April 30, 2015, the Village of Frankfort's governmental funds reported combined ending fund balances of \$15,129,605. Approximately 16.2% of this total amount or \$2,456,397 constitutes unassigned fund balance, which is available for spending at the Village's discretion. The remaining \$12,673,208 of the fund balance is restricted (\$7,085,507), and assigned (\$5,587,701).

The General Fund is the chief operating fund of the Village. At the end of the current fiscal year, the fund balance of the General Fund was \$2,456,397, all of which is unassigned. As a measure of the General Fund's liquidity, it may be useful to compare fund balance to total fund expenditures. Unassigned fund balance represents 118.3% of the total General Fund expenditures. During the year, the fund balance of the Village of Frankfort's General Fund increased by \$482,036 due to revenues being higher than expected and expenditures stayed below the budget.

The Police Protection Fund ended the fiscal year with a fund balance of \$3,237,292 all of which is restricted. During the year, the fund balance of the Village of Frankfort's Police Protection fund decreased by \$119,218 due to transfers to the Capital Development Fund, some of which paid for a police training facility.

The Street and Bridge fund had a balance of 1,580,729, all of which is restricted. During the year, the fund balance of the Village of Frankfort's Street and Bridge Fund increased by \$49,957 due to the Village receiving more in sales taxes than anticipated.

The Garbage Disposal Fund had a balance of \$376,616, all of which is restricted. During the year, the fund balance of the Village of Frankfort's Garbage Disposal Fund decreased by \$7,181 due to an increase in solid waste expenditures in FY 2015.

The Motor Fuel Tax Fund ended the year with a fund balance of \$1,702,997 which is restricted. During the year, the fund balance of the Village of Frankfort's Motor Fuel Tax Fund decreased by \$241,846 due to the decision to pay for road salt through the Motor Fuel Tax Fund instead of the Vehicle Tax Fund.

The Capital Development Fund ended the year with a fund balance of \$5,587,701, all of which is assigned for future capital projects. During the year, the fund balance of the Village of Frankfort's Capital Projects Fund decreased by \$2,966,688 due to spending approximately \$2 million on the Village Administration building expansion and \$1 million on purchasing several downtown properties for redevelopment.

**Proprietary Fund.** As noted earlier, the Village of Frankfort's proprietary fund provides the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the Waterworks and Sewerage Fund at the end of the year amounted to \$13,326,091. The only major proprietary fund is the Waterworks and Sewerage Fund. Its net position decreased by \$1,280,353. This decrease is due to a reduction in water sales and sewer fees because of the wet summer in 2014.

### **General Fund Budgetary Highlights**

There was no difference between the original budget and the final budget.

During the year, revenues were more than budgetary estimates by \$467,143 as state last's taxes and charges for services were more than anticipated. Expenditures were less than budgeted by \$505,982, as all expenditure functions were less than expected. The fact that actual expenditures were less than expected enabled the Village to continue its policy of transferring funds to support the activity in the Garbage Disposal, Capital Development, Vehicle Tax, Illinois Municipal Retirement, and Social Security funds.

## Capital Asset and Debt Administration

### Capital Assets

The Village's investment in capital assets for its governmental and business type activities as of April 30, 2015, amounts to \$199,792,869 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings and improvements, infrastructure, equipment, transportation equipment and water distribution.

	Capital Assets - Net of Depreciation					
	Governmental		Business-type		Total	
	Activities		Activities			
	2015	2014	2015	2014	2015	2014
Land	\$ 30,959,579	29,848,127	2,580,859	2,296,479	33,540,438	32,144,606
Construction in Progress	83,971	577,984	-	-	83,971	577,984
Buildings and Improvements	6,980,611	4,852,144	-	-	6,980,611	4,852,144
Infrastructure	77,258,291	80,431,792	-	-	77,258,291	80,431,792
Equipment	312,187	332,692	-	-	312,187	332,692
Transportation Equipment	1,534,133	1,432,900	372,164	327,825	1,906,297	1,760,725
Water Distribution	-	-	79,711,074	74,206,110	79,711,074	74,206,110
Total	117,128,772	117,475,639	82,664,097	76,830,414	199,792,869	194,306,053

Major capital asset events during the fiscal year 2014-15 included the following:

- On the governmental activities side, assets related to buildings and improvements increased by \$2,326,367 as Frankfort completed a Village Administration building expansion.
- Assets related to water distribution, the storm system, and the sanitary system increased by \$7,901,801 in the business-type activities. One of the major projects the Utilities Department paid for during FY 2015 was the construction of a new water tower and two wells on 80<sup>th</sup> Avenue, north of Steger Road.
- Depreciation in the amount of \$3,761,447 was recorded for governmental activities capital assets and \$2,496,748 was recorded for business-type activities capital assets.

Additional information on the Village of Frankfort's capital assets can be found in the notes to the financial statements on pages 33 - 34 of this report.

### Long-term debt

The Village of Frankfort has total outstanding debt of \$1,544,101 as of April 30, 2015. Under current Illinois Compiled Statutes, the Village's general obligation bonded debt issuances are subject to a legal limitation based on 8.625% of the total assessed value of real estate property. As of April 30, 2015, the Village's legal debt limit of \$68,644,157 was equal to the legal debt margin.

Below is a comparative statement of outstanding debt:

		Long-Term Debt Outstanding					
		Governmental		Business-type		Total	
		Activities		Activities			
		2015	2014	2015	2014	2015	2014
General Obligation							
Capital Appreciation Bonds	\$	-	663,769	-	-	-	663,769
IEPA Loans		-	-	1,544,101	1,640,607	1,544,101	1,640,607
Total		-	663,769	1,544,101	1,640,607	1,544,101	2,304,376

Additional information on the Village's long-term debt can be found in the notes to the financial statements on pages 36 - 39 of this report.

### Economic Factors and Next Year's Budget

Sales tax and income tax both reached record highs in FY 2015, which indicates growth in the Village of Frankfort economy. The first two sales tax payments in FY 2016 have also been higher than expected. If the trend continues, the Village could reach \$6 million in sales tax revenue during FY 2016. Building permits issued have exceeded projections for the past two fiscal years and provided steady revenue growth.

#### General Sales and Income Taxes for the Past 5 Fiscal Years

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Sales taxes	\$5,797,015*	\$5,756,785	\$5,116,556	\$4,953,732	\$4,807,023
Income taxes	\$1,791,461	\$1,698,153	\$1,672,487	\$1,516,599	\$1,276,267

\* Sales and use taxes were combined prior to 2015.

### Requests for Information

This financial report is designed to provide a general overview of the Village of Frankfort's finances for all those with an interest in the government's finances. Questions concerning any of this information provided in this report or requests for additional information should be directed to Jerry P. Ducay, Village Administrator, Village of Frankfort, 432 W. Nebraska Street, Frankfort, Illinois 60423.

## **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 Fund

Fiduciary Fund

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 FRANKFORT, ILLINOIS**

**Statement of Net Position  
April 30, 2015**

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**See Following Page**

# VILLAGE OF FRANKFORT, ILLINOIS

## Statement of Net Position April 30, 2015

	Governmental Activities	Business-Type Activities	Totals
<b>ASSETS</b>			
Current Assets			
Cash and Investments	\$ 14,476,057	13,632,675	28,108,732
Receivables - Net of Allowances	6,023,910	1,056,405	7,080,315
Total Current Assets	20,499,967	14,689,080	35,189,047
Noncurrent Assets			
Capital Assets			
Nondepreciable Capital Assets	31,043,550	2,580,859	33,624,409
Depreciable Capital Assets	139,956,671	118,371,900	258,328,571
Accumulated Depreciation	(53,871,449)	(38,288,662)	(92,160,111)
Total Noncurrent Assets	117,128,772	82,664,097	199,792,869
Total Assets	137,628,739	97,353,177	234,981,916

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



	Governmental Activities	Business-Type Activities	Totals
<b>LIABILITIES</b>			
Current Liabilities			
Accounts Payable	\$ 707,526	532,008	1,239,534
Retainage Payable	164,052	669,447	833,499
Accrued Payroll	166,015	63,347	229,362
Deposits Payable	827,001	-	827,001
Current Portion of Long-Term Debt	99,924	116,143	216,067
Total Current Liabilities	1,964,518	1,380,945	3,345,463
Noncurrent Liabilities			
Net Pension Obligation	669,933	-	669,933
Net Other Post-Employment Benefit Payable	147,977	-	147,977
Compensated Absences Payable	399,697	78,550	478,247
IEPA Loan Payable	-	1,447,595	1,447,595
Total Noncurrent Liabilities	1,217,607	1,526,145	2,743,752
Total Liabilities	3,182,125	2,907,090	6,089,215
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Property Taxes	3,505,768	-	3,505,768
Total Liabilities and Deferred Inflows of Resources	6,687,893	2,907,090	9,594,983
<b>NET POSITION</b>			
Net Investment in Capital Assets	117,128,772	81,119,996	198,248,768
Restricted			
Road Construction and Maintenance	3,283,726	-	3,283,726
Police Protection	3,237,292	-	3,237,292
Garbage Disposal Services	376,616	-	376,616
Vehicle Tax	23,287	-	23,287
Illinois Municipal Retirement	63,237	-	63,237
Social Security	101,349	-	101,349
Unrestricted	6,726,567	13,326,091	20,052,658
Total Net Position	130,940,846	94,446,087	225,386,933

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

# VILLAGE OF FRANKFORT, ILLINOIS

## Statement of Activities

For the Fiscal Year Ended April 30, 2015

	Expenses	Program Revenues		
		Charges for Services	Operating Grants/ Contributions	Capital Grants/ Contributions
Primary Government				
Governmental Activities				
General Government	\$ 1,263,524	1,596,632	-	-
Public Safety	5,866,812	541,833	-	21,020
Public Works	9,115,705	587,238	468,251	83,554
Solid Waste	1,358,153	246,178	-	-
Building and Community Development	1,104,635	-	-	-
Interest on Long-Term Debt	26,606	-	-	-
Total Governmental Activities	18,735,435	2,971,881	468,251	104,574
Business-Type Activities				
Waterworks and Sewerage	8,317,325	7,638,725	-	-
Total Primary Government	27,052,760	10,610,606	468,251	104,574

## General Revenues

### Taxes

#### Property Taxes

#### Intergovernmental - Unrestricted

#### Sales Taxes

#### Income Taxes

#### Use Taxes

#### Replacement Taxes

#### Interest Income

#### Miscellaneous

#### Transfers - Internal Activity

## Change in Net Position

### Net Position - Beginning

### Net Position - Ending

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

Net (Expenses)/Revenues		
Primary Government		
Governmental Activities	Business-Type Activities	Totals
333,108	-	333,108
(5,303,959)	-	(5,303,959)
(7,976,662)	-	(7,976,662)
(1,111,975)	-	(1,111,975)
(1,104,635)	-	(1,104,635)
(26,606)	-	(26,606)
(15,190,729)	-	(15,190,729)
-	(678,600)	(678,600)
(15,190,729)	(678,600)	(15,869,329)
3,541,613	-	3,541,613
5,797,015	-	5,797,015
1,791,461	-	1,791,461
359,276	-	359,276
54,238	-	54,238
59,032	59,295	118,327
457,826	29,327	487,153
690,375	(690,375)	-
12,750,836	(601,753)	12,149,083
(2,439,893)	(1,280,353)	(3,720,246)
133,380,739	95,726,440	229,107,179
130,940,846	94,446,087	225,386,933

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

**VILLAGE OF FRANKFORT, ILLINOIS****Balance Sheet - Governmental Funds  
April 30, 2015**

	Special		
	General	Police Protection	Street and Bridge
<b>ASSETS</b>			
Cash and Investments	\$ 1,762,927	2,434,751	1,400,404
Receivables - Net of Allowances			
Property Taxes	35,455	2,024,862	823,886
Other Taxes	363,702	904,188	298,484
Accounts	610,522	22,045	3,240
Accrued Interest	-	-	-
Due from Other Governments	-	-	423
Total Assets	2,772,606	5,385,846	2,526,437
<b>LIABILITIES</b>			
Accounts Payable	57,927	23,388	88,688
Retainage Payable	-	-	-
Accrued Payroll	32,577	100,304	33,134
Deposits Payable	190,250	-	-
Total Liabilities	280,754	123,692	121,822
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Property Taxes	35,455	2,024,862	823,886
Total Liabilities and Deferred Inflows of Resources	316,209	2,148,554	945,708
<b>FUND BALANCES</b>			
Restricted	-	3,237,292	1,580,729
Assigned	-	-	-
Unassigned	2,456,397	-	-
Total Fund Balances	2,456,397	3,237,292	1,580,729
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	2,772,606	5,385,846	2,526,437

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

Revenue		Capital Projects		
Garbage Disposal	Motor Fuel Tax	Capital Development	Nonmajor	Totals
362,004	1,582,552	6,722,962	210,457	14,476,057
194,607	-	11,745	415,213	3,505,768
-	-	-	-	1,566,374
16,221	88,282	40,115	-	780,425
-	-	861	-	861
-	41,357	128,702	-	170,482
572,832	1,712,191	6,904,385	625,670	20,499,967
1,609	9,194	504,136	22,584	707,526
-	-	164,052	-	164,052
-	-	-	-	166,015
-	-	636,751	-	827,001
1,609	9,194	1,304,939	22,584	1,864,594
194,607	-	11,745	415,213	3,505,768
196,216	9,194	1,316,684	437,797	5,370,362
376,616	1,702,997	-	187,873	7,085,507
-	-	5,587,701	-	5,587,701
-	-	-	-	2,456,397
376,616	1,702,997	5,587,701	187,873	15,129,605
572,832	1,712,191	6,904,385	625,670	20,499,967

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

## VILLAGE OF FRANKFORT, ILLINOIS

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

April 30, 2015

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<b>Total Governmental Fund Balances</b>	<b>\$ 15,129,605</b>
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.	117,128,772
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Compensated Absences Payable	(499,621)
Net Pension Obligation Payable	(669,933)
Net Other Post-Employment Benefit Obligation Payable	<u>(147,977)</u>
<b>Net Position of Governmental Activities</b>	<b><u>130,940,846</u></b>

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

**VILLAGE OF FRANKFORT, ILLINOIS**

**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds  
For the Fiscal Year Ended April 30, 2015**

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**See Following Page**

# VILLAGE OF FRANKFORT, ILLINOIS

## Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds For the Fiscal Year Ended April 30, 2015

		Special	
	General	Police Protection	Street and Bridge
<b>Revenues</b>			
Taxes	\$ 19,277	1,972,771	807,969
Intergovernmental	2,293,629	3,789,589	1,939,792
Charges for Services	189,584	287,542	141,504
Licenses and Permits	1,401,898	69,347	-
Fines and Forfeitures	5,150	184,944	-
Interest	483	712	354
Miscellaneous	127,555	37,583	2,403
Total Revenues	4,037,576	6,342,488	2,892,022
<b>Expenditures</b>			
Current			
General Government	1,119,466	-	-
Public Safety	-	5,326,895	-
Public Works	-	-	2,642,831
Solid Waste	-	-	-
Building and Community Development	940,814	-	-
Capital Outlay	16,288	72,811	4,534
Debt Service			
Principal Retirement	-	-	-
Interest and Fiscal Charges	-	-	-
Total Expenditures	2,076,568	5,399,706	2,647,365
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,961,008	942,782	244,657
<b>Other Financing Sources (Uses)</b>			
Disposal of Capital Assets	-	19,983	15,300
Transfers In	1,028	-	-
Transfers Out	(1,480,000)	(1,081,983)	(210,000)
	(1,478,972)	(1,062,000)	(194,700)
Net Change in Fund Balances	482,036	(119,218)	49,957
Fund Balances - Beginning	1,974,361	3,356,510	1,530,772
Fund Balances - Ending	2,456,397	3,237,292	1,580,729

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



Revenue		Capital Projects		
Garbage Disposal	Motor Fuel Tax	Capital Development	Nonmajor	Totals
314,743	-	11,745	415,108	3,541,613
-	551,805	-	-	8,574,815
246,178	-	444,262	-	1,309,070
-	-	-	1,472	1,472,717
-	-	-	-	190,094
51	218	57,142	72	59,032
-	-	290,285	-	457,826
560,972	552,023	803,434	416,652	15,605,167
-	-	-	107,026	1,226,492
-	-	-	264,018	5,590,913
-	793,869	119,827	397,699	3,954,226
1,358,153	-	-	-	1,358,153
-	-	-	85,222	1,026,036
-	-	5,182,278	-	5,275,911
-	-	-	690,000	690,000
-	-	-	375	375
1,358,153	793,869	5,302,105	1,544,340	19,122,106
(797,181)	(241,846)	(4,498,671)	(1,127,688)	(3,516,939)
-	-	-	-	35,283
790,000	-	1,531,983	1,140,375	3,463,386
-	-	-	(1,028)	(2,773,011)
790,000	-	1,531,983	1,139,347	725,658
(7,181)	(241,846)	(2,966,688)	11,659	(2,791,281)
383,797	1,944,843	8,554,389	176,214	17,920,886
376,616	1,702,997	5,587,701	187,873	15,129,605

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

## VILLAGE OF FRANKFORT, ILLINOIS

### Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities - Governmental Activities

For the Fiscal Year Ended April 30, 2015

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Net Change in Fund Balances - Total Governmental Funds	\$ (2,791,281)
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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	3,414,580
Depreciation Expense	(3,761,447)

The net effect of various transactions involving capital assets  
is to decrease net position

Disposals - Cost	(152,808)
Disposals - Accumulated Depreciation	152,808

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.

Deductions in Compensated Absences Payable	49,264
Additions to Net Pension Obligation	(12,434)
Additions to Net Other Post-Employment Benefit Obligation Payable	(2,344)
Retirement of Debt	690,000

Capital Appreciation Bonds Appreciate Over the Life of the Bond and the Current Year's  
Amortized Capital Appreciation is Recorded as an Interest Expense in the  
Government-Wide Statements.

	<u>(26,231)</u>
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**Changes in Net Position of Governmental Activities**

	<u><u>(2,439,893)</u></u>
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The notes to the financial statements are an integral part of this statement.

**VILLAGE OF FRANKFORT, ILLINOIS**

**Statement of Net Position - Proprietary Funds  
April 30, 2015**

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**See Following Page**

**VILLAGE OF FRANKFORT, ILLINOIS**

**Statement of Net Position - Proprietary Fund  
April 30, 2015**

	<u>Business-Type Activities Waterworks and Sewerage</u>
<b>ASSETS</b>	
Current Assets	
Cash and Investments	\$ 13,632,675
Receivables - Net of Allowances	
Accounts	1,050,608
Accrued Interest	<u>5,797</u>
Total Current Assets	<u>14,689,080</u>
Noncurrent Assets	
Capital Assets	
Nondepreciable Capital Assets	2,580,859
Depreciable Capital Assets	118,371,900
Accumulated Depreciation	<u>(38,288,662)</u>
Total Noncurrent Assets	<u>82,664,097</u>
Total Assets	<u>97,353,177</u>

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

	Business-Type Activities Waterworks and Sewerage
<b>LIABILITIES</b>	
Current Liabilities	
Accounts Payable	\$ 532,008
Retainage Payable	669,447
Accrued Payroll	63,347
Current Portion of Long-Term Debt	<u>116,143</u>
Total Current Liabilities	<u>1,380,945</u>
Noncurrent Liabilities	
Compensated Absences Payable	78,550
IEPA Loans Payable	<u>1,447,595</u>
Total Noncurrent Liabilities	<u>1,526,145</u>
Total Liabilities	<u>2,907,090</u>
<b>NET POSITION</b>	
Net Investment in Capital Assets	81,119,996
Unrestricted	<u>13,326,091</u>
Total Net Position	<u>94,446,087</u>

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

**VILLAGE OF FRANKFORT, ILLINOIS**

**Statement of Revenues, Expenses and Changes in Net Position - Proprietary Fund  
For the Fiscal Year Ended April 30, 2015**

	<u>Business-Type Activities Waterworks and Sewerage</u>
Operating Revenues	
Charges for Services	<u>\$ 7,638,725</u>
Operating Expenses	
Personnel	2,131,677
Contractual Services	1,926,247
Commodities	1,407,602
Capital Improvements	348,631
Miscellaneous	6,420
Depreciation	<u>2,496,748</u>
Total Operating Expenses	<u>8,317,325</u>
Operating (Loss)	<u>(678,600)</u>
Nonoperating Revenues	
Other Income	29,327
Interest Income	<u>59,295</u>
	<u>88,622</u>
Income (Loss) Before Transfers	(589,978)
Transfers Out	<u>(690,375)</u>
Change in Net Position	(1,280,353)
Net Position - Beginning	<u>95,726,440</u>
Net Position - Ending	<u>94,446,087</u>

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

## VILLAGE OF FRANKFORT, ILLINOIS

### Statement of Cash Flows - Proprietary Fund For the Fiscal Year Ended April 30, 2015

	Business-Type Activities <u>Waterworks and Sewerage</u>
Cash Flows from Operating Activities	
Receipts from Customers and Users	\$ 7,507,215
Payments to Employees	(1,478,739)
Payments to Suppliers	(3,421,683)
	<u>2,606,793</u>
Cash Flows from Noncapital Financing Activities	
Transfers Out	<u>(690,375)</u>
Cash Flows from Capital and Related Financing Activities	
Purchase of Capital Assets	(8,330,431)
Payment of Bond Principal	(96,506)
	<u>(8,426,937)</u>
Cash Flows from Investing Activities	
Interest Received	<u>59,295</u>
Net Change in Cash and Cash Equivalents	(6,451,224)
Cash and Cash Equivalents - Beginning	<u>20,083,899</u>
Cash and Cash Equivalents - Ending	<u><u>13,632,675</u></u>
Reconciliation of Operating Income to Net Cash	
Provided (Used) by Operating Activities	
Operating Income (Loss)	<u>(678,600)</u>
Adjustments to Reconcile Operating Income to Net Income to Net Cash	
Provided by (Used In) Operating Activities:	
Depreciation	2,496,748
Other Income	29,327
(Increase) Decrease in Current Assets	(160,837)
Increase (Decrease) in Current Liabilities	<u>920,155</u>
Net Cash Provided by Operating Activities	<u><u>2,606,793</u></u>

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

**VILLAGE OF FRANKFORT, ILLINOIS**

**Statement of Net Position - Fiduciary Fund  
April 30, 2015**

	<u>Pension Trust Police Pension</u>
<b>ASSETS</b>	
Cash and Cash Equivalents	\$ 1,424,664
Investments	
U.S. Agency Obligations	2,103,590
Corporate Bonds	1,073,628
Mutual Funds	5,965,700
Receivables - Net of Allowances	
Accrued Interest	29,813
Prepays	<u>517</u>
Total Assets	10,597,912
<b>LIABILITIES</b>	
Accounts Payable	<u>15,485</u>
<b>NET POSITION</b>	
Net Plan Position Held in Trust for Pension Benefits	<u><u>10,582,427</u></u>

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



## VILLAGE OF FRANKFORT, ILLINOIS

### Statement of Changes in Net Position - Fiduciary Fund For the Fiscal Year Ended April 30, 2015

	Pension Trust Police Pension
Additions	
Contributions - Employer	\$ 774,820
Contributions - Plan Members	228,686
Total Contributions	<u>1,003,506</u>
Investment Income	
Interest Earned	313,234
Net Change in Fair Value	<u>395,346</u>
	708,580
Less Investment Expenses	<u>(30,549)</u>
Net Investment Income	<u>678,031</u>
Total Additions	<u>1,681,537</u>
Deductions	
Administration	29,442
Benefits and Refunds	<u>531,926</u>
Total Deductions	<u>561,368</u>
Change in Net Position	1,120,169
Net Plan Position Held in Trust for Pension Benefits	
Beginning	<u>9,462,258</u>
Ending	<u><u>10,582,427</u></u>

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

## VILLAGE OF FRANKFORT, ILLINOIS

### Notes to the Financial Statements April 30, 2015

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#### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Frankfort (Village), Illinois, a non home rule village, was founded in 1855. The Village Board is composed of the Mayor and six trustees which form the legislative branch of the Village. The financial statements of the Village include all operations of the Village. The Village provides a wide range of general municipal services, including police protection, crime prevention, community planning and zoning, building inspection and safety, street building and maintenance, traffic control, animal control, street lighting, storm water control and solid waste disposal service. In addition water and sewer services are provided under an enterprise fund concept, with user charges set by the Village Board to ensure adequate coverage of operating expenses and payments on outstanding debt.

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 Frankfort

In determining the financial reporting entity, the Village complies with the provisions of GASB Statement No. 61, "The Financial Reporting Omnibus – an Amendments of GASB Statement 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 six-member pension board. The Village Treasurer, two appointed community members, 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.

# **VILLAGE OF FRANKFORT, ILLINOIS**

## **Notes to the Financial Statements April 30, 2015**

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### **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 protection, crime prevention, community planning and zoning, building inspection and safety, street building and maintenance, traffic control, animal control, street lighting, storm water control and solid waste disposal service, and general administrative services are classified as governmental activities. The Village's waterworks and sewerage services 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 (general government, public safety, public works, solid waste, building and community development, etc.). The functions are supported by general government revenues (property, sales, income and replacement 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) changes 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 tax, sales tax, intergovernmental revenues, interest income, etc.). The Village allocates indirect costs to the proprietary funds for personnel who perform administrative services for those funds, along with other indirect costs deemed necessary for their operations, but are paid through the General Fund. This government-wide focus concentrates 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.

# VILLAGE OF FRANKFORT, ILLINOIS

## Notes to the Financial Statements April 30, 2015

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

#### BASIS OF PRESENTATION – Continued

##### 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 comprises 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. 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 single column in the fund financial statements. A fund is considered major if it is the 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 fund 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 is used to account for all financial resources except those required to be accounted for in another fund. The General Fund is a major fund.

# VILLAGE OF FRANKFORT, ILLINOIS

## Notes to the Financial Statements April 30, 2015

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

#### BASIS OF PRESENTATION – Continued

#### Fund Financial Statements – Continued

#### Governmental Funds – Continued

**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 seven special revenue funds. The Police Protection Fund, a major fund, is used to account for the financial resources related to providing police protection and related services to the Village residents. This fund includes property taxes levied for police protection. The Street and Bridge Fund, a major fund, is used to account for the financial resources related to maintaining the roadways of the Village. This fund includes property taxes levied for street and bridge maintenance. The Garbage Disposal Fund, a major fund, is used to account for the financial resources related to providing solid waste disposal services to the Village residents. This fund includes property taxes levied for garbage disposal. The Motor Fuel Tax Fund, a major fund, is used to account for the financial resources related to maintaining highways and streets throughout the Village. This fund includes motor fuel allotments.

**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 debt service fund.

**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 one capital projects fund. The Capital Development Fund, a major fund, is used to account for financial resources earmarked or segregated for the acquisition or construction of capital assets, except those financed and accounted for in other 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. The following is a description of the proprietary fund of the Village:

**Enterprise funds** are required to 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 Waterworks and Sewerage Fund is used to account for the provision of water and sewer services to the residents of the Village and the sale of water to various other municipalities. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations and maintenance, financing and related debt service, billing and collection.

# **VILLAGE OF FRANKFORT, ILLINOIS**

## **Notes to the Financial Statements April 30, 2015**

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### **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 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 is used to account for the accumulation of resources to be used for disability and retirement annuity payments to employees covered by the plan. Financing is provided by employee contributions, the Village's contribution and investment income.

The Village's pension trust fund is 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 this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets/deferred outflows and liabilities/deferred inflows (whether current or noncurrent) associated with their activities are reported. Proprietary and pension trust fund equity is classified as net position.

# VILLAGE OF FRANKFORT, ILLINOIS

## Notes to the Financial Statements April 30, 2015

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### 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, both 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, franchise taxes, licenses, 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 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 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 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 FRANKFORT, ILLINOIS**

### **Notes to the Financial Statements April 30, 2015**

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#### **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 reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on national exchanges are valued at the last reported sales price. Investments that do not have any established market, if any, are reported at estimated fair value.

##### **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 occur 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. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

##### **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, franchise taxes, and grants. Business-type activities report waterworks and sewerage charges as their major receivables.

##### **Capital Assets**

Capital assets purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. 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, traffic signals and signs are capitalized. The valuation basis for general capital assets are historical cost, or where historical cost is not available, estimated historical cost based on replacement costs.



# VILLAGE OF FRANKFORT, ILLINOIS

## Notes to the Financial Statements April 30, 2015

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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

##### Capital Assets – Continued

Capital assets in the proprietary funds are capitalized in the fund in which they are utilized. The valuation basis for proprietary fund capital assets are the same as those used for the general capital assets. Donated capital assets are capitalized at estimated fair market 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, Improvements, Infrastructure	7 - 50 Years
Machinery and Equipment	5 - 10 Years
Transportation Equipment	5 - 10 Years
Water and Sewer Systems	20 - 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.

##### 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.

## VILLAGE OF FRANKFORT, ILLINOIS

### Notes to the Financial Statements

April 30, 2015

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#### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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

##### 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 legislations.

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

The Annual appropriations ordinance (budget) is adopted on a basis consistent with accounting principles generally accepted in the United States of America for all funds. The budget appropriations lapse at the end of each fiscal year. The Village does not utilize an encumbrance system. The Village follows these procedures in establishing the budgetary data reflected in the financial statements:

- The Village Board adopts an Appropriations Ordinance which includes a budget for all funds utilized by the Village. This ordinance serves an appropriation authorization.
- Public budget hearings are conducted to obtain taxpayer comments.
- The budget is legally enacted through passage of an ordinance. The budget for the period May 1, 2014 to April 30, 2015 was adopted through the passage of ordinance number 2910 on July 7, 2014.
- The Village Administrator 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 Village Board.

# VILLAGE OF FRANKFORT, ILLINOIS

## Notes to the Financial Statements April 30, 2015

### NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY – Continued

#### BUDGETARY INFORMATION – Continued

- Budgets are adopted on the modified accrual basis of accounting for governmental funds and the accrual basis of accounting for enterprise and fiduciary funds. The level of control (level at which expenditures may not exceed budget/appropriations) is the fund. Appropriations lapse at the end of the fiscal year.
- Budgeted amounts are as originally adopted by the Village Board.

#### EXCESS OF ACTUAL EXPENDITURES OVER BUDGET IN INDIVIDUAL FUNDS

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

<u>Fund</u>	<u>Excess</u>
Police Protection	\$ 595,571
Street and Bridge	111,115
Motor Fuel Tax	43,869
Capital Development	122,105
Vehicle Tax	40,249
Police Pension	3,868

### 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 – Statutes authorize 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 Metropolitan Investment Fund.

The deposits and investments of the Pension Fund are held separately from those of other Village funds. Statutes authorize 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

## VILLAGE OF FRANKFORT, ILLINOIS

### Notes to the Financial Statements April 30, 2015

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#### NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

##### DEPOSITS AND INVESTMENTS – Continued

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. Although not registered with the SEC, Illinois Funds operates in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in Illinois Funds are valued at the share price, the price for which the investment could be sold.

The Illinois Metropolitan Investment Fund (IMET) is a non-for-profit investment trust formed pursuant to the Illinois Municipal Code. IMET is managed by a Board of Trustees elected from the participating members. IMET is not registered with the SEC as an Investment Company. Investments in IMET are valued at the share price, the price for which the investment could be sold.

##### **Village Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk**

*Deposits.* At year-end, the carrying amount of the Village's deposits for governmental and business-type activities totaled \$1,088,474 and the bank balances totaled \$2,079,883. The Village also has \$13,804,969 invested in the Illinois Funds with an average maturity of less than one year and \$13,215,289 invested in Illinois Metropolitan Investment Trust with an average maturity of one to three years.

*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 manages its exposure to declines in fair value by diversification of investments and maturities.

## VILLAGE OF FRANKFORT, ILLINOIS

### Notes to the Financial Statements April 30, 2015

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#### NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

##### DEPOSITS AND INVESTMENTS – Continued

##### **Village Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued**

*Credit Risk.* Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Village's investment program is derived from the terms and provisions of the Illinois Compiled Statutes Public Funds Investment Act (30 ILCS 235) which allows investment in instruments of the United States of America or its agencies, money market mutual funds with a minimum AA rating by at least two of the three largest credit rating agencies, public treasurer's investment pool, and commercial paper with one of the three highest classifications by at least two of the three standard credit rating agencies. Commercial paper cannot exceed 180 days in maturity, 10% of the total outstanding paper of the issuing corporation, or one-third of the cost of the portfolio. The Village's investment in the Illinois Funds was rated AAAm by Standard & Poor's. The Illinois Metropolitan Investment Trust Convenience Fund is not rated and the Illinois Metropolitan Investment Trust 1-3 Year Fund is rated Aaa by Moody'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 protects the Village from custodial credit risk by requiring funds on deposit (checking accounts, certificates of deposit, etc.), in excess of FDIC limits, to be secured by some form of collateral, witnessed by written agreement and held at an independent, third party institution in the name of the Village and requires the amount of collateral provided to be at a minimum of 110% of the fair value of the principal and accrued interest. At year-end, \$8,872 of the bank balance of deposits was not covered by 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. The Village's investment policy does not address custodial credit risk for investments. The Village's investment in the Illinois Funds and IMET 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 provides that no more than 65% of the Village's portfolio will be invested in a single security type and no more than 50% will be invested in a single financial institution. At year-end, the Village has over 5 percent of the total cash and investment portfolio (other than U.S. Government guaranteed obligations) invested in the Illinois Funds and the Illinois Metropolitan Investment Fund.

##### **Police Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk**

*Deposits.* At year-end, the carrying amount of the Fund's deposits totaled \$1,411,180 and the bank balances totaled \$1,411,180.

## VILLAGE OF FRANKFORT, ILLINOIS

### Notes to the Financial Statements April 30, 2015

#### NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

##### DEPOSITS AND INVESTMENTS – Continued

##### Police Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

*Investments.* The Fund has the following investment fair values and maturities:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1 to 5	6 to 10	More Than 10
U.S. Agencies	\$ 2,103,590	-	1,640,259	463,331	-
Corporate Bonds	1,073,628	686,345	-	152,557	234,726
Illinois Funds	13,484	13,484	-	-	-
	<u>3,190,702</u>	<u>699,829</u>	<u>1,640,259</u>	<u>615,888</u>	<u>234,726</u>

*Interest Rate Risk.* The Fund's investment policy requires an investment time horizon in excess of five years be used, thereby, allowing the Fund to tolerate moderate interim fluctuations in fair value and rates in order to achieve its long-term objectives.

*Credit Risk.* The Village's investment program is derived from the terms and provisions of the Illinois Compiled Statutes Public Funds Investment Act (40 ILCS 1/5-113) which allows investment in instruments of the United States of America or its agencies, savings accounts, certificates of deposits, public treasurer's investment pool, interest bearing bonds of any county, township or municipal corporation, money market mutual funds, certain short-term obligations of U.S. corporations, common stocks, and general or separate accounts of life insurance companies authorized to transact business in Illinois. At year-end, the Fund's investments in U.S. Agency securities were all rated AA+ rated by Standard & Poor's.

*Custodial Credit Risk.* For deposits, the Fund's investment policy does not address custodial credit risk. At year-end, the entire amount of the bank balance of deposits was covered by federal depository or equivalent insurance. For investments, custodial credit risk is not specifically defined in the Fund's investment policy.

*Concentration Risk.* The Fund's investment policy states that the Fund's total investment in authorized items is not allowed to exceed 35% of the market value of the net present assets reported in its most recent annual report. Investment in the common stock of any one corporation is limited to 5% and insurance contracts may not exceed 10% of the market value of the Fund. At year-end the Fund is in compliance with its investment policy. In addition to the securities and fair values listed above, the Fund also has \$5,965,700 invested in mutual funds. At year-end, the Fund does not have any investments over 5 percent of net plan position available for retirement benefits (other than U.S. Government guaranteed obligations).

# VILLAGE OF FRANKFORT, ILLINOIS

## Notes to the Financial Statements April 30, 2015

### NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

#### DEPOSITS AND INVESTMENTS – Continued

##### Police Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

The Fund's investment policy in accordance with Illinois Compiled Statutes (ILCS) establishes the following target allocation across asset classes:

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed Income	33%	5.70%
Domestic Equities	50%	8.54-9.20%
International Equities	10%	6.10%
Real Estate	5%	10.30%
Cash and Cash Equivalents	0%	0.00%

Illinois Compiled Statutes (ILCS) limit the Fund's investments in equities, mutual funds and variable annuities to 55%. Securities in any one company should not exceed 5% of the total fund.

The long-term expected rate of return on the Fund's investments was determined using an asset allocation study conducted by the Fund's investment management consultant in June 2015 in which best-estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding the expected inflation. Best estimates or arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of April 30, 2015 are listed in the table above.

#### Rate of Return

For the year ended April 30, 2015, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 6.79%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

#### PROPERTY TAXES

Property taxes for 2014 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 Will/Cook County and are payable in two installments, on or about May 1 and August 1. The County collects such taxes and remits them periodically. The allowance for uncollectible taxes has been stated at 1% of the tax levy, to reflect actual collection experience.

# VILLAGE OF FRANKFORT, ILLINOIS

## Notes to the Financial Statements April 30, 2015

### NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

#### CAPITAL ASSETS

##### Governmental Activities

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
<b>Nondepreciable Capital Assets</b>				
Land	\$ 29,848,127	1,111,452	-	30,959,579
Construction in Progress	577,984	-	494,013	83,971
	<u>30,426,111</u>	<u>1,111,452</u>	<u>494,013</u>	<u>31,043,550</u>
<b>Depreciable Capital Assets</b>				
Buildings and Improvements	6,460,729	2,326,367	-	8,787,096
Infrastructure	126,336,350	21,893	-	126,358,243
Equipment	1,500,417	97,843	-	1,598,260
Transportation Equipment	3,014,842	351,038	152,808	3,213,072
	<u>137,312,338</u>	<u>2,797,141</u>	<u>152,808</u>	<u>139,956,671</u>
<b>Less Accumulated Depreciation</b>				
Buildings and Improvements	1,608,585	197,900	-	1,806,485
Infrastructure	45,904,558	3,195,394	-	49,099,952
Equipment	1,167,725	118,348	-	1,286,073
Transportation Equipment	1,581,942	249,805	152,808	1,678,939
	<u>50,262,810</u>	<u>3,761,447</u>	<u>152,808</u>	<u>53,871,449</u>
<b>Total Depreciable Capital Assets</b>	<u>87,049,528</u>	<u>(964,306)</u>	<u>-</u>	<u>86,085,222</u>
<b>Total Capital Assets</b>	<u>117,475,639</u>	<u>147,146</u>	<u>494,013</u>	<u>117,128,772</u>

Depreciation expense was charged to governmental activities as follows:

General Government	\$ 67,664
Public Safety	190,654
Public Works	3,424,530
Building and Community Development	<u>78,599</u>
	<u>3,761,447</u>



# VILLAGE OF FRANKFORT, ILLINOIS

## Notes to the Financial Statements April 30, 2015

### NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

#### CAPITAL ASSETS – Continued

##### Business-Type Activities

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

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 2,296,479	284,380	-	2,580,859
Depreciable Capital Assets				
Transportation Equipment	875,050	144,250	-	1,019,300
Water Distribution, Storm, and Sanitary System	109,450,799	7,901,801	-	117,352,600
	110,325,849	8,046,051	-	118,371,900
Less Accumulated Depreciation				
Transportation Equipment	547,225	99,911	-	647,136
Water Distribution, Storm, and Sanitary System	35,244,689	2,396,837	-	37,641,526
	35,791,914	2,496,748	-	38,288,662
Total Depreciable Capital Assets	74,533,935	5,549,303	-	80,083,238
Total Capital Assets	76,830,414	5,833,683	-	82,664,097

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

Waterworks and Sewerage	<u>\$ 2,496,748</u>
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# VILLAGE OF FRANKFORT, ILLINOIS

## Notes to the Financial Statements April 30, 2015

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### NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

#### INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

##### Interfund Transfers

Interfund transfers for the year consisted of the following:

Transfer In	Transfer Out	Amount
General	Nonmajor Governmental	\$ 1,028
Garbage Disposal	General	790,000
Capital Development	General	240,000
Capital Development	Police Protection	1,081,983
Capital Development	Street and Bridge	210,000
Nonmajor Governmental	General	450,000
Nonmajor Governmental	Waterworks and Sewerage	<u>690,375</u>
		<u>3,463,386</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

## VILLAGE OF FRANKFORT, ILLINOIS

### Notes to the Financial Statements April 30, 2015

#### NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

##### LONG-TERM DEBT

###### General Obligation Capital Appreciation Bonds

The Village issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the Village. General obligation capital appreciation bonds currently outstanding are as follows:

Issue	Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
General Obligation Capital Appreciation Bonds of 1996B - Due in annual installments of \$4,914 to \$650,654 plus interest at 5.886%, through January 1, 2015.	Debt Service	\$ 663,769	26,231	690,000	-

###### IEPA Loans Payable

The Village has entered into loan agreements with the IEPA to provide low interest financing for waterworks and sewerage improvements. IEPA loan currently outstanding are as follows:

Issue	Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
Illinois Environmental Protection Agency (IEPA) (L17-3468) Loan of 2011 - Due in annual installments of \$96,506 non-interest bearing through February 6, 2031.	Waterworks and Sewerage	\$ 1,640,607	-	96,506	1,544,101

# VILLAGE OF FRANKFORT, ILLINOIS

## Notes to the Financial Statements April 30, 2015

### NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

#### LONG-TERM DEBT – Continued

##### Long-Term Liability Activity

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

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
Governmental Activities					
Compensated Absences	\$ 548,885	49,264	98,528	499,621	99,924
Net Pension Obligation	657,499	12,434	-	669,933	-
Net Other Post-Employment Benefit Obligation	145,633	2,344	-	147,977	-
General Obligation Capital Appreciation Bonds	663,769	26,231	690,000	-	-
	<u>2,015,786</u>	<u>90,273</u>	<u>788,528</u>	<u>1,317,531</u>	<u>99,924</u>
Business-Type Activities					
Compensated Absences	88,185	20,004	10,002	98,187	19,637
IEPA Loan Payable	1,640,607	-	96,506	1,544,101	96,506
	<u>1,728,792</u>	<u>20,004</u>	<u>106,508</u>	<u>1,642,288</u>	<u>116,143</u>

For governmental activities, the General Fund makes payments on the compensated, the net pension obligation and the net other post-employment benefit obligation. Payments on the accrued interest on capital appreciation bonds and general obligation bonds are made by the Debt Service Fund.

For business-type activities, the Waterworks and Sewerage Fund makes payments on the compensated absences and the IEPA loan payable.

# VILLAGE OF FRANKFORT, ILLINOIS

## Notes to the Financial Statements April 30, 2015

### NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

#### LONG-TERM DEBT – Continued

##### Debt Service Requirements to Maturity

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

Fiscal Year	Business-Type Activities	
	IEPA	
	Loan Payable	
	Principal	Interest
2016	\$ 96,506	-
2017	96,506	-
2018	96,506	-
2019	96,506	-
2020	96,506	-
2021	96,506	-
2022	96,506	-
2023	96,506	-
2024	96,506	-
2025	96,506	-
2026	96,506	-
2027	96,506	-
2028	96,506	-
2029	96,506	-
2030	96,506	-
2031	96,511	-
Total	1,544,101	-

## VILLAGE OF FRANKFORT, ILLINOIS

### Notes to the Financial Statements April 30, 2015

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#### NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

##### LONG-TERM DEBT – Continued

##### Legal Debt Margin

Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes provides, "...no municipality having a population of less than 500,000 shall become indebted in any manner or for any purpose, to an amount, including existing indebtedness in the aggregate exceeding 8.625% on the value of the taxable property therein, to be ascertained by the last assessment for state and county purposes, previous to the incurring of the indebtedness or, until January 1, 1983, if greater, the sum that is produced by multiplying the municipality's 1978 equalized assessed valuation by the debt limitation percentage in effect on January 1, 1979."

Assessed Valuation - 2014	<u>\$ 795,874,283</u>
Legal Debt Limit - 8.625% of Assessed Value	68,644,157
Amount of Debt Applicable to Limit	<u>-</u>
Legal Debt Margin	<u>68,644,157</u>

#### NET POSITION/FUND BALANCE

##### 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.

**Assigned Fund Balance.** The Village reports assigned fund balance in the Capital Development Fund, a major fund. The Village's Board/management has given authority to the Village Administrator through the Village's budget policy, to assign these funds to future improvement projects and equipment purchases based on approved Board/management expenditures as determined through the annual budget process.

**Minimum Fund Balance Policy.** The Villages policy manual states that the General Fund should maintain a minimum fund balance equal to 20% to 25% of budgeted operating expenditures or to keep an equivalent amount in the Capital Development Fund.

# VILLAGE OF FRANKFORT, ILLINOIS

## Notes to the Financial Statements April 30, 2015

### NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

#### NET POSITION/FUND BALANCE – Continued

#### Fund Balance Classifications – Continued

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

	General	Special Revenue			Motor Fuel Tax	Capital Projects		Totals
		Police Protection	Street and Bridge	Garbage Disposal		Capital Development	Nonmajor	
Fund Balances								
Restricted								
Motor Fuel Taxes								
Road Construction and Maintenance	\$ -	-	-	-	1,481,335	-	-	1,481,335
Steger Road STP Project	-	-	-	-	183,662	-	-	183,662
St. Francis Road Project	-	-	-	-	38,000	-	-	38,000
Police Protection	-	3,237,292	-	-	-	-	-	3,237,292
Road Construction and Maintenance	-	-	1,580,729	-	-	-	-	1,580,729
Garbage Disposal Services	-	-	-	376,616	-	-	-	376,616
Vehicle Tax	-	-	-	-	-	-	23,287	23,287
Illinois Municipal Retirement	-	-	-	-	-	-	63,237	63,237
Social Security	-	-	-	-	-	-	101,349	101,349
	-	3,237,292	1,580,729	376,616	1,702,997	-	187,873	7,085,507
Assigned								
Capital Projects	-	-	-	-	-	5,587,701	-	5,587,701
Unassigned	2,456,397	-	-	-	-	-	-	2,456,397
Total Fund Balances	2,456,397	3,237,292	1,580,729	376,616	1,702,997	5,587,701	187,873	15,129,605

#### Net Position Classifications

Net investment in capital assets was comprised of the following as of April 30, 2015:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	<u>\$ 117,128,772</u>
Business-Type Activities	
Capital Assets - Net of Accumulated Depreciation	82,664,097
Less Capital Related Debt:	
IEPA Loan Payable of 2011	<u>(1,544,101)</u>
Net Investment in Capital Assets	<u>81,119,996</u>

## **VILLAGE OF FRANKFORT, ILLINOIS**

### **Notes to the Financial Statements April 30, 2015**

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#### **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. In response to this exposure the Village has become a member of Southwest agency for Risk Management (SWARM) which is a risk management cooperative unit of government with eight member groups (villages and cities) that provides general liability insurance coverage. SWARM is self-sustaining through annual insurance premiums paid by its member groups. Excess claims are reinsured through commercial insurance. Any deficiencies incurred by SWARM in excess of reinsurance will be the responsibility of the members. Settled risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

##### **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 attorney, 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.



## **VILLAGE OF FRANKFORT, ILLINOIS**

### **Notes to the Financial Statements April 30, 2015**

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#### **NOTE 4 – OTHER INFORMATION – Continued**

##### **JOINT VENTURE**

###### **Lincoln-Way Public Safety Communications Center**

The Village is a member of the Lincoln-Way Public Safety Communications Center (the Center) which consists of three municipalities and five fire protection districts. The Center is a municipal corporation and public body politic and corporate established pursuant to the Constitution of the State of Illinois and the Intergovernmental Cooperation Act of the State of Illinois, as amended (the Act). The Center is empowered under the Act to provide a centralized public safety and emergency communications system to support the needs of all members.

The Center is governed by a Board of Directors (the Board), which consists of the Chief of Police of each member municipality and the Fire Chief of each member District. The Board makes all final decisions with regard to the administration of the Center and employees, including, but not limited to, the hiring and discharge of the employees, salaries, schedules, and purchase of equipment. Separate audited financial statements are available at 11000 W Lincoln Hwy, Frankfort, IL 60423.

In accordance with the intergovernmental agreement, the Village remitted \$324,756 to the Center for the year ended April 30, 2015, which is recorded in the Village's Police Protection Fund.

##### **EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS**

The Village contributes to two defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system; and the Police Pension Plan, which is a single-employer, pension plan. A copy of the Police Pension Plan report may be obtained by writing to the Village at 432 West Nebraska Street, Frankfort, Illinois 60423. IMRF also issues 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](http://www.imrf.org). 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 FRANKFORT, ILLINOIS

## Notes to the Financial Statements April 30, 2015

### NOTE 4 – OTHER INFORMATION – Continued

#### EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

##### Plan Descriptions

##### Illinois Municipal Retirement System

All employees (other than those covered by the Police Pension plans) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. IMRF provides two tiers of pension benefits. Participating members hired before January 1, 2011 (Tier 1) who retire at or after age 60 (full benefits) or age 55 (reduced benefits) with 8 years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3 percent of their final rate (average of the highest 48 consecutive months' earnings during the last 10 years) of earnings, for each year of credited service up to 15 years, and 2 percent for each year thereafter. For participating members hired on or after January 1, 2011 (Tier 2) who retire at or after age 67 (full benefits) or age 62 (reduced benefits) with 10 years of credited service are entitled to an annual retirement benefit, payable monthly for life in an amount equal to 1-2/3 percent of their final rate (average of the highest 96 consecutive months' earnings during the last 10 years) of earnings, for each year of credited service up to 15 years, and 2 percent for each year thereafter. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute. Employees participating in the plan are required to contribute 4.50 percent of their annual covered salary to IMRF. The employees' contribution rate is established by state statute. The Village is required to contribute the remaining amount necessary to fund the IMRF plan as specified by statute. The employer contribution and annual required contribution rate for calendar year 2014 was 13.27 percent.

##### Police Pension Plan

*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 six-member pension board. The Village Treasurer, two appointed community members, one elected pension beneficiary and two elected police employees constitute the pension board.

*Plan Membership.* At April 30, 2015, the measurement date, membership consisted of the following:

Inactive Plan Members Currently Receiving Benefits	12
Inactive Plan Members Entitled to but not yet Receiving Benefits	0
Employees	
Vested	21
Nonvested	7
	<hr/>
Total	40
	<hr/>

## VILLAGE OF FRANKFORT, ILLINOIS

### Notes to the Financial Statements April 30, 2015

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#### NOTE 4 – OTHER INFORMATION – Continued

#### EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

#### Plan Descriptions, Provisions and Funding Policies – Continued

#### Police Pension Plan – Continued

*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  $\frac{1}{2}$  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.

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 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Police 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 1<sup>st</sup> 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 of  $\frac{1}{2}$  of the change in the Consumer Price Index for the proceeding 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 April 30, 2015, the Village's contribution was 34.4% of covered payroll.

# VILLAGE OF FRANKFORT, ILLINOIS

## Notes to the Financial Statements April 30, 2015

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### NOTE 4 – OTHER INFORMATION – Continued

#### EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

##### Summary of Significant Accounting Policies and Plan Asset Matters

*Basis of Accounting.* The financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are recognized as revenues when due, pursuant to formal commitments, as well as statutory or contractual requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

*Method Used to Value Investments.* Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on national exchanges are valued at the last reported sales price. Investments that do not have any established market, if any, are reported at estimated fair value.

*Significant Investments.* There are no investments in any one organization that represent 5 percent or more of net position available for benefits for the Police Pension Plan. Information for IMRF is not available.

*Related Party Transactions.* There are no securities of the employer or any other related parties included in plan assets.

##### Actuarial Assumptions

The total pension liability was determined by an actuarial valuation performed, as of April 30, 2015, using the following actuarial methods and assumptions:

	<u>Police Pension</u>
Actuarial Valuation Date	4/30/2015
Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market
Actuarial Assumptions	
Interest Rate	7.00%
Salary Increases	5.25-14.25%
Cost of Living Adjustments	3.00%
Inflation	3.00%

## VILLAGE OF FRANKFORT, ILLINOIS

### Notes to the Financial Statements April 30, 2015

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#### NOTE 4 – OTHER INFORMATION – Continued

#### EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

##### Actuarial Assumptions – Continued

Mortality rates were based on the L&A 2012 Illinois Police Table. The actuarial assumptions used in the December 31, 2013 valuation were based on the results of an actuarial experience study conducted by Lauterbach and Amen in September 2012.

##### Discount Rate

The discount rate used to measure the total pension liability was 7.00%, 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 sensitive analysis of the net pension liability to changes in the discount rate. The table below presents the pension liabilities calculated using the discount rate as well as what the net pension liabilities 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 (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Police Pension			
Net Pension Liability	\$ 13,689,063	10,209,673	7,393,487

# VILLAGE OF FRANKFORT, ILLINOIS

## Notes to the Financial Statements April 30, 2015

### NOTE 4 – OTHER INFORMATION – Continued

#### EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

##### Net Pension Liability

The components of the net pension liability of the Village's Police Pension Plan as of April 30, 2015, calculated in accordance with GASB Statement No. 67, were as follows:

	Police Pension
Total Pension Liability	\$ 20,792,100
Plan Fiduciary Net Position	10,582,427
Village's Net Pension Liability	10,209,673
Plan Fiduciary Net Position as a Percentage of the total Pension Liability	50.9%

See the Schedule of Changes in the Employer's Net Pension Liability and Related Ratios in the required supplementary information for additional information related to the funded status of the Fund.

##### Net Pension Obligation

Employer annual pension costs (APC), actual contributions and the net pension obligation (NPO) are as follows. The NPO is the cumulative difference between the APC and the contributions actually made.

	Police Pension
Annual Required Contribution	\$ 776,067
Interest on Net Pension Obligation (NPO)	46,025
Adjustment to Annual Required Contribution	(34,838)
Annual Pension Cost	787,254
Actual Contribution	774,820
Change in the NPO	12,434
NPO - Beginning	657,499
NPO - Ending	669,933

# VILLAGE OF FRANKFORT, ILLINOIS

## Notes to the Financial Statements April 30, 2015

### NOTE 4 – OTHER INFORMATION – Continued

#### EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

##### Annual Pension Costs

Employer contributions have been determined as follows:

	IMRF	Police Pension
Contribution Rates		
Employer	13.27%	30.52%
Employee	4.50%	9.91%
Actuarial Valuation Date	12/31/2014	4/30/2014
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Amortization Method	Level % of Projected Payroll Open Basis	Level % of Projected Payroll Closed Basis
Remaining Amortization Period	29 Years	26 Years
Asset Valuation Method	5-Year Smoothed Market	5-Year Smoothed Market
Actuarial Assumptions		
Investment Rate of Return	7.50% Compounded Annually	7.00% Compounded Annually
Projected Salary Increases	.4 to 10.0%	5.25-14.25%
Inflation Rate Included	4.00%	3.00%
Cost-of-Living Adjustments	3.00%	3.00%

# VILLAGE OF FRANKFORT, ILLINOIS

## Notes to the Financial Statements April 30, 2015

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### NOTE 4 – OTHER INFORMATION – Continued

#### EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

##### Trend Information

The trend information for each plan is as follows:

	Fiscal Year	IMRF	Police Pension
Annual Pension Cost (APC)	2013	\$ 431,278	\$ 670,891
	2014	487,647	776,067
	2015	497,493	787,254
Actual Contributions	2013	431,278	856,458
	2014	487,647	668,565
	2015	497,493	774,820
Percentage of APC Contributed	2013	100.00%	127.66%
	2014	100.00%	86.15%
	2015	100.00%	98.42%
Net Pension Obligation	2013	-	549,997
	2014	-	657,499
	2015	-	669,933



# VILLAGE OF FRANKFORT, ILLINOIS

## Notes to the Financial Statements April 30, 2015

### NOTE 4 – OTHER INFORMATION – Continued

#### EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

##### Funded Status and Funding Progress

The funded status for each plan is as follows. The actuarial assumptions used to determine the funded status of the plans are the same actuarial assumptions used to determine the employer APC as disclosed in the NPO calculation.

	Illinois Municipal Retirement	Police Pension
Actuarial Valuation Date	12/31/14	4/30/14
Percent Funded	70.09%	51.53%
Actuarial Accrued Liability for Benefits	\$10,770,999	\$18,583,066
Actuarial Value of Assets	\$7,548,917	\$9,575,325
Over (Under) Funded Actuarial Accrued Liability (UAAL)	(\$3,222,082)	(\$9,007,741)
Covered Payroll (Annual Payroll of Active Employees Covered by the Plan)	\$3,749,009	\$2,190,479
Ratio of UAAL to Covered Payroll	85.94%	411.22%

See the schedule of funding progress in the required supplementary information immediately following the notes to the financial statements for additional information related to the funded status of the plans.

# VILLAGE OF FRANKFORT, ILLINOIS

## Notes to the Financial Statements April 30, 2015

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### NOTE 4 – OTHER INFORMATION – Continued

#### OTHER POST-EMPLOYMENT BENEFITS

##### Plan Descriptions, Provisions, and Funding Policies

In addition to providing the pension benefits described, the Village provides post-employment health care insurance benefits (OPEB) for its eligible retired employees through the Health Insurance Plan for Retired Employees (HIPRE), a single employer defined benefit plan. The benefits, benefit levels, employee contributions and employer contributions are governed by the Village and can be amended by the Village through its personnel manual and union contracts. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The Village does not issue a separate report. The activity of the plan is reported in the Village's General Fund.

The Village provides limited health care insurance coverage of its eligible retired employees. Such coverage is provided for retired employees until they reach age 65. Retired employees are required to pay 100% of the premiums for such coverage.

All health care benefits are provided through the Village's health insurance plan. The benefit levels are the same as those afforded to active employees. Benefits include general inpatient and outpatient medical services; mental, nervous, and substance abuse care; vision care; dental care; and prescriptions. Upon a retiree reaching 65 years of age, Medicare becomes the primary insurer and the Village's plan becomes secondary.

All retirees contribute 100% of the actuarially determined premium to the plan. For the fiscal year ending April 30, 2015, retirees contributed \$40,648. Active employees do not contribute to the plan until retirement.

At April 30, 2015, the date of the most recent actuarial report, membership consisted of:

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them.	8
Active Employees	<u>85</u>
Total	<u>93</u>
Participating Employers	1

The Village does not currently have a funding policy.

# VILLAGE OF FRANKFORT, ILLINOIS

## Notes to the Financial Statements April 30, 2015

### NOTE 4 – OTHER INFORMATION – Continued

#### OTHER POST-EMPLOYMENT BENEFITS – Continued

##### Annual OPEB Costs and Net OPEB Obligation

The net OPEB obligation (NOPEBO) as of April 30, 2015, was calculated as follows:

Annual Required Contribution (ARC)	\$ 67,705
Interest on the NOPEBO	5,825
Adjustment to the ARC	<u>(8,422)</u>
Annual OPEB Cost	65,108
Actual Contribution	<u>62,764</u>
Increase in the NOPEBO	2,344
NOPEBO - Beginning	<u>145,633</u>
NOPEBO - Ending	<u><u>147,977</u></u>

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

##### Trend Information

The Village's annual OPEB cost, actual contributions, the percentage of annual OPEB cost contributed and the net OPEB obligation are as follows:

Fiscal Year	Annual OPEB Cost	Actual Contributions	Percentage of OPEB Cost Contributed	Net OPEB Obligation
2013	\$ 62,069	\$ 16,496	26.58%	\$ 98,774
2014	62,039	15,180	24.47%	145,633
2015	65,108	62,764	96.40%	147,977

## VILLAGE OF FRANKFORT, ILLINOIS

### Notes to the Financial Statements April 30, 2015

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#### NOTE 4 – OTHER INFORMATION – Continued

#### OTHER POST-EMPLOYMENT BENEFITS – Continued

##### Funded Status and Funding Progress

The funded status of the plan as of April 30, 2015 was as follows:

Actuarial Accrued Liability (AAL)	\$ 871,793
Actuarial Value of Plan Assets	\$ -
Unfunded Actuarial Accrued Liability (UAAL)	\$ 871,793
Funded Ratio (Actuarial Value of Plan Assets/AAL)	0.00%
Covered Payroll (Active Plan Members)	\$ 5,730,518
UAAL as a Percentage of Covered Payroll	15.21%

##### Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the April 30, 2015 actuarial valuation the entry age actuarial cost method was used. The actuarial assumptions included a 4.0% investment rate of return (including a 3.0% inflation assumption) and an annual healthcare cost trend rate of 7.9%, with an ultimate rate of 5.0%. The actuarial value of assets was not determined as the Village has not advance funded its obligation. The plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at April 30, 2015, was 30 years.

## **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 of Funding Progress and Employer Contributions
  - Illinois Municipal Retirement Fund (IMRF)
  - Police Pension Fund
  - Health Insurance Plan for Retired Employees
- Schedule of Employer Contributions
  - Police Pension Fund
- Schedule of Changes in the Employer's Net Pension Liability
  - Police Pension Fund
- Schedule of Investment Returns
  - Police Pension Fund
- Budgetary Comparison Schedules
  - General Fund
  - Police Protection – Special Revenue Fund
  - Street and Bridge – Special Revenue Fund
  - Garbage Disposal – Special Revenue Fund
  - Motor Fuel Tax – 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 FRANKFORT, ILLINOIS**

**Illinois Municipal Retirement Fund**

**Required Supplementary Information  
Schedule of Funding Progress and Employer Contributions  
April 30, 2015**

**Funding Progress**

Actuarial Valuation Dec. 31	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
2009	\$ 5,736,911	\$ 8,060,965	71.17%	\$ 2,324,054	\$ 3,113,745	74.64%
2010	4,854,640	7,423,997	65.39%	2,569,357	3,076,361	83.52%
2011	5,388,124	8,261,530	65.22%	2,873,406	3,014,645	95.31%
2012	6,117,921	9,018,108	67.84%	2,900,187	3,160,428	91.77%
2013	7,443,191	9,953,645	74.78%	2,510,454	3,420,153	73.40%
2014	7,548,917	10,770,999	70.09%	3,222,082	3,749,009	85.94%

**Employer Contributions**

Fiscal Year	Employer Contributions	Annual Required Contribution	Percent Contributed
2010	\$ 345,278	\$ 345,278	100.00%
2011	364,975	364,975	100.00%
2012	387,171	387,171	100.00%
2013	431,278	431,278	100.00%
2014	487,647	487,647	100.00%
2015	497,493	497,493	100.00%

# VILLAGE OF FRANKFORT, ILLINOIS

## Police Pension Fund

### Required Supplementary Information Schedule of Funding Progress and Employer Contributions April 30, 2015

#### Funding Progress

Actuarial Valuation Apr. 30	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
2009	\$ 4,788,480	\$ 12,005,124	39.89%	\$ 7,216,644	\$ 1,942,377	371.54%
2010	5,838,392	13,198,652	44.23%	7,360,260	2,055,889	358.01%
2011	6,710,373	14,691,337	45.68%	7,980,964	2,227,493	358.29%
2012	7,654,207	15,832,343	48.35%	8,178,136	2,288,749	357.32%
2013	8,853,416	17,478,352	50.65%	8,624,936	2,141,564	402.74%
2014	9,575,325	18,583,066	51.53%	9,007,741	2,190,479	411.22%

#### Employer Contributions

Fiscal Year	Employer Contributions	Annual Required Contribution	Percent Contributed
2010	\$ 265,290	\$ 265,290	100.00%
2011	283,427	283,427	100.00%
2012	283,427	283,427	100.00%
2013	670,891	670,891	100.00%
2014	668,565	662,582	100.90%
2015	774,820	776,067	99.84%

# VILLAGE OF FRANKFORT, ILLINOIS

## Health Insurance Plan for Retired Employees

### Required Supplementary Information Schedule of Funding Progress and Employer Contributions April 30, 2015

#### Funding Progress

Actuarial Valuation Apr. 30	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
2010	\$ -	\$ 631,457	0.00%	\$ 631,457	\$ 3,113,745	20.28%
2011	N/A	N/A	N/A	N/A	N/A	N/A
2012	-	1,082,581	0.00%	1,082,581	3,014,645	35.91%
2013	N/A	N/A	N/A	N/A	N/A	N/A
2014	N/A	N/A	N/A	N/A	N/A	N/A
2015	-	871,793	0.00%	871,793	5,730,518	15.21%

#### Employer Contributions

Fiscal Year	Employer Contributions	Annual Required Contribution	Percent Contributed
2010	\$ 16,496	\$ 29,525	55.87%
2011	16,496	29,525	55.87%
2012	16,496	29,525	55.87%
2013	16,498	59,409	27.77%
2014	15,179	59,409	25.55%
2015	62,764	67,705	92.70%

The Village is required to have an actuarial valuation performed triennially.

N/A - Not Available.



## VILLAGE OF FRANKFORT, ILLINOIS

### Police Pension Fund

#### Required Supplementary Information Schedule of Employer Contributions April 30, 2015

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered-Employee Payroll	Contributions as a Percentage of Covered-Employee Payroll
2015	\$ 776,067	\$ 774,820	\$ (1,247)	\$ 2,252,880	34.4%

#### Notes to the Required Supplementary Information:

Actuarial Valuation Date	April 30, 2015
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	26 Years
Asset Valuation Method	Market
Inflation	3.0%
Salary Increases	5.25-14.25%
Investment Rate of Return	7.0%
Retirement Age	See the Notes to the Financial Statements
Mortality	L&A 2012 Illinois Police

Note: The information presented above is formatted to comply with the requirement of GASB Statement No. 67.

## VILLAGE OF FRANKFORT, ILLINOIS

### Police Pension Fund

#### Required Supplementary Information Schedule of Changes in the Employer's Net Pension Liability April 30, 2015

	<u>2015</u>
Total Pension Liability	
Service Cost	\$ 517,324
Interest	1,343,788
Benefit Payments, Including Refunds of Member Contributions	<u>(531,926)</u>
Net Change in Total Pension Liability	1,329,186
Total Pension Liability - Beginning	<u>19,462,914</u>
Total Pension Liability - Ending	<u><u>20,792,100</u></u>
Plan Fiduciary Net Position	
Contributions - Employer	\$ 774,820
Contributions - Members	228,686
Net Investment Income	678,031
Benefit Payments, Including Refunds of Member Contributions	(531,926)
Administrative Expense	<u>(29,442)</u>
Net Change in Plan Fiduciary Net Position	1,120,169
Plan Net Position - Beginning	<u>9,462,258</u>
Plan Net Position - Ending	<u><u>10,582,427</u></u>
Employer's Net Pension Liability	<u><u>\$ 10,209,673</u></u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	50.9%
Covered-Employee Payroll	\$ 2,252,880
Employer's Net Pension Liability as a Percentage of Covered-Employee Payroll	453.2%

**VILLAGE OF FRANKFORT, ILLINOIS**

**Police Pension Fund**

**Required Supplementary Information**

**Schedule of Investment Returns**

**April 30, 2015**

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<b>Fiscal Year</b>	<b>Annual Money- Weighted Rate of Return, Net of Investment Expense</b>
2015	6.79%

# VILLAGE OF FRANKFORT, ILLINOIS

## General Fund

### Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual For the Fiscal Year Ended April 30, 2015

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 20,000	20,000	19,277
Intergovernmental			
State Sales	1,733,333	1,733,333	1,934,353
State Use	300,000	300,000	359,276
Charges for Services	55,000	55,000	189,584
Licenses and Permits	1,400,600	1,400,600	1,401,898
Fines and Forfeitures	2,500	2,500	5,150
Interest	1,000	1,000	483
Miscellaneous	58,000	58,000	127,555
Total Revenues	3,570,433	3,570,433	4,037,576
Expenditures			
General Government	1,426,100	1,426,100	1,119,466
Building and Community Development	1,072,450	1,072,450	940,814
Capital Outlay	84,000	84,000	16,288
Total Expenditures	2,582,550	2,582,550	2,076,568
Excess (Deficiency) of Revenues Over (Under) Expenditures	987,883	987,883	1,961,008
Other Financing Sources (Uses)			
Transfers In	25,000	25,000	1,028
Transfers Out	-	-	(1,480,000)
	25,000	25,000	(1,478,972)
Net Change in Fund Balance	1,012,883	1,012,883	482,036
Fund Balance - Beginning			1,974,361
Fund Balance - Ending			2,456,397

# VILLAGE OF FRANKFORT, ILLINOIS

## Police Protection - Special Revenue Fund

### Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual For the Fiscal Year Ended April 30, 2015

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 1,976,000	1,976,000	1,972,771
Intergovernmental			
State Sales	1,733,333	1,733,333	1,931,331
State Income	1,700,000	1,700,000	1,791,461
Replacement	40,000	40,000	45,777
Grants	20,000	20,000	21,020
Charges for Services	257,000	257,000	287,542
Licenses and Permits	69,100	69,100	69,347
Fines and Forfeitures	234,500	234,500	184,944
Interest	1,000	1,000	712
Miscellaneous	25,000	25,000	37,583
Total Revenues	6,055,933	6,055,933	6,342,488
Expenditures			
Public Safety	4,789,135	4,789,135	5,326,895
Capital Outlay	15,000	15,000	72,811
Total Expenditures	4,804,135	4,804,135	5,399,706
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,251,798	1,251,798	942,782
Other Financing Sources (Uses)			
Disposal of Capital Assets	10,000	10,000	19,983
Transfers Out	(776,000)	(776,000)	(1,081,983)
	(766,000)	(766,000)	(1,062,000)
Net Change in Fund Balance	485,798	485,798	(119,218)
Fund Balance - Beginning			3,356,510
Fund Balance - Ending			3,237,292

# VILLAGE OF FRANKFORT, ILLINOIS

## Street and Bridge - Special Revenue Fund

### Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual For the Fiscal Year Ended April 30, 2015

	Budget		
	Original	Final	Actual
Revenues			
Taxes			
Property Taxes	\$ 780,000	780,000	807,969
Intergovernmental			
State Sales	1,733,333	1,733,333	1,931,331
Replacement	8,000	8,000	8,461
Charges for Services	130,000	130,000	141,504
Interest	1,000	1,000	354
Miscellaneous	5,000	5,000	2,403
Total Revenues	<u>2,657,333</u>	<u>2,657,333</u>	<u>2,892,022</u>
Expenditures			
Public Works	2,528,750	2,528,750	2,642,831
Capital Outlay	7,500	7,500	4,534
Total Expenditures	<u>2,536,250</u>	<u>2,536,250</u>	<u>2,647,365</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>121,083</u>	<u>121,083</u>	<u>244,657</u>
Other Financing Sources (Uses)			
Disposal of Capital Assets	5,000	5,000	15,300
Transfers Out	-	-	(210,000)
	<u>5,000</u>	<u>5,000</u>	<u>(194,700)</u>
Net Change in Fund Balance	<u>126,083</u>	<u>126,083</u>	49,957
Fund Balance - Beginning			<u>1,530,772</u>
Fund Balance - Ending			<u>1,580,729</u>

# VILLAGE OF FRANKFORT, ILLINOIS

## Garbage Disposal - Special Revenue Fund

### Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual For the Fiscal Year Ended April 30, 2015

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 315,000	315,000	314,743
Charges for Services	267,500	267,500	246,178
Interest	500	500	51
Total Revenues	583,000	583,000	560,972
Expenditures			
Solid Waste	1,423,000	1,423,000	1,358,153
Excess (Deficiency) of Revenues Over (Under) Expenditures	(840,000)	(840,000)	(797,181)
Other Financing Sources			
Transfers In	-	-	790,000
Net Change in Fund Balance	(840,000)	(840,000)	(7,181)
Fund Balance - Beginning			383,797
Fund Balance - Ending			376,616

# VILLAGE OF FRANKFORT, ILLINOIS

## Motor Fuel Tax - Special Revenue Fund

### Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual For the Fiscal Year Ended April 30, 2015

	Budget		Actual
	Original	Final	
Revenues			
Intergovernmental			
Motor Fuel Tax Allotment	\$ 460,000	460,000	468,251
Grants	-	-	83,554
Interest	500	500	218
Total Revenues	460,500	460,500	552,023
Expenditures			
Public Works	750,000	750,000	793,869
Net Change in Fund Balance	(289,500)	(289,500)	(241,846)
Fund Balance - Beginning			1,944,843
Fund Balance - Ending			1,702,997



## **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 Schedule – Enterprise Fund
- Budgetary Comparison Schedule – Pension Trust Fund

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

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## **GENERAL FUND**

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

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## **SPECIAL REVENUE FUNDS**

Special Revenue Funds are created to account for the proceeds of specific revenue sources (other than fiduciary funds or capital project funds) that are legally restricted to expenditure for specified purposes.

### **Police Protection Fund**

The Police Protection Fund is used to account for the financial resources related to providing police protection and related services to the Village residents. This fund includes property taxes levied for police protection.

### **Street and Bridge Fund**

The Street and Bridge Fund is used to account for the financial resources related to maintaining the roadways of the Village. This fund includes property taxes levied for street and bridge maintenance.

### **Garbage Disposal Fund**

The Garbage Disposal Fund is used to account for the financial resources related to providing solid waste disposal services to the Village residents. This fund includes property taxes levied for garbage disposal.

### **Motor Fuel Tax Fund**

The Motor Fuel Tax Fund is used to account for the financial resources related to maintaining highways and streets throughout the Village. This fund includes motor fuel allotments.

### **Vehicle Tax Fund**

The Vehicle Tax Fund is used to account for street maintenance expenditures mainly for road salt and patching materials. This fund includes fees collected from vehicle sticker sales.

### **Illinois Municipal Retirement**

The Illinois Municipal Retirement Fund is used to account for the Village's participation in the Illinois Municipal Retirement Fund. Financing is provided by a specific annual property tax levy which produces a sufficient amount to pay the Village's contributions to the fund on behalf of its employees.

### **Social Security**

The Social Security Fund is used to account for revenues derived from a specific annual property tax levy and expenditures of these monies for payment of the Village's portion of Federal Social Security and Medicare taxes.

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

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## **DEBT SERVICE FUND**

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

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## **CAPITAL PROJECTS FUND**

Capital Projects Funds are created to account for all resources used for the acquisition of capital facilities by a governmental unit except those financed by Proprietary Funds.

### **Capital Development Fund**

The Capital Development Fund is used to account for financial resources earmarked or segregated for the acquisition or construction of capital assets, except those financed and accounted for in other funds.

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## **ENTERPRISE FUND**

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. The Village's enterprise fund is a non-major fund.

### **Waterworks and Sewerage Fund**

The Waterworks and Sewerage Fund is used to account for the provision of water and sewer services to the residents of the Village and the sale of water to various other municipalities. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations and maintenance, financing and related debt service, billing and collection.

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## **PENSION TRUST FUND**

### **Police Pension Fund**

The Police Pension Fund is used to account for the accumulation of resources to be used for retirement annuity payments to employees on the police force at appropriate amounts and times in the future. Resources are contributed by employees at rates fixed by law and by the Village at amounts determined by an annual actuarial study.

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# VILLAGE OF FRANKFORT, ILLINOIS

## General Fund

### Schedule of Expenditures - Budget and Actual For the Fiscal Year Ended April 30, 2015

	Budget		Actual
	Original	Final	
General Government			
Office of the Mayor			
Personnel	\$ 45,150	45,150	45,150
Professional Fees	75,000	75,000	103,423
Communication	35,200	35,200	28,648
Professional Development	52,000	52,000	54,922
Contractual Services	10,000	10,000	10,000
Supplies	1,000	1,000	656
Other	251,000	251,000	1,474
Administration			
Personnel	492,500	492,500	462,108
Maintenance	20,000	20,000	15,222
Professional Fees	1,000	1,000	352
Communication	25,000	25,000	24,106
Professional Development	100,000	100,000	94,575
Contractual Services	37,000	37,000	40,651
Supplies	37,500	37,500	31,799
Civil Defense			
Maintenance	12,500	12,500	8,300
Finance			
Personnel	163,750	163,750	145,098
Maintenance	1,000	1,000	969
Professional Fees	21,500	21,500	19,235
Communication	2,000	2,000	1,997
Professional Development	8,000	8,000	2,185
Contractual Services	13,500	13,500	11,290
Supplies	20,500	20,500	17,306
Other	1,000	1,000	-
Total General Government	1,426,100	1,426,100	1,119,466
Building and Community Development			
Planning			
Professional Fees	98,000	98,000	80,412
Building			
Personnel	332,700	332,700	334,855
Maintenance	67,500	67,500	81,836
Professional Fees	150,000	150,000	177,930

# VILLAGE OF FRANKFORT, ILLINOIS

## General Fund

### Schedule of Expenditures - Budget and Actual - Continued For the Fiscal Year Ended April 30, 2015

	Budget		Actual
	Original	Final	
Building and Community Development - Continued			
Building - Continued			
Communication	\$ 12,000	12,000	7,708
Professional Development	15,500	15,500	9,450
Contractual Services	22,300	22,300	21,379
Supplies	31,500	31,500	17,902
Other	5,000	5,000	4,974
Community Development			
Personnel	247,600	247,600	161,183
Maintenance	4,000	4,000	1,458
Communication	7,150	7,150	4,711
Professional Development	19,750	19,750	9,414
Contractual Services	15,600	15,600	15,523
Supplies	43,350	43,350	12,079
Other	500	500	-
Total Building and Community Development	1,072,450	1,072,450	940,814
Capital Outlay			
General Government			
Office of the Mayor	62,000	62,000	12,301
Administration	6,500	6,500	-
Civil Defense	12,500	12,500	-
Building and Community Development			
Building	2,000	2,000	3,740
Community Development	1,000	1,000	247
Total Capital Outlay	84,000	84,000	16,288
Total Expenditures	2,582,550	2,582,550	2,076,568

## VILLAGE OF FRANKFORT, ILLINOIS

### Capital Development - Capital Projects Fund

#### Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual For the Fiscal Year Ended April 30, 2015

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 11,000	11,000	11,745
Charges for Services	125,000	125,000	444,262
Interest	10,000	10,000	57,142
Miscellaneous	26,600	26,600	290,285
Total Revenues	172,600	172,600	803,434
Expenditures			
Public Works			
Professional Services	185,000	185,000	104,320
Other	100,000	100,000	15,507
Capital Outlay	4,895,000	4,895,000	5,182,278
Total Expenditures	5,180,000	5,180,000	5,302,105
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,007,400)	(5,007,400)	(4,498,671)
Other Financing Sources (Uses)			
Transfers In	-	-	1,531,983
Transfers Out	(200,000)	(200,000)	-
	(200,000)	(200,000)	1,531,983
Net Change in Fund Balance	(5,207,400)	(5,207,400)	(2,966,688)
Fund Balance - Beginning			8,554,389
Fund Balance - Ending			5,587,701

**VILLAGE OF FRANKFORT, ILLINOIS**

**Nonmajor Governmental Funds**

**Combining Balance Sheet  
April 30, 2015**

	Special Revenue	Debt Service	Totals
<b>ASSETS</b>			
Cash and Investments	\$ 210,457	-	210,457
Receivables - Net of Allowances			
Property Taxes	415,213	-	415,213
Total Assets	625,670	-	625,670
<b>LIABILITIES</b>			
Accounts Payable	22,584	-	22,584
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Property Taxes	415,213	-	415,213
Total Liabilities and Deferred Inflows of Resources	437,797	-	437,797
<b>FUND BALANCES</b>			
Restricted	187,873	-	187,873
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	625,670	-	625,670

# VILLAGE OF FRANKFORT, ILLINOIS

## Nonmajor Governmental Funds

### Combining Statement of Revenues, Expenditures and Changes in Fund Balances For the Fiscal Year Ended April 30, 2015

	Special Revenue	Debt Service	Totals
<b>Revenues</b>			
Taxes	\$ 415,108	-	415,108
Licenses and Permits	1,472	-	1,472
Interest	46	26	72
Total Revenues	416,626	26	416,652
<b>Expenditures</b>			
General Government	107,026	-	107,026
Public Safety	264,018	-	264,018
Public Works	397,699	-	397,699
Building and Community Development	85,222	-	85,222
Debt Service			
Principal Retirement	-	690,000	690,000
Interest and Fiscal Charges	-	375	375
Total Expenditures	853,965	690,375	1,544,340
Excess (Deficiency) of Revenues Over (Under) Expenditures	(437,339)	(690,349)	(1,127,688)
<b>Other Financing Sources</b>			
Transfers In	450,000	690,375	1,140,375
Transfers Out	-	(1,028)	(1,028)
	450,000	689,347	(1,028)
Net Change in Fund Balances	12,661	(1,002)	11,659
Fund Balances - Beginning	175,212	1,002	176,214
Fund Balances - Ending	187,873	-	187,873



**VILLAGE OF FRANKFORT, ILLINOIS****Nonmajor Governmental - Special Revenue Funds****Combining Balance Sheet****April 30, 2015**

	Vehicle Tax	Illinois Municipal Retirement	Social Security	Totals
<b>ASSETS</b>				
Cash and Investments	\$ 23,643	72,877	113,937	210,457
Receivables - Net of Allowances				
Property Taxes	-	215,090	200,123	415,213
Total Assets	23,643	287,967	314,060	625,670
<b>LIABILITIES</b>				
Accounts Payable	356	9,640	12,588	22,584
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Property Taxes	-	215,090	200,123	415,213
Total Liabilities and Deferred Inflows of Resources	356	224,730	212,711	437,797
<b>FUND BALANCES</b>				
Restricted	23,287	63,237	101,349	187,873
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	23,643	287,967	314,060	625,670

# VILLAGE OF FRANKFORT, ILLINOIS

## Nonmajor Governmental - Special Revenue Funds

### Combining Statement of Revenues, Expenditures and Changes in Fund Balances For the Fiscal Year Ended April 30, 2015

	Vehicle Tax	Illinois Municipal Retirement	Social Security	Totals
<b>Revenues</b>				
Taxes	\$ -	215,182	199,926	415,108
Licenses and Permits	1,472	-	-	1,472
Interest	1	21	24	46
Total Revenues	1,473	215,203	199,950	416,626
<b>Expenditures</b>				
General Government	-	67,139	39,887	107,026
Public Safety	-	44,458	219,560	264,018
Public Works	191,249	128,181	78,269	397,699
Building and Community Development	-	52,282	32,940	85,222
Total Expenditures	191,249	292,060	370,656	853,965
Excess (Deficiency) of Revenues Over (Under) Expenditures	(189,776)	(76,857)	(170,706)	(437,339)
Other Financing Sources				
Transfers In	200,000	80,000	170,000	450,000
Net Change in Fund Balances	10,224	3,143	(706)	12,661
Fund Balances - Beginning	13,063	60,094	102,055	175,212
Fund Balances - Ending	23,287	63,237	101,349	187,873

**VILLAGE OF FRANKFORT, ILLINOIS**

**Vehicle Tax - Special Revenue Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended April 30, 2015**

	Budget		Actual
	Original	Final	
Revenues			
Licenses and Permits	\$ 1,000	1,000	1,472
Interest	100	100	1
Total Revenues	1,100	1,100	1,473
Expenditures			
Public Works			
Supplies	1,000	1,000	-
Other	150,000	150,000	191,249
Total Expenditures	151,000	151,000	191,249
Excess (Deficiency) of Revenues Over (Under) Expenditures	(149,900)	(149,900)	(189,776)
Other Financing Sources			
Transfers In	75,000	75,000	200,000
Net Change in Fund Balance	(74,900)	(74,900)	10,224
Fund Balance - Beginning			13,063
Fund Balance - Ending			23,287

# VILLAGE OF FRANKFORT, ILLINOIS

## Illinois Municipal Retirement - Special Revenue Fund

### Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual For the Fiscal Year Ended April 30, 2015

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 215,000	215,000	215,182
Interest	50	50	21
Total Revenues	215,050	215,050	215,203
Expenditures			
General Government			
Office of the Mayor	6,000	6,000	5,278
Administration	47,000	47,000	46,152
Finance	16,000	16,000	15,709
Public Safety	47,000	47,000	44,458
Public Works	135,000	135,000	128,181
Building and Community Development			
Building	34,000	34,000	34,818
Community Development	28,000	28,000	17,464
Total Expenditures	313,000	313,000	292,060
Excess (Deficiency) of Revenues Over (Under) Expenditures	(97,950)	(97,950)	(76,857)
Other Financing Sources			
Transfers In	-	-	80,000
Net Change in Fund Balance	(97,950)	(97,950)	3,143
Fund Balance - Beginning			60,094
Fund Balance - Ending			63,237

# VILLAGE OF FRANKFORT, ILLINOIS

## Social Security - Special Revenue Fund

### Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual For the Fiscal Year Ended April 30, 2015

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 200,000	200,000	199,926
Interest	50	50	24
Total Revenues	200,050	200,050	199,950
Expenditures			
General Government			
Office of the Mayor	3,500	3,500	3,271
Administration	28,000	28,000	27,640
Finance	8,500	8,500	8,976
Public Safety	232,100	232,100	219,560
Public Works	86,000	86,000	78,269
Building and Community Development			
Building	23,000	23,000	22,254
Community Development	16,000	16,000	10,686
Total Expenditures	397,100	397,100	370,656
Excess (Deficiency) of Revenues Over (Under) Expenditures	(197,050)	(197,050)	(170,706)
Other Financing Sources			
Transfers In	-	-	170,000
Net Change in Fund Balance	(197,050)	(197,050)	(706)
Fund Balance - Beginning			102,055
Fund Balance - Ending			101,349

# VILLAGE OF FRANKFORT, ILLINOIS

## Debt Service Fund

### Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual For the Fiscal Year Ended April 30, 2015

	Budget		Actual
	Original	Final	
Revenues			
Interest	\$ -	-	26
Expenditures			
Debt service			
Principal Retirement	221,193	221,193	690,000
Interest and Fiscal Charges	470,307	470,307	375
Total Expenditures	691,500	691,500	690,375
Excess (Deficiency) of Revenues Over (Under) Expenditures	(691,500)	(691,500)	(690,349)
Other Financing Sources			
Transfers In	-	-	690,375
Transfers Out	-	-	(1,028)
	-	-	689,347
Net Change in Fund Balance	(691,500)	(691,500)	(1,002)
Fund Balance - Beginning			1,002
Fund Balance - Ending			-

# VILLAGE OF FRANKFORT, ILLINOIS

## Waterworks and Sewerage - Enterprise Fund

### Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual For the Fiscal Year Ended April 30, 2015

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services			
Water Sales and Sewer Fees	\$ 8,110,812	8,110,812	7,575,986
Sale of Water Meters	46,000	46,000	41,844
Miscellaneous	16,000	16,000	20,895
Total Operating Revenues	8,172,812	8,172,812	7,638,725
Operating Expenses			
Personnel	2,168,000	2,168,000	2,131,677
Contractual Services	2,272,200	2,272,200	1,926,247
Commodities	1,345,300	1,345,300	1,407,602
Capital Improvements	9,425,000	9,425,000	348,631
Miscellaneous	2,000	2,000	6,420
Depreciation	-	-	2,496,748
Total Operating Expenses	15,212,500	15,212,500	8,317,325
Operating (Loss)	(7,039,688)	(7,039,688)	(678,600)
Nonoperating Revenues			
Other Income	50,000	50,000	29,327
Interest Income	21,000	21,000	59,295
	71,000	71,000	88,622
Income (Loss) Before Transfers	(6,968,688)	(6,968,688)	(589,978)
Transfers Out	(691,500)	(691,500)	(690,375)
Change in Net Position	(7,660,188)	(7,660,188)	(1,280,353)
Net Position - Beginning			95,726,440
Net Position - Ending			94,446,087

## VILLAGE OF FRANKFORT, ILLINOIS

### Police Pension - Pension Trust Fund

#### Schedule of Changes in Fiduciary Net Position - Budget and Actual For the Fiscal Year Ended April 30, 2015

	Budget		Actual
	Original	Final	
Additions			
Contributions - Employer	\$ 776,000	776,000	774,820
Contributions - Plan Members	240,000	240,000	228,686
Total Contributions	1,016,000	1,016,000	1,003,506
Investment Income			
Interest Earned	250,000	250,000	313,234
Net Change in Fair Value	-	-	395,346
	250,000	250,000	708,580
Less Investment Expenses	(20,000)	(20,000)	(30,549)
Net Investment Income	230,000	230,000	678,031
Total Additions	1,246,000	1,246,000	1,681,537
Deductions			
Administration	30,500	30,500	29,442
Benefits and Refunds	527,000	527,000	531,926
Total Deductions	557,500	557,500	561,368
Change in Net Position	688,500	688,500	1,120,169
Net Position Held in Trust for Pension Benefits			
Beginning			9,462,258
Ending			10,582,427



## **SUPPLEMENTAL SCHEDULE**

## VILLAGE OF FRANKFORT, ILLINOIS

### Long-Term Debt Requirements

IEPA (L17-3468) Loan of 2011

April 30, 2015

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Date of Issue	July 16, 2011
Date of Maturity	February 6, 2031
Authorized Issue	\$1,881,872
Interest Rates	Non-Interest Bearing
Interest Dates	Non-Interest Bearing
Principal Maturity Date	February 6
Payable at	Illinois Environment Protection Agency

### CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2016	\$ 96,506	-	96,506
2017	96,506	-	96,506
2018	96,506	-	96,506
2019	96,506	-	96,506
2020	96,506	-	96,506
2021	96,506	-	96,506
2022	96,506	-	96,506
2023	96,506	-	96,506
2024	96,506	-	96,506
2025	96,506	-	96,506
2026	96,506	-	96,506
2027	96,506	-	96,506
2028	96,506	-	96,506
2029	96,506	-	96,506
2030	96,506	-	96,506
2031	96,511	-	96,511
	1,544,101	-	1,544,101

## **STATISTICAL SECTION (Unaudited)**

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

### **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 FRANKFORT, ILLINOIS**

**Net Position by Component - Last Ten Fiscal Years\***  
**April 30, 2015 (Unaudited)**

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**See Following Page**

## VILLAGE OF FRANKFORT, ILLINOIS

### Net Position by Component - Last Ten Fiscal Years April 30, 2015 (Unaudited)

	2006	2007	2008
Governmental Activities			
Net Investment in Capital Assets	\$ 116,664,469	121,765,240	122,949,742
Restricted	18,703,990	3,231,299	3,686,381
Unrestricted	4,278,356	19,621,125	18,416,655
Total Governmental Activities Net Position	139,646,815	144,617,664	145,052,778
Business-Type Activities			
Net Investment in Capital Assets	52,333,206	61,619,484	75,432,908
Unrestricted	22,700,361	22,495,726	12,315,075
Total Business-Type Activities Net Position	75,033,567	84,115,210	87,747,983
Net Position			
Net Investment in Capital Assets	168,997,675	183,384,724	198,382,650
Restricted	18,703,990	3,231,299	3,686,381
Unrestricted	26,978,717	42,116,851	30,731,730
Total Net Position	214,680,382	228,732,874	232,800,761

2009	2010	2011	2012	2013	2014	2015
121,661,956	120,715,536	11,804,946	120,000,011	117,765,489	117,254,446	117,128,772
2,118,088	2,437,742	2,695,381	899,726	907,314	964,242	7,085,507
18,156,922	17,489,319	17,949,151	16,666,805	17,259,905	15,162,051	6,726,567
141,936,966	140,642,597	32,449,478	137,566,542	135,932,708	133,380,739	130,940,846
76,056,389	76,721,543	76,611,603	77,274,778	75,230,401	75,189,807	81,119,996
13,370,059	13,880,529	14,125,485	16,793,024	20,280,390	20,536,633	13,326,091
89,426,448	90,602,072	90,737,088	94,067,802	95,510,791	95,726,440	94,446,087
197,718,345	197,437,079	88,416,549	197,274,789	192,995,890	192,444,253	198,248,768
2,118,088	2,437,742	2,695,381	899,726	907,314	964,242	7,085,507
31,526,981	31,369,848	32,074,636	33,459,829	37,540,295	35,698,684	20,052,658
231,363,414	231,244,669	123,186,566	231,634,344	231,443,499	229,107,179	225,386,933

VILLAGE OF FRANKFORT, ILLINOIS

Changes in Net Position - Last Ten Fiscal Years  
April 30, 2015 (Unaudited)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Expenses										
Governmental Activities										
General Government	\$ 1,640,395	1,800,704	1,940,316	2,206,989	1,469,129	1,592,496	1,138,215	1,169,996	1,395,084	1,263,524
Community Development	1,664,035	1,820,976	1,415,500	1,271,978	904,795	815,549	937,494	1,009,932	908,189	1,104,635
Public Safety	3,535,454	4,101,191	4,332,294	4,937,148	5,117,412	5,221,773	5,224,525	5,209,916	5,422,269	5,866,812
Public Works	6,022,127	7,729,471	6,936,229	7,725,785	7,598,182	7,379,627	8,282,750	8,101,812	8,758,146	9,115,705
Solid Waste	906,515	1,038,130	1,117,525	1,180,436	1,206,237	1,222,835	1,283,755	1,301,292	1,286,640	1,358,153
Interest	156,788	166,269	176,324	186,987	131,449	168,141	175,793	98,056	63,732	26,606
	13,925,314	16,656,741	15,918,188	17,509,323	16,427,204	16,400,421	17,042,532	16,891,004	17,834,060	18,735,435
Business-Type Activities										
Waterworks and Sewerage	5,183,233	5,451,268	5,751,770	6,344,986	6,012,050	6,492,174	7,180,786	6,504,073	7,537,359	8,317,325
Total Expenses	19,108,547	22,108,009	21,669,958	23,854,309	22,439,254	22,892,595	24,223,318	23,395,077	25,371,419	27,052,760
Program Revenues										
Governmental Activities										
Charges for Services										
General Government	806,392	800,230	864,809	887,352	888,042	784,299	1,953,856	916,323	867,087	1,596,632
Community Development	2,039,331	1,431,380	924,900	525,515	404,301	356,065	393,966	454,948	557,223	-
Public Safety	286,043	359,172	494,094	311,113	316,869	342,489	445,238	326,257	286,908	541,833
Public Works	644,058	440,605	273,016	211,606	263,374	140,664	46,659	418,449	92,511	587,238
Solid Waste	227,541	233,915	249,054	254,051	248,141	270,424	261,971	260,822	263,076	246,178
Operating Grants/Contributions	496,170	403,126	405,622	496,796	465,789	595,797	490,791	479,559	494,933	468,251
Capital Grants/Contributions	8,718,049	6,561,455	896,045	-	-	381,636	2,710,893	378,475	349,361	104,574
	13,217,584	10,229,883	4,107,540	2,686,433	2,586,516	2,871,374	6,303,374	3,234,833	2,911,099	3,544,706
Business-Type Activities										
Charges for Services	7,090,689	6,603,063	7,271,853	7,189,463	6,824,853	7,022,950	7,053,428	8,063,017	7,926,304	7,638,725
Capital Grants/Contributions	8,327,861	6,939,859	1,493,434	106,770	714,098	-	-	43,240	-	-
	15,418,550	13,542,922	8,765,287	7,296,233	7,538,951	7,022,950	7,053,428	8,106,257	7,926,304	7,638,725
Total Program Revenues	28,636,134	23,772,805	12,872,827	9,982,666	10,125,467	9,894,324	13,356,802	11,341,090	10,837,403	11,183,431
Net (Expense) Revenue										
Governmental Activities	(707,730)	(6,426,858)	(11,810,648)	(14,822,890)	(13,840,688)	(13,529,047)	(10,739,158)	(13,656,171)	(14,922,961)	(15,190,729)
Business-Type Activities	10,235,317	8,091,654	3,013,517	951,247	1,526,901	530,776	(127,358)	1,602,184	388,945	(678,600)
Total Net (Expense) Revenue	9,527,587	1,664,796	(8,797,131)	(13,871,643)	(12,313,787)	(12,998,271)	(10,866,516)	(12,053,987)	(14,534,016)	(15,869,329)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>General Revenues and Other Changes in Net Position</b>										
Governmental Activities										
Taxes										
Property	\$ 3,044,381	3,406,792	3,712,792	3,714,881	4,025,035	4,014,041	3,928,562	3,757,175	3,637,695	3,541,613
Intergovernmental										
State Sales	4,567,046	5,081,182	5,220,794	4,770,103	4,542,701	4,807,023	4,953,732	5,116,556	5,756,785	5,797,015
State Income	1,002,476	1,117,805	1,364,950	1,452,377	1,271,976	1,276,267	1,516,599	1,672,487	1,698,153	1,791,461
Replacement	48,657	52,914	60,813	55,502	49,348	54,386	49,155	48,721	55,772	54,238
Earning on Investment	747,929	1,225,776	1,196,867	699,418	294,917	173,676	54,178	35,708	30,786	59,032
Other Income	218,049	308,638	484,946	1,014,797	1,722,342	1,369,535	1,621,364	726,090	526,201	817,102
Transfers - Interfund Activity	204,600	204,600	204,600	-	640,000	641,000	(3,267,368)	665,600	665,600	690,375
Total Governmental Activities	<u>9,833,138</u>	<u>11,397,707</u>	<u>12,245,762</u>	<u>11,707,078</u>	<u>12,546,319</u>	<u>12,335,928</u>	<u>8,856,222</u>	<u>12,022,337</u>	<u>12,370,992</u>	<u>12,750,836</u>
Business-Type Activities										
Earnings on Investments	741,576	1,194,589	823,856	337,624	164,296	93,132	22,704	37,385	38,926	59,295
Gain (loss) on Disposal of Capital Assets	-	-	-	-	-	(3,013)	-	2,341	-	-
Other Income	-	-	-	389,594	124,427	155,121	168,000	466,679	453,378	29,327
Transfers - Interfund Activity	(204,600)	(204,600)	(204,600)	-	(640,000)	(641,000)	3,267,368	(665,600)	(665,600)	(690,375)
Total Business-Type Activities	<u>536,976</u>	<u>989,989</u>	<u>619,256</u>	<u>727,218</u>	<u>(351,277)</u>	<u>(395,760)</u>	<u>3,458,072</u>	<u>(159,195)</u>	<u>(173,296)</u>	<u>(601,753)</u>
Total	<u>10,370,114</u>	<u>12,387,696</u>	<u>12,865,018</u>	<u>12,434,296</u>	<u>12,195,042</u>	<u>11,940,168</u>	<u>12,314,294</u>	<u>11,863,142</u>	<u>12,197,696</u>	<u>12,149,083</u>
<b>Changes in Net Position</b>										
Governmental Activities	9,125,408	4,970,849	435,114	(3,115,812)	(1,294,369)	(1,193,119)	(1,882,936)	(1,633,834)	(2,551,969)	(2,439,893)
Business-Type Activities	10,772,293	9,081,643	3,632,773	1,678,465	1,175,624	135,016	3,330,714	1,442,989	215,649	(1,280,353)
Total	<u>19,897,701</u>	<u>14,052,492</u>	<u>4,067,887</u>	<u>(1,437,347)</u>	<u>(118,745)</u>	<u>(1,058,103)</u>	<u>1,447,778</u>	<u>(190,845)</u>	<u>(2,336,320)</u>	<u>(3,720,246)</u>

Data Source: Audited Financial Statements



## VILLAGE OF FRANKFORT, ILLINOIS

### Fund Balances of Governmental Funds - Last Ten Fiscal Years April 30, 2015 (Unaudited)

	2006	2007	2008
General Fund			
Unreserved	\$ 890,193	1,030,615	1,155,103
Unassigned	-	-	-
Total General Fund	890,193	1,030,615	1,155,103
All Other Governmental Funds			
Reserved	2,879,523	3,494,930	3,893,618
Unreserved	19,687,720	18,799,178	19,126,302
Restricted	-	-	-
Assigned	-	-	-
Total All Other Governmental Funds	22,567,243	22,294,108	23,019,920

Date Source: Audited Financial Statements

Note: The Village began to classify fund balances in accordance with the requirements of GASB 54 with the year ended April 30, 2011.

2009	2010	2011	2012	2013	2014	2015
1,392,180	1,272,273	-	-	-	-	-
-	-	1,513,492	2,872,910	2,014,386	1,974,361	2,456,397
1,392,180	1,272,273	1,513,492	2,872,910	2,014,386	1,974,361	2,456,397
4,036,010	4,097,090	-	-	-	-	-
17,202,102	16,935,337	-	-	-	-	-
-	-	1,610,789	899,726	907,314	964,242	7,085,507
-	-	19,967,570	16,177,935	17,177,629	14,982,283	5,587,701
21,238,112	21,032,427	21,578,359	17,077,661	18,084,943	15,946,525	12,673,208

# VILLAGE OF FRANKFORT, ILLINOIS

## Changes in Fund Balances for Governmental Funds - Last Ten Fiscal Years April 30, 2015 (Unaudited)

	2006	2007	2008
<b>Revenues</b>			
Taxes	\$ 3,044,381	3,406,792	3,712,792
Intergovernmental			
State Sales	4,567,046	5,081,182	5,220,794
State Income	1,002,476	1,117,805	1,364,950
Motor Fuel	389,457	391,079	399,133
Replacement	48,657	52,914	60,813
Licenses and Permits	1,076,770	1,056,619	1,086,773
Charges for Services and Fees	2,403,808	1,576,531	1,095,722
Fees by Agreement	315,113	353,991	203,204
Fines and Forfeits	207,674	278,161	420,174
Grants	106,713	112,047	6,489
Interest	747,929	1,225,776	1,196,867
Other Income	252,728	324,868	484,946
<b>Total Revenues</b>	<b>14,162,752</b>	<b>14,977,765</b>	<b>15,252,657</b>
<b>Expenditures</b>			
General Government	1,799,257	2,106,117	2,079,081
Community Development	1,373,177	1,359,142	1,180,875
Public Safety	3,397,652	3,944,345	4,224,638
Public Works	2,944,247	4,757,664	3,635,117
Solid Waste	906,515	1,038,130	1,117,525
Capital Outlay	668,880	2,109,680	2,369,721
Debt Service			
Principal	-	-	-
Interest and Fiscal Charges	-	-	-
<b>Total Expenditures</b>	<b>11,089,728</b>	<b>15,315,078</b>	<b>14,606,957</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>3,073,024</b>	<b>(337,313)</b>	<b>645,700</b>
<b>Other Financing Sources (Uses)</b>			
Proceeds from Sale of Capital Assets	-	-	-
Transfers In	2,414,600	2,179,600	1,994,837
Transfers Out	(2,210,000)	(1,975,000)	(1,790,237)
	<b>204,600</b>	<b>204,600</b>	<b>204,600</b>
<b>Net Change in Fund Balances</b>	<b>3,277,624</b>	<b>(132,713)</b>	<b>850,300</b>
<b>Debt Service as a Percentage of Noncapital Expenditures</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>

2009	2010	2011	2012	2013	2014	2015
3,714,881	4,025,035	4,014,041	3,928,562	3,757,175	3,637,695	3,900,889
4,770,103	4,542,701	4,807,023	4,953,732	5,116,556	5,756,785	5,797,015
1,452,377	1,271,976	1,276,267	1,516,599	1,672,487	1,698,153	1,791,461
451,051	435,669	436,667	463,214	452,672	471,415	468,251
55,502	49,348	54,386	49,155	48,721	55,772	54,238
1,086,210	1,080,861	969,484	2,146,580	1,092,548	1,000,420	1,472,717
792,358	767,495	641,719	566,714	992,468	809,238	1,309,070
76,254	25,979	7,316	17,763	40,563	45,368	-
234,815	246,392	275,422	370,633	251,220	211,779	190,094
45,745	30,120	540,766	843,122	405,362	372,879	104,574
699,418	294,917	173,676	54,178	35,708	30,786	59,032
628,995	1,722,342	1,369,535	1,621,364	726,090	526,201	457,826
14,007,709	14,492,835	14,566,302	16,531,616	14,591,570	14,616,491	15,605,167
2,195,958	1,382,816	1,499,853	1,085,480	1,097,929	1,252,249	1,226,492
1,169,361	861,454	764,484	853,432	875,112	824,135	1,026,036
4,668,537	4,764,634	4,815,647	5,169,660	5,502,632	5,207,943	5,590,913
3,945,835	3,449,200	3,902,499	4,683,187	3,568,188	4,579,825	3,954,226
1,180,436	1,206,237	1,222,835	1,283,755	1,301,292	1,286,640	1,358,153
2,782,313	3,154,086	1,574,233	2,689,414	2,097,659	3,644,142	5,275,911
-	295,917	275,770	256,493	240,045	234,076	690,000
-	344,083	364,830	384,107	425,555	431,524	375
15,942,440	15,458,427	14,420,151	16,405,528	15,108,412	17,460,534	19,122,106
(1,934,731)	(965,592)	146,151	126,088	(516,842)	(2,844,043)	(3,516,939)
390,000	-	-	-	-	-	35,283
1,346,743	2,285,000	1,986,000	1,343,437	3,555,600	3,429,014	3,463,386
(1,346,743)	(1,645,000)	(1,345,000)	(4,610,805)	(2,890,000)	(2,763,414)	(2,773,011)
390,000	640,000	641,000	(3,267,368)	665,600	665,600	725,658
(1,544,731)	(325,592)	787,151	(3,141,280)	148,758	(2,178,443)	(2,791,281)
0.00%	4.80%	5.00%	5.40%	4.80%	4.60%	4.40%

## VILLAGE OF FRANKFORT, ILLINOIS

### Assessed Value and Actual Value of Taxable Property - Last Ten Tax Levy Years April 30, 2015 (Unaudited)

Tax Levy Year	Residential Property	Farm	Commercial Property	Industrial Property
2005	\$ 547,444,903	2,350,442	85,541,141	24,025,879
2006	667,555,031	2,419,989	99,792,924	24,276,837
2007	760,015,875	2,259,362	103,061,973	24,972,831
2008	820,926,851	2,332,732	111,321,808	26,974,262
2009	811,630,248	2,176,440	110,107,819	26,649,696
2010	785,368,808	2,400,719	106,545,126	25,787,407
2011	749,144,362	2,979,443	101,630,826	24,597,986
2012	718,171,314	2,811,457	97,428,943	23,580,993
2013	662,228,819	2,653,374	99,301,209	40,216,961
2014	657,182,007	2,622,087	95,953,106	39,649,377

Data Source: County Assessor

Total	Railroad	Total Assessed Value	Assessed Value of a Percentage of Estimated Actual Value	Total Direct Tax Rate
659,362,365	22,327	659,384,692	33.33	0.5177
794,044,781	21,870	794,066,651	33.33	0.4696
890,310,041	29,831	890,339,872	33.33	0.4483
961,555,653	40,723	961,596,376	33.33	0.4185
950,564,203	46,637	950,610,840	33.33	0.4245
920,102,060	233,189	920,335,249	33.33	0.4250
878,352,617	212,910	878,565,527	33.33	0.4267
841,992,707	171,169	842,163,876	33.33	0.4309
804,400,363	372,521	804,772,884	33.33	0.4380
795,406,577	436,220	795,842,797	33.33	0.4444

# VILLAGE OF FRANKFORT, ILLINOIS

## Direct and Overlapping Property Tax Rates - Last Ten Tax Levy Years April 30, 2015 (Unaudited)

	2005	2006	2007	2008
Village of Frankfort:				
Corporate	\$ 0.0660	0.0567	0.0512	0.0474
Police Protection	0.1426	0.1372	0.1230	0.1238
Garbage Disposal	0.0759	0.0693	0.0731	0.0687
I.M.R.F	0.0266	0.0252	0.0231	0.0219
Social Security	0.0426	0.0366	0.0642	0.0312
Police Pension	0.0653	0.0555	0.0500	0.0481
Road and Bridge	0.0987	0.0891	0.0637	0.0774
Total Direct Tax Rate	0.5177	0.4696	0.4483	0.4185
Overlapping Rates				
Will County Forest Preserve District	0.1481	0.1369	0.1424	0.1445
Will County	0.5262	0.5027	0.4826	0.4751
Will County Building Comm.	0.0118	0.0127	0.0117	0.0191
Frankfort Township Funds	0.0867	0.0824	0.0787	0.0786
Frankfort Township Road Funds	0.1145	0.1135	0.0989	0.1160
Frankfort Fire Protection District	0.6343	0.5958	0.5622	0.5631
Frankfort School District #157-C	3.0394	3.0220	3.0924	3.1200
Crete-Monee School District #201-U	5.1878	4.9920	4.7214	4.8050
Peotone School District #207-U	3.5310	3.3713	3.1891	3.2927
Lincoln-Way High School District #210	1.6765	1.6098	1.5345	1.5442
Prairie State Community College District #515	0.3570	0.3788	0.3086	0.2400
Joliet Community College District #525	0.2088	0.1936	0.1901	0.1896
Frankfort Park District	0.2466	0.2282	0.2179	0.2020
Frankfort Square Park District	0.4692	0.4362	0.4163	0.4206
Frankfort Public Library	0.1745	0.1629	0.1543	0.1552
Mokena Community Library District	0.3338	0.3147	0.3018	0.2991
Mokena Fire District	0.4673	0.5075	0.5703	0.6284
Green Garden Township Fund	0.1072	0.1000	0.0928	0.0926
Green Garden Township Road Fund	0.3513	0.3276	0.3039	0.3031
Monee Township Fund	0.1580	0.1501	0.1365	0.1403
Monee Township Road Fund	0.2336	0.2219	0.2018	0.2074
Monee Fire Protection District	0.5195	0.6388	0.6015	0.6614
Peotone Library District	0.0856	0.0806	0.0745	0.0757
Mokena Community Park District	0.2867	0.2593	0.2457	0.2430
Summit Hill School District #161	2.9900	2.9940	2.8604	2.8530
Total Direct and Overlapping Tax Rate	22.4631	21.9029	21.0386	21.2882

Data Source: Office of the Will County Clerk

Notes: Road and Bridge taxes are levied by Frankfort Township; the tax rate is based on the Village's equalized assessed valuation.

2009	2010	2011	2012	2013	2014
0.0391	0.0142	0.0040	0.0057	0.0024	0.0045
0.1263	0.1304	0.1366	0.1425	0.1492	0.1517
0.0695	0.0718	0.0649	0.0499	0.0392	0.0247
0.0227	0.0234	0.0245	0.0256	0.0268	0.0273
0.0316	0.0326	0.0342	0.0357	0.0249	0.0254
0.0508	0.0674	0.0750	0.0797	0.0965	0.1053
0.0845	0.0852	0.0875	0.0918	0.0990	0.1055
0.4245	0.4250	0.4267	0.4309	0.4380	0.4444
0.1519	0.1567	0.1693	0.1859	0.1970	0.1977
0.4833	0.5077	0.5351	0.5696	0.5994	0.6210
0.0191	0.0197	0.0200	0.0212	0.0222	0.0223
0.0782	0.0822	0.0858	0.0896	0.0960	0.0998
0.1079	0.1092	0.1119	0.1228	0.0205	0.1167
0.5769	0.6212	0.6667	0.7272	0.7840	0.8157
3.2100	3.4608	3.6144	3.7572	3.9318	4.0179
5.2375	5.7261	6.3487	7.2682	8.1372	8.8188
3.3430	3.4495	3.6624	4.0915	4.4680	4.5933
1.6067	1.7045	1.8306	1.9190	2.0650	2.1394
0.2606	0.3025	0.3472	0.4321	0.4429	0.4585
0.2144	0.2270	0.2463	0.2768	0.2955	0.3066
0.1752	0.1858	0.1959	0.2089	0.2215	0.2286
0.4399	0.5180	0.5382	0.5846	0.6265	0.6527
0.1585	0.1703	0.1827	0.1843	0.1988	0.2049
0.3036	0.3206	0.3424	0.3709	0.3229	0.3169
0.7303	0.7900	0.8442	0.9107	0.9684	1.0097
0.0942	0.0989	0.1093	0.1232	0.1350	0.1383
0.3084	0.3239	0.3580	0.4034	0.4419	0.4526
0.1415	0.1542	0.1702	0.1959	0.2160	0.2288
0.2092	0.2279	0.2515	0.2896	0.1761	0.3383
0.6718	0.7375	0.7817	0.7834	0.9056	0.9489
0.0766	0.0815	0.0890	0.1009	0.1102	0.1138
0.2512	0.2579	0.2830	0.3030	0.3184	0.3234
2.9894	3.1874	3.3782	3.6596	3.9036	4.1112
22.2638	23.8460	25.5894	28.0104	30.0424	31.7202



# VILLAGE OF FRANKFORT, ILLINOIS

## Principal Property Tax Payers - Current Fiscal Year and Nine Fiscal Years Ago April 30, 2015 (Unaudited)

Taxpayer	2015			2006		
	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value
Pactiv Corp	\$ 4,954,600	1	0.62%	\$ 4,753,778	2	0.72%
BRE Throne Frankfort Xing LLC	3,727,734	2	0.47%			
Inland Prairie Crossing	3,635,997	3	0.46%			
CAB Holdings Inc.	2,967,989	4	0.37%	2,119,392	4	0.32%
Home Depot	2,617,334	5	0.33%			
Butera Center Management Inc.	2,394,800	6	0.30%	2,775,243	3	0.42%
Kohl's Illinois Inc.	2,031,520	7	0.26%	1,447,999	7	0.22%
Dominick's Finer Foods	1,701,320	8	0.21%	1,385,671	8	0.21%
IM Property LLC	1,544,266	9	0.19%			
Crown Centre	1,314,740	10	0.17%			
Frankfort 30 & Wolf LLC				5,542,135	1	0.84%
Harris N.A.				1,700,802	5	0.26%
Regency Centers LP				1,530,340	6	0.23%
Inland Hickory Creek LLC				1,307,819	9	0.20%
Manheim Building				1,033,245	10	0.16%
	<u>26,890,300</u>		<u>3.38%</u>	<u>23,596,424</u>		<u>3.58%</u>

Data Source: County Board of Equalization and Assessment

## VILLAGE OF FRANKFORT, ILLINOIS

### Property Tax Levies and Collections - Last Ten Tax Levy Years April 30, 2015 (Unaudited)

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
2005	\$ 3,412,695	\$ 3,406,792	99.83%	-	\$ 3,406,792	99.83%
2006	3,728,692	3,717,395	99.70%	-	3,717,395	99.70%
2007	3,715,204	3,714,881	99.99%	-	3,714,881	99.99%
2008	4,024,103	4,020,430	99.91%	-	4,020,430	99.91%
2009	4,035,130	4,014,050	99.48%	-	4,014,050	99.48%
2010	3,911,425	3,878,562	99.16%	-	3,878,562	99.16%
2011	3,748,840	3,748,840	100.00%	-	3,748,840	100.00%
2012	3,628,537	3,628,537	100.00%	-	3,628,537	100.00%
2013	3,537,834	3,529,867	99.77%	-	3,529,867	99.77%
2014	3,529,319	-	N/A	-	-	N/A

**Note:**

Road and Bridge taxes are levied by Frankfort Township; the tax rate is based on the Village's equalized assessed valuation.

# VILLAGE OF FRANKFORT, ILLINOIS

## Ratios of Outstanding Debt by Type - Last Ten Fiscal Years April 30, 2015 (Unaudited)

Fiscal Year	Government Activities	Business-Type Activities		Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
	General Obligation Bonds (2)	Illinois EPA Loan	General Obligation Bonds (2)			
2006	\$ 2,749,418	\$ -	\$ 8,265,000	\$ 11,014,418	1.97%	\$ 670.43
2007	2,915,687	-	7,085,000	10,000,687	1.74%	592.46
2008	3,092,011	-	5,860,000	8,952,011	1.60%	544.79
2009	3,278,998	-	4,585,000	7,863,998	1.37%	465.08
2010	2,770,447	-	3,870,000	6,640,447	1.13%	384.60
2011	2,297,988	-	3,160,000	5,457,988	0.69%	306.94
2012	1,796,957	1,833,619	-	3,630,576	0.47%	202.27
2013	1,265,637	1,737,113	-	3,002,750	0.37%	164.07
2014	663,769	1,640,607	-	2,304,376	0.27%	123.70
2015	-	1,544,101	-	1,544,101	187.21%	81.92

Note:

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

(1) See Schedule of Demographic and Economic Statistics for personal income and population data.

(2) Amounts include accrued interest on capital appreciation bonds.

# **VILLAGE OF FRANKFORT, ILLINOIS**

## **Ratios of General Bonded Debt Outstanding - Last Ten Fiscal Years April 30, 2015 (Unaudited)**

<b>Fiscal Year</b>	<b>General Obligation Bonds (3)</b>	<b>Less: Amounts Available in Debt Service</b>	<b>Net General Obligation Bonds</b>	<b>Percentage of Equalized Assessed Valuation (1)</b>	<b>Per Capita (2)</b>
2006	\$ 11,014,418	\$ 2,836,963	\$ 8,177,455	0.41%	\$ 497.75
2007	10,000,687	3,187,593	6,813,094	0.29%	403.62
2008	8,952,011	3,606,806	5,345,205	0.20%	325.29
2009	7,863,998	3,761,540	4,102,458	0.14%	242.62
2010	6,640,447	3,829,515	2,810,932	0.10%	162.80
2011	5,457,988	3,887,149	1,570,839	0.06%	88.34
2012	1,796,957	815	1,796,142	0.07%	100.07
2013	1,265,637	966	1,264,671	0.05%	69.10
2014	663,769	1,002	662,767	0.03%	35.58
2015	-	-	-	0.00%	-

Note:

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

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

(2) Population data can be found in the Schedule of Demographic and Economic Statistics.

(3) Amounts include accrued interest on capital appreciation bonds.

# VILLAGE OF FRANKFORT, ILLINOIS

## Schedule of Direct and Overlapping Bonded Debt April 30, 2015 (Unaudited)

Governmental Unit	Gross Debt	*Percentage to Debt Applicable to Village (1)	Village's Share of Debt
Village of Frankfort	\$ -	100.000 %	\$ -
Will County	-	4.445 %	-
Will County Forest Preserve	162,476,350	4.445 %	7,222,074
Park Districts:			
Frankfort	270,000	99.162 %	267,737
Frankfort Square	7,442,304	19.938 %	1,483,847
Mokena Community	988,000	1.271 %	12,557
School Districts			
Frankfort SD # 157-C	29,180,258	92.822 %	27,085,699
Summit Hill SD #161	55,099,712	12.618 %	6,952,482
Lincoln Way HSD #210	489,226,565	22.791 %	111,499,626
Crete-Monee SD #201-U	52,467,423	0.058 %	30,431
Peotone SD #207-U	25,478,000	2.028 %	516,694
Prairie State Community College	10,875,049	0.012 %	1,305
Joliet Community College #525	84,180,000	4.524 %	3,808,303
Subtotal	917,683,661		158,880,756
Totals	917,683,661		158,880,756

Data Source: Audited Financial Statements

\* This statement excludes the Cook County portion of debt in the Village.  
The Village's 2013 equalized assessed valuation in Cook County is \$31,486.

### Note:

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the Village. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the Village of Frankfort. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt of each overlapping government.

(1) Determined by ratio of assessed valuation of property subject to taxation in the Village to valuation of property subject to taxation in overlapping unit.

# VILLAGE OF FRANKFORT, ILLINOIS

## Pledged-Revenue Coverage - Last Ten Fiscal Years April 30, 2015 (Unaudited)

Fiscal Year	Waterworks and Sewerage Revenue Bonds					
	Gross Revenues (1)	Less: Operating Expenses (2)	Net Available Revenue	Debt Service (3)		Coverage
				Principal	Interest	
2006	\$ 7,832,265	\$ 2,802,594	\$ 5,029,671	\$ -	\$ -	-
2007	7,797,652	2,974,512	4,823,140	-	-	-
2008	8,095,709	3,241,925	4,853,784	-	-	-
2009	7,527,087	3,713,851	3,813,236	-	-	-
2010	7,661,955	3,276,393	4,385,562	-	-	-
2011	7,113,069	3,790,864	3,322,205	-	-	-
2012	7,079,712	4,317,061	2,762,651	-	-	-
2013	8,102,743	4,030,109	4,072,634	-	-	-
2014	7,965,230	5,067,500	2,897,730	-	-	-
2015	7,727,347	5,820,577	1,906,770	96,506	-	19.76

(1) Total revenues (including interest) exclusive of fees by agreement and contributions by developers.

(2) Total operating expenses exclusive of depreciation.

(3) Includes principal and interest of revenue bonds only. It does not include the general obligation bond issues for sewer improvements or debt defeasance transactions.

## VILLAGE OF FRANKFORT, ILLINOIS

### Legal Debt Margin - Last Ten Fiscal Years April 30, 2015 (Unaudited)

	2006	2007	2008	2009
Assessed Valuation	\$ 659,384,692	794,066,651	890,339,872	961,596,376
Bonded Debt Limit - 8.625% of Assessed Value	56,871,930	68,488,249	76,791,814	82,937,687
Less: General Obligation Bonds (1)	11,014,418	10,000,687	8,952,011	7,863,998
Legal Debt Margin	45,857,512	58,487,562	67,839,803	75,073,689
Percentage of Legal Debt Margin to Bonded Debt Limit	80.63%	85.40%	88.34%	90.52%

Data Source: Equalized Assessed Valuation of Taxable Property from Will County Clerk's Office of Property Taxation.

Debt limit ceiling is established by the Illinois General Assembly and promulgated in the current edition of the Illinois Compiled Statutes.

(1) Includes accrued interest on capital appreciation bonds.

2010	2011	2012	2013	2014	2015
950,610,840	920,335,249	878,565,527	842,163,876	804,772,884	795,874,283
81,990,185	79,378,915	75,776,277	72,636,634	69,411,661	68,644,157
6,640,447	5,457,988	1,796,957	1,265,637	663,769	-
75,349,738	73,920,927	73,979,320	71,370,997	68,747,892	68,644,157
91.90%	93.12%	97.63%	98.26%	99.04%	100.00%



## VILLAGE OF FRANKFORT, ILLINOIS

### Demographic and Economic Statistics - Last Ten Fiscal Years April 30, 2015 (Unaudited)

Fiscal Year Ended April 30	Population	Personal Income	Per Capita Personal Income	Median Age	Education Level Age 25 and Older		School Enrollment	Unemployment Rate
					High School	Four Years or More College		
2006	16,429	\$ 558,060	\$ 33,968	39.9	1,558	1,641	9,577	5.4%
2007	16,880	573,128	33,968	39.9	1,558	1,641	9,853	4.4%
2008	16,432	557,866	33,968	39.9	1,558	1,641	10,061	5.9%
2009	16,909	574,365	33,968	39.9	1,558	1,641	10,214	9.8%
2010	17,266	586,491	33,968	39.9	1,558	1,641	10,260	11.0%
2011	17,782	785,467	44,172	37.5	4,701	5,700	10,226	8.7%
2012	17,949	792,843	44,172	37.5	4,701	5,700	10,117	9.0%
2013	18,302	808,436	44,172	37.5	4,701	5,700	10,034	9.7%
2014	18,628	838,204	44,172	39.9	4,586	6,116	9,801	7.8%
2015	18,850	824,800	43,756	40.7	10,961	6,083	9,667	6.1%

Data Sources: Population - 2012 based on U.S. Census Bureau 2010 official census; 2008 based on U.S. Census Bureau special census; all other years are estimated from Frankfort building permit data.

Per capita income, median age and median education level for 2014 are based on the 2008-2012 American Community Survey 5-year estimates from the U.S. Census Bureau; per capita income, median age and median education level for 2012 are based on the 2006-2010 American Community Survey 5-year estimates from the U.S. Census Bureau; all other years based on 2000 U.S. Census Bureau data.

School enrollment figures are for Frankfort School District #157-C, Summit Hill School District #161 and Lincoln-Way High School District #210 East and North Campuses.

Unemployment rate available only for Will County. Figures are not compiled for "Frankfort Only". Statistics are from Illinois Department of Employment Security, 910 South Michigan Avenue, Chicago, Illinois.

# **VILLAGE OF FRANKFORT, ILLINOIS**

## **Principal Employers - Current Fiscal Year and Nine Fiscal Years Ago April 30, 2015 (Unaudited)**

Employer	2015			2006		
	Employees	Rank	Percentage of Total Village Employment	Employees	Rank	Percentage of Total Village Employment
Retail Trade	1,261	1	N/A	N/A	N/A	N/A
Manufacturing	1,037	2	N/A	N/A	N/A	N/A
Accommodation and Food Services	971	3	N/A	N/A	N/A	N/A
Administrative and Waste Management Services	892	4	N/A	N/A	N/A	N/A
Health Care and Social Assistance	839	5	N/A	N/A	N/A	N/A
Construction	613	6	N/A	N/A	N/A	N/A
Other Services	552	7	N/A	N/A	N/A	N/A
Professional, Scientific and Technical Services	469	8	N/A	N/A	N/A	N/A
Wholesale Trade	310	9	N/A	N/A	N/A	N/A
Finance and Insurance	293	10	N/A	N/A	N/A	N/A
	<u>7,237</u>		<u>N/A</u>	<u>N/A</u>		<u>N/A</u>

Source: Industry report from Illinois Department of Department of Employment Security

N/A - Not Available.

## VILLAGE OF FRANKFORT, ILLINOIS

### Full-Time Equivalent Village Government Employees by Function/Program - Last Ten Fiscal Years April 30, 2015 (Unaudited)

Function/Program	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Public Safety	30	30	31	30	30	30	30	30	28	28
Public Works	14	14	15	15	15	15	15	15	16	18
Building and Community Development	12	10	8	7	6	5	5	6	6	6
General Government	18	18	18	16	16	16	17	18	16	14
Waterworks and Sewage	16	17	17	14	15	15	17	17	18	21
Total	90	89	89	82	82	81	84	86	84	87

Data Source: Various Village Records

**VILLAGE OF FRANKFORT, ILLINOIS**

**Operating Indicators by Function/Program - Last Ten Fiscal Years  
April 30, 2015 (Unaudited)**

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**See Following Page**

## VILLAGE OF FRANKFORT, ILLINOIS

### Operating Indicators by Function/Program - Last Ten Fiscal Years April 30, 2015 (Unaudited)

Function/Program	2006	2007	2008
Police			
Arrests	829	1,024	1,122
Traffic Violation	3,935	5,220	5,191
Parking Violations	162	380	303
Public Works			
Street Resurfacing (Miles)	4.230	3.200	3.200
Building and Community Development			
Building Permits Issued	376	284	105
Building Value	130,944,454	103,805,306	36,365,420
Inspections	8,648	6,816	2,415
Solid Waste			
Refuse Collected (tons/day)	18.71	18.08	20.55
Recyclables Collected (tons/day)	5.87	6.73	6.98
Waterworks and Sewage			
Number of Customers	10,095	10,356	10,529
Average Daily Consumption	3,031,102	2,793,604	2,932,690
Total Gallons Billed	1,106,352,152	1,019,665,578	1,070,431,919

Data Source: Various Village Records

2009	2010	2011	2012	2013	2014	2015
1,051	954	324	430	510	355	535
7,520	7,826	7,062	7,945	7,955	7,994	9,404
290	210	268	176	190	227	249
2.530	2.002	2.222	2.100	2.290	2.200	1.900
25	34	56	43	81	94	92
9,672,196	11,250,550	20,029,836	15,888,636	27,142,572	31,490,000	34,500,000
600	816	1,344	1,032	3,517	3,063	3,881
23.15	22.24	21.57	20.69	20.53	20.93	22.51
7.16	6.99	6.51	5.54	5.58	5.21	5.74
10,585	10,615	10,651	10,699	10,782	10,872	10,782
2,874,781	2,589,476	2,644,642	2,566,709	2,873,849	2,628,101	2,322,122
1,049,295,131	945,158,695	965,294,348	936,848,945	1,048,954,966	959,256,723	847,574,374

## VILLAGE OF FRANKFORT, ILLINOIS

### Capital Asset Statistics by Function/Program - Last Ten Fiscal Years April 30, 2015 (Unaudited)

Function/Program	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Police</b>										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	12	13	13	15	15	16	16	16	16	16
<b>Public Works</b>										
Streets (Miles)	113	119	120	120	120	120	120	120	130	130
Streetlights	1,275	1,366	1,372	1,416	1,419	1,419	1,429	1,432	1,444	1,452
Storm Sewers (Miles)	68	78	79	80	80	80	80	80	80	80
Storm Inlets	2,627	2,722	2,724	2,730	2,733	2,733	2,738	2,744	2,753	2,753
<b>Waterworks and Sewerage</b>										
Water Mains (Miles)	150	158	159	159	159	159	159	159	208	208
Fire Hydrants	2,308	2,420	2,427	2,430	2,433	2,433	2,433	2,435	2,836	2,836
Sanitary Sewers (Miles)	150	156	157	158	158	158	158	158	181	181
Manholes	2,865	3,042	3,050	3,058	3,062	3,062	3,062	3,064	4,341	4,341

Data Source: Various Village Records