



Annual Comprehensive Financial Report

Fiscal Year Ended
April 30, 2022

Frankfort, Illinois 60423

VILLAGE OF FRANKFORT, ILLINOIS

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
APRIL 30, 2022

Prepared by:

Robert E. Piscia
Village Administrator

Jenni Booth
Finance Director

VILLAGE OF FRANKFORT, ILLINOIS

TABLE OF CONTENTS

PAGE

INTRODUCTORY SECTION

List of Principal Officials	1
Organization Chart	2
Letter of Transmittal	3
Certificate of Achievement for Excellence in Financial Reporting	7

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT	10
-------------------------------------	-----------

MANAGEMENT'S DISCUSSION AND ANALYSIS	14
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BASIC FINANCIAL STATEMENTS

Government-Wide Financial Statements	
Statement of Net Position	27
Statement of Activities	29
Fund Financial Statements	
Balance Sheet – Governmental Funds	31
Reconciliation of Total Governmental Fund Balance to the	
Statement of Net Position – Governmental Activities	32
Statement of Revenues, Expenditures and Changes in	
Fund Balances – Governmental Funds	33
Reconciliation of the Statement of Revenues, Expenditures and Changes in	
Fund Balances to the Statement of Activities – Governmental Activities	34
Statement of Net Position – Proprietary Fund	35
Statement of Revenues, Expenses, and Changes in Net Position – Proprietary Fund	37
Statement of Cash Flows – Proprietary Fund	38
Statement of Fiduciary Net Position	39
Statement of Changes in Fiduciary Net Position	40
Notes to Financial Statements	41

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Employer Contributions	
Illinois Municipal Retirement Fund	81
Police Pension Fund	82

VILLAGE OF FRANKFORT, ILLINOIS

TABLE OF CONTENTS

PAGE

FINANCIAL SECTION - Continued

REQUIRED SUPPLEMENTARY INFORMATION - Continued

Schedule of Changes in the Employer's Net Pension Liability/(Asset)	
Illinois Municipal Retirement Fund	84
Police Pension Fund	86
Schedule of Investment Returns	
Police Pension Fund	88
Schedule of Changes in the Employer's Total OPEB Liability	
Retiree Benefits Plan	90
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual	
General Fund	92
Motor Fuel Tax – Special Revenue Fund	93

OTHER SUPPLEMENTARY INFORMATION

Schedule of Expenditures – Budget and Actual – General Fund	97
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual	
Capital Development – Capital Projects Fund	100
Schedule of Revenues, Expenditures and Changes in Net Position – Budget and Actual	
Waterworks and Sewerage – Enterprise Fund	101
Schedule of Changes in Fiduciary Net Position – Budget and Actual	
Police Pension – Pension Trust Fund	102
Consolidated Year-End Financial Report	103
Report on Internal Control Over Financial Reporting and on Compliance and Other	
Matters Based on an Audit of Financial Statements Performed in Accordance	
with <i>Government Auditing Standards</i>	104

SUPPLEMENTAL SCHEDULES

Long-Term Debt Requirements	
Illinois Environmental Protection Agency (IEPA) (L17-3468) Loan of 2011	107
Illinois Environmental Protection Agency (IEPA) (L17-5363) Loan of 2016	108
Illinois Environmental Protection Agency (IEPA) (L17-5388) Loan of 2017	109
Illinois Environmental Protection Agency (IEPA) (L17-5408) Loan of 2019	110

VILLAGE OF FRANKFORT, ILLINOIS

TABLE OF CONTENTS

	PAGE
<u>STATISTICAL SECTION (Unaudited)</u>	
Net Position by Component – Last Ten Fiscal Years	113
Change in Net Position – Last Ten Fiscal Years	115
Fund Balances of Governmental Funds – Last Ten Fiscal Years	117
Changes in Fund Balances for Governmental Funds – Last Ten Fiscal Years	119
Assessed Value and Actual Value of Taxable Property – Last Ten Fiscal Years	121
Direct and Overlapping Property Tax Rates – Last Ten Tax Levy Years	123
Principal Property Tax Payers – Current Fiscal Year and Nine Fiscal Years Ago	125
Property Tax Levies and Collections – Last Ten Tax Levy Years	126
Ratios of Outstanding Debt by Type – Last Ten Fiscal Years	127
Ratios of General Bonded Debt Outstanding – Last Ten Fiscal Years	128
Schedule of Direct and Overlapping Bonded Debt	129
Pledged-Revenue Coverage – Last Ten Fiscal Years	130
Legal Debt Margin – Last Ten Fiscal Years	131
Demographic and Economic Statistics – Last Ten Fiscal Years	133
Principal Employers – Current Fiscal Year and Nine Fiscal Years Ago	134
Full-Time Equivalent Village Government Employees by Function/Program Last Ten Fiscal Years	135
Operating Indicators by Function/Program – Last Ten Fiscal Years	137
Capital Asset Statistics by Function/Program – Last Ten Fiscal Years	139

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, 2022

VILLAGE MAYOR

Keith Ogle

BOARD OF TRUSTEES

Katie Schubert, Clerk

Judith Hageman, Treasurer

Adam Borrelli, Trustee

Jessica Petrow, Trustee

Margaret Farina, Trustee

Daniel Rossi, Trustee

Michael Leddin, Trustee

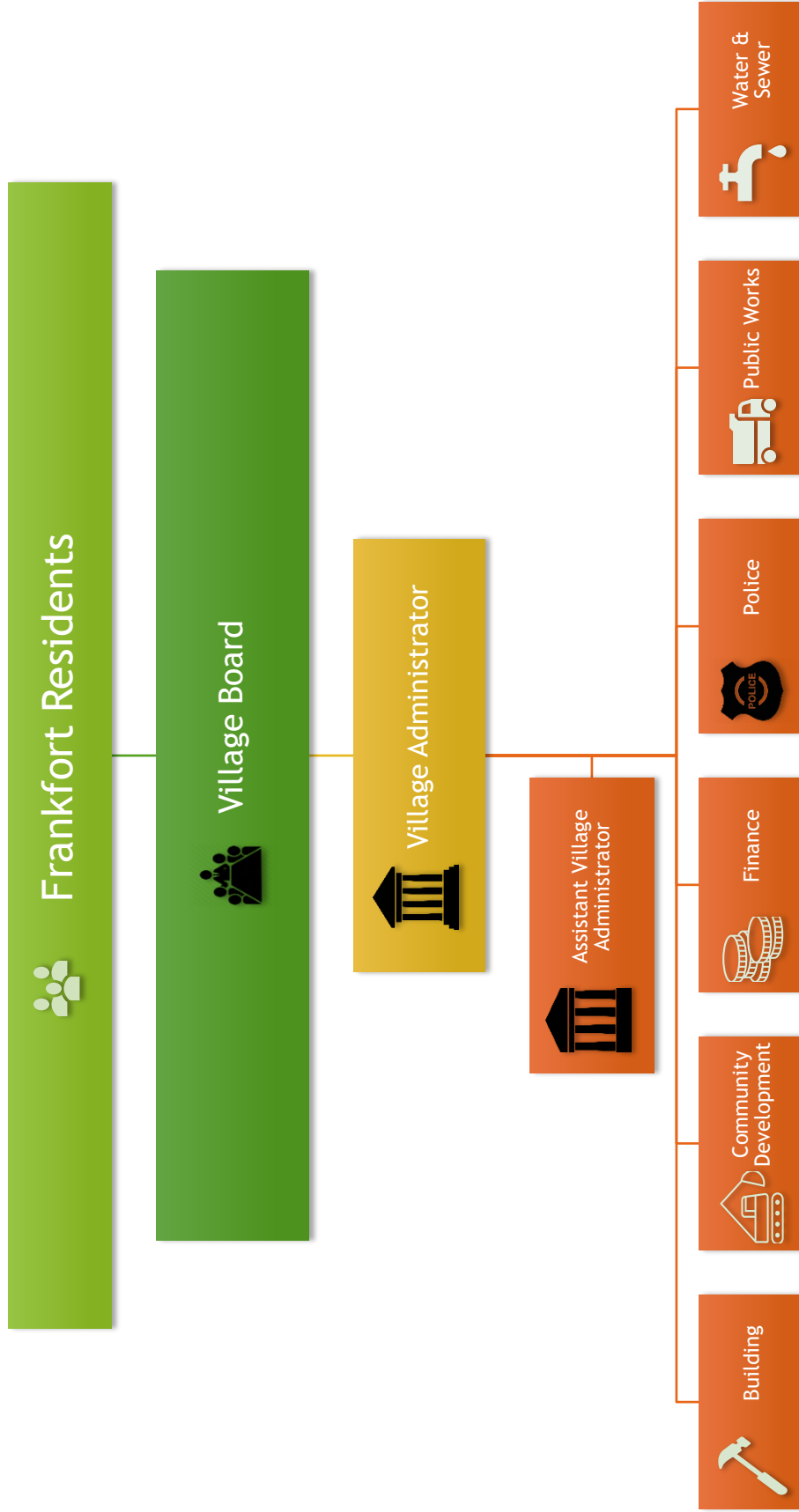
Gene Savaria, Trustee

ADMINISTRATION

Robert E. Piscia, Village Administrator

George Mahoney, Village Attorney

VILLAGE OF FRANKFORT ORGANIZATION CHART





September 12, 2022

The Citizens of the Village of Frankfort, Illinois
Honorable President Ogle and Board of Trustees

Transmittal of the Annual Comprehensive Financial Report

The Annual Comprehensive Financial Report of the Village of Frankfort for the fiscal year ended April 30, 2022, is hereby submitted. State law requires that every general-purpose government publish within six months of the close of each fiscal year a complete set of audited financial statements. In accordance with that law, the report includes the Village of Frankfort's financial statements presented in accordance with generally accepted accounting principles in the United States of America (GAAP).

Responsibility for the accuracy of data, completeness and fairness of the presentation, and all disclosures rests with the Village. A comprehensive framework of internal controls has been established to provide reasonable assurance that the financial statements are free of any material misstatements. The Village of Frankfort's financial statements have been audited by Lauterbach & Amen, LLP, a firm of licensed certified public accountants. Lauterbach & Amen, LLP has issued an unmodified ("clean") opinion on the Village of Frankfort's financial statements for the year ended April 30, 2022. The auditor's report is presented as the first component of the financial section of this report.

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

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.

432 W. NEBRASKA STREET FRANKFORT, IL 60423 (815)469-2177 FAX (815)469-7999 WWW.FRANKFORTIL.ORG

MAYOR *Keith Ogle* VILLAGE CLERK *Katie Schubert*

VILLAGE TRUSTEES *Adam Borrelli Margaret Farina Michael Leddin Jessica Petrow Daniel Rossi Eugene Savaria*

Village Profile

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 21,032 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 municipal services including police protection, economic development, building and zoning, public works, solid waste and recycling disposal, water, sewer, and administration.

The Village's mission is to encourage opportunities through planning, commitment, and community involvement by showcasing the charms of the community that embraces new ideas while treasuring its past.

Local Economy

There are several factors that impact the local finances of the Village. The Village is impacted by regional, state, and national economic conditions as well as governance of the State of Illinois. Several important revenue sources are affected by economic conditions beyond the Village's control. These sources include, but are not limited to sales tax, building permit fees, income tax, and motor fuel tax. The Village's opportunity to implement new revenues is relatively limited due to its non-home rule status. The State of Illinois may also impact revenues through legislative changes. An example of this is the formula for shared income tax.

The Village remains in a strong financial position as evidenced by an excellent performance of some of the Village's largest revenue sources. A large contributor was sales tax, which due to new legislation required sales tax and non-home rule sales tax to be collected on online sales. Income tax continued to benefit from several positive factors including an improving labor market and increased corporate income tax receipts. The Village also received Federal American Rescue Plan Act funding which is intended to assist local governments in recovering from the pandemic. Water and sewer receipts outperformed expectations as a result of residents continuing to work from home. These increased revenues will help support future capital needs within the Village including the street resurfacing program and water and sewer infrastructure projects.

Operating expenditures for the fiscal year came in under budgeted projections, which was a result of conservative spending by the departments. Rising costs due to inflation and delays in obtaining needed materials for projects and services are impacting the Village's expenditures. Infrastructure projects are coming in over original estimates and items such as vehicle purchases have seen a delay. Budgeted expectations are being monitored closely as the Village navigates through these delays and cost increases.

Long-term Financial Planning

The Village continues to analyze its long-term financial plan and strives to maintain healthy fund balances, especially during these uncertain times.

In recent years, the Frankfort residents approved a non-home rule sales tax increase with a focus on public safety and infrastructure improvements. Since the passing of the non-home rule sales tax measure, the Village Board enhanced public safety by hiring additional police officers. In addition, the Village Board has significantly increased the street resurfacing efforts to address road conditions. Both of these efforts are ongoing and continue to be addressed in the long-term financial plan.

As in the past, the Motor Fuel Tax Fund (MFT) supports grant projects for road improvements. The Village's local match for grants will continue to be funded with MFT funds. The design engineering has been completed for the Pfeiffer Road connection project. This project will be partially funded with the Rebuild Illinois Bond Funds of which the Village has begun receiving. The Village anticipates receiving additional grant funding for this project as well. Staff and the Village Board are carefully monitoring this project as they work through cost increases and anticipated delays of materials for the project.

The Village of Frankfort enters fiscal year 2023 on a sound financial basis. The Village expects to continue to increase General Fund revenues above expenditures. These remaining revenues which are not used for operational costs will allow the Village to continue to transfer funds to the Capital Fund to pay for future capital improvements. The Village continues to seek federal and state funding grants to assist in the cost of these improvements. The Village continually analyzes various expense controls and funding sources through its long-term financial planning process. The Village Board and staff's sound management of fund reserves and conservative spending habits continue to contribute to the Village's financial stability.

Relevant Financial Policies

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.

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 using departmental internal management reports. These monthly departmental internal management reports are utilized to analyze actual versus budget amounts. These reports are also shared with the Village President and Village Board and favorable and unfavorable variances are analyzed and discussed.

Awards

The Village of Frankfort is the proud recipient of the 2020 Daniel Burnham Award for its “Your Future, Your Frankfort 2040 Comprehensive Plan” presented by the Illinois Chapter of the American Planning Association. The plan is designed to guide the community leaders and decision-makers on matters related to growth, development, and quality of life.

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 annual comprehensive 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 thirty-three consecutive years: from fiscal year 1989 to 2021.

The Village of Frankfort is herewith submitting the enclosed financial report for fiscal year ended April 30, 2022, 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 President and Board members to annually be eligible for the Certificate of Achievement award.

Acknowledgements

The preparation of the annual comprehensive 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, LLP 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 Annual Comprehensive Financial Report, and for their responsible and progressive approach that contributes to the financial strength of the Village of Frankfort.

Respectfully submitted,



Robert Piscia
Village Administrator



Jenni Booth
Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Village of Frankfort
Illinois**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

April 30, 2021

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

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



INDEPENDENT AUDITOR'S REPORT

September 12, 2022

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

Opinions

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Frankfort, Illinois, as of April 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Frankfort, Illinois' basic financial statements. The other supplementary information and supplemental schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, other supplementary information and supplemental schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Lauterbach & Amen, LLP
LAUTERBACH & AMEN, LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

VILLAGE OF FRANKFORT, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2022

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, 2022. We encourage readers to consider the information presented here in conjunction with the information provided in the letter of transmittal, located in the introductory section 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 Village's overall net position increased by 4.7% as a result of this fiscal year's operations. Net position of governmental activities increased by \$5,183,482 or 4.4%. Net position of business-type activities increased by \$4,893,215 or 5.0%. These positive changes in net position will fund future capital projects included in the Village's long-term plan.
- The assets/deferred outflows of the Village exceeded its liabilities/deferred inflows at the close of this year by \$225,726,134 (net position). Of this amount, \$45,807,284 (unrestricted net position) may be used to meet the Village's ongoing obligations to citizens and creditors.
- The Police Pension Fund's plan fiduciary net position as a percentage of total pension liability decreased slightly from 66.1% in fiscal year 2021 to 65.3% in fiscal year 2022.
- The Illinois Municipal Retirement Fund (IMRF) increased its plan fiduciary net position as a percentage of the total pension liability from 102.4% in fiscal year 2021 to 108.8% in fiscal year 2022.

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 Statement of Net Position presents information on all the Village's assets/deferred outflows and liabilities/deferred inflows, 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) and 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, and general government. 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 maintained three individual governmental funds during fiscal year 2022. Information is presented separately in the governmental fund statement of revenues, expenditure, and changes in fund balances for the General Fund, Motor Fuel Tax Fund and Capital Development Fund.

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.

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.

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.

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.

Other Information

In addition to the basic financial statements and accompanying notes, this report also represents certain required supplementary information. The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of the government's financial position. The Village's combined net position increased to \$225,726,134 from \$215,649,437, an increase of \$10,076,697.

The government-wide financial statements are designed to provide information in a corporate-like manner. The Governmental activities listed below include capital assets and long-term liabilities. Fund financial statements do not include these items. Also, the Village implemented the Governmental Accounting Standards Board Statement No. 68 (GASB No. 68) in fiscal year 2016 and Statement No. 75 (GASB No. 75) in fiscal year 2018. The implementation of these financial reporting standards required the recognition of net pension liabilities. These pension liabilities relate to the Village's participation in the Frankfort Police Pension Fund, the Illinois Municipal Retirement Fund, and the total OPEB liability. In fiscal year 2021, the Village implemented Statement No. 83 (GASB No. 83), which recorded the asset retirement obligation for the Village's Waterworks and Sewerage Fund. Under previous financial reporting standards, the Village was only required to report its long-term obligations for pensions in footnote disclosure and as required supplementary information.

	Net Position					
	Governmental Activities		Business-Type Activities		Totals	
	2022	2021	2022	2021	2022	2021
Current and Other Assets	\$ 42,352,715	34,094,374	32,308,324	29,222,104	74,661,039	63,316,478
Capital Assets	102,258,656	105,117,978	123,358,661	123,584,191	225,617,317	228,702,169
Total Assets	144,611,371	139,212,352	155,666,985	152,806,295	300,278,356	292,018,647
Deferred Outflows	2,858,591	2,940,422	514,813	398,587	3,373,404	3,339,009
Total Assets/ Def. Outflows	147,469,962	142,152,774	156,181,798	153,204,882	303,651,760	295,357,656
Long-Term Debt	13,531,069	13,516,584	46,938,972	49,433,682	60,470,041	62,950,266
Other Liabilities	2,311,313	1,769,173	5,410,052	5,144,676	7,721,365	6,913,849
Total Liabilities	15,842,382	15,285,757	52,349,024	54,578,358	68,191,406	69,864,115
Deferred Inflows	8,423,917	8,846,836	1,310,303	997,268	9,734,220	9,844,104
Total Liab./ Def. Inflows	24,266,299	24,132,593	53,659,327	55,575,626	77,925,626	79,708,219
Net Position						
Net Investment in						
Capital Assets	102,258,656	105,117,978	74,085,516	72,155,113	176,344,172	177,273,091
Restricted	3,574,678	2,509,547	-	-	3,574,678	2,509,547
Unrestricted	17,370,329	10,392,656	28,436,955	25,474,143	45,807,284	35,866,799
Total Net Position	123,203,663	118,020,181	102,522,471	97,629,256	225,726,134	215,649,437

The chart on the next page shows the changes in net position. Overall net position increased for the year ended April 30, 2022 by \$10,076,697 and increased \$10,006,234 for the year ended April 30, 2021. These increases in the change in net position are mainly due to increases in various revenue sources, including sales tax and income tax, which will be discussed in more detail below.

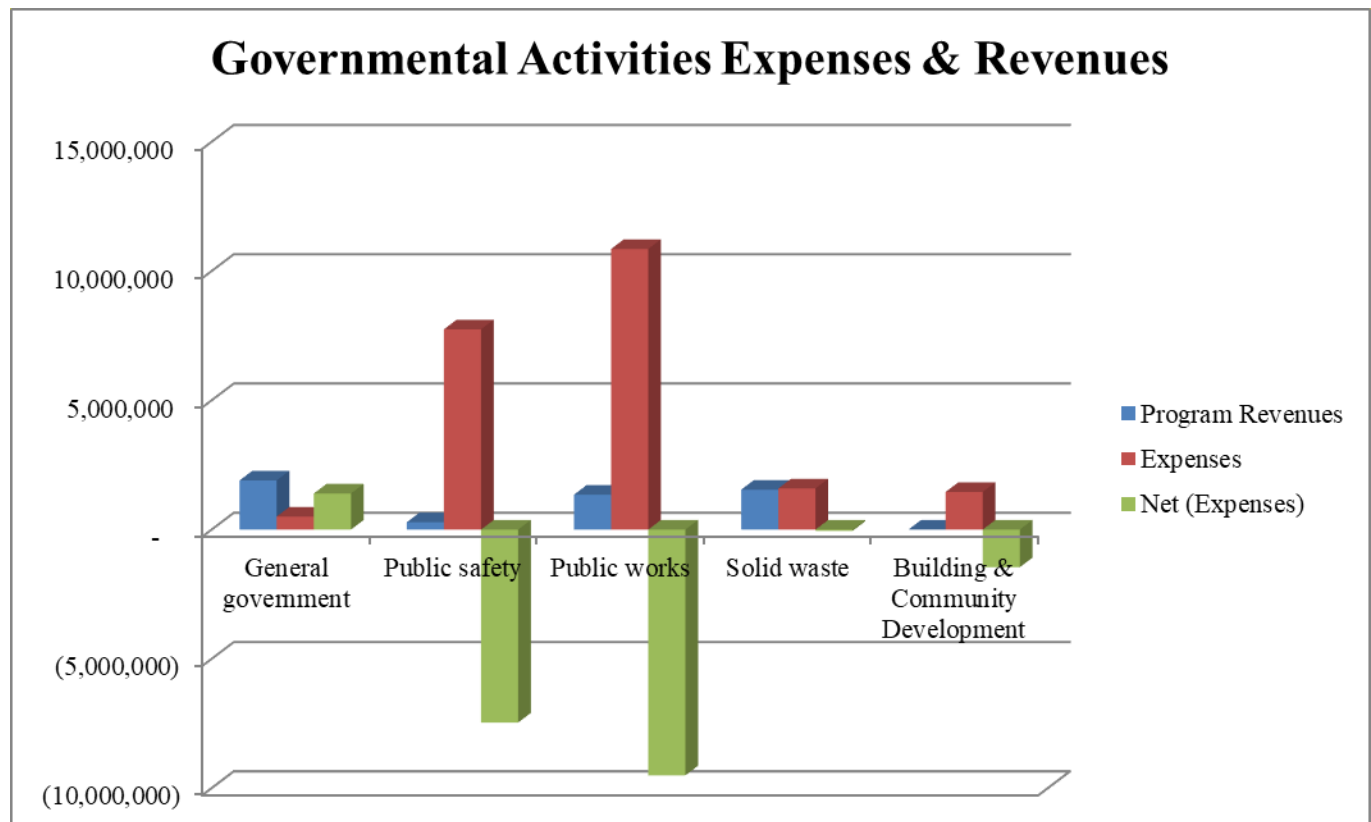
		Changes in Net Position					
		Governmental		Business-Type		Totals	
		Activities		Activities			
		2022	2021	2022	2021	2022	2021
Revenues							
Program Revenues							
Charges for Services	\$	3,919,555	3,419,387	13,762,440	13,549,321	17,681,995	16,968,708
Operating Grants/Contrib.		2,261	851,921	-	-	2,261	851,921
Capital Grants/Contrib.		1,153,724	4,193,546	908,050	-	2,061,774	4,193,546
General Revenues							
Property Taxes		4,022,031	3,971,304	-	-	4,022,031	3,971,304
Utility Taxes		1,799,739	1,621,180	-	-	1,799,739	1,621,180
Sales Taxes		10,994,405	9,160,968	-	-	10,994,405	9,160,968
Income Taxes		3,058,907	2,158,420	-	-	3,058,907	2,158,420
Use Taxes		750,664	799,960	-	-	750,664	799,960
Replacement Taxes		154,555	70,648	-	-	154,555	70,648
ARPA Grant		1,318,184	-	-	-	1,318,184	-
Interest Income		(133,738)	55,969	(246,247)	71,361	(379,985)	127,330
Miscellaneous		291,184	224,526	19,416	18,120	310,600	242,646
Total Revenues		27,331,471	26,527,829	14,443,659	13,638,802	41,775,130	40,166,631
Expenses							
General Government		503,718	948,334	-	-	503,718	948,334
Public Safety		7,745,050	6,839,665	-	-	7,745,050	6,839,665
Public Works		10,854,308	10,692,356	-	-	10,854,308	10,692,356
Solid Waste		1,590,642	1,513,433	-	-	1,590,642	1,513,433
Building & Community Development		1,454,271	1,276,927	-	-	1,454,271	1,276,927
Waterworks and Sewerage		-	-	9,550,444	8,889,682	9,550,444	8,889,682
Total Expenses		22,147,989	21,270,715	9,550,444	8,889,682	31,698,433	30,160,397
Change in Net Position		5,183,482	5,257,114	4,893,215	4,749,120	10,076,697	10,006,234
Net Position - Beginning		118,020,181	112,763,067	97,629,256	92,880,136	215,649,437	205,643,203
Net Position - Ending		123,203,663	118,020,181	102,522,471	97,629,256	225,726,134	215,649,437

- The fiscal year 2022 sales tax revenue in the amount of \$10,994,405 is \$1,833,437 or 20.0% higher than the fiscal year 2021 revenue. This increase is mainly attributable to the “Leveling the Playing Field for Illinois Retail Act” which became effective January 1, 2021. This act requires the collection of state and local sales tax by certain marketplace and remote retailers.
- The fiscal year 2022 income tax revenue in the amount of \$3,058,907 is \$900,487 or 41.7% higher than the fiscal year 2021 revenue. This increase is mainly due to the improvements in the labor market and increased corporate income tax receipts.
- Property tax revenue increased \$50,727 due to the increase in the equalized assessed value of real property within the Village.
- The fiscal year 2022 general revenues include \$1,318,184 for the first tranche of the American Rescue Plan Act funding. The Village has been allocated \$2,636,368 in total.

The Village's investment in capital assets, which includes items such as infrastructure, buildings and equipment, less any related outstanding debt used to acquire those assets represents 78.12% 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 1.59% of the Village's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$45,807,284 or 20.29% represents unrestricted net position, which may be used to meet the government's ongoing obligations to citizens and creditors.

	Expenses	Program Revenues	Net (Expenses) Revenues
General government	\$ 503,718	1,899,820	1,396,102
Public safety	7,745,050	283,107	(7,461,943)
Public works	10,854,308	1,349,523	(9,504,785)
Solid waste	1,590,642	1,543,090	(47,552)
Building & Community Development	1,454,271	-	(1,454,271)



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 and police commission.
- Public Works includes 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.

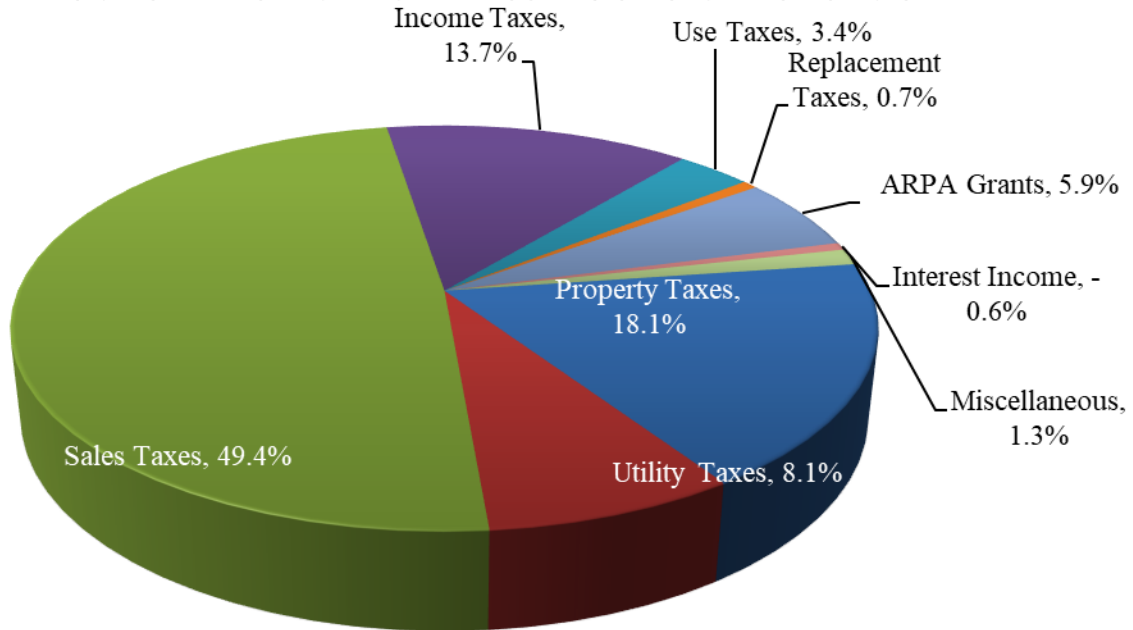
	Expenses		Program Revenues		Net (Expenses) Revenues	
	2022	2021	2022	2021	2022	2021
General government	\$ 503,718	948,334	1,899,820	1,508,036	1,396,102	559,702
Public safety	7,745,050	6,839,665	283,107	1,086,702	(7,461,943)	(5,752,963)
Public works	10,854,308	10,692,356	1,349,523	4,396,578	(9,504,785)	(6,295,778)
Building & Community Development	1,454,271	1,276,927	-	-	(1,454,271)	(1,276,927)
Solid waste	1,590,642	1,513,433	1,543,090	1,473,538	(47,552)	(39,895)
	22,147,989	21,270,715	5,075,540	8,464,854	(17,072,449)	(12,805,861)

Program revenues are displayed above which include charges for services along with operating and capital grants/contributions. The expenses that are not covered by program revenues 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:

	2022	
	Amount	Percentage
Property Taxes	\$ 4,022,031	18.1%
Utility Taxes	1,799,739	8.1%
Sales Taxes	10,994,405	49.4%
Income Taxes	3,058,907	13.7%
Use Taxes	750,664	3.4%
Replacement Taxes	154,555	0.7%
ARPA Grants	1,318,184	5.9%
Interest Income	(133,738)	-0.6%
Miscellaneous	291,184	1.3%
Total	22,255,931	100.0%

Governmental Activities - General Revenue



Sales tax is one of the largest revenue sources for the Village comprising 49.4% of general governmental revenues. The second largest revenue source is property taxes collected during the year which represents 18.1% of the Village's general governmental revenues. The combined tax rate for the Village of Frankfort and the Village of Frankfort Road and Bridge Fund, the latter of which is levied by Frankfort Township, decreased from 0.4189 to 0.4168 per \$100 of equalized assessed valuation. This rate decrease has been offset by the 4.4% increase in the total equalized assessed value (EAV) of properties located in Frankfort. This is the seventh year since 2009 that the Village has seen an increase in the equalized assessed value of real property within the Village.

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 revenues for the Waterworks and Sewerage Fund exceeded the expenses by \$4,893,215.

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, 2022, the Village of Frankfort's governmental funds reported combined ending fund balances of \$34,647,579. Approximately 20.7% of this total amount or \$7,170,358 constitutes unassigned fund balance, which is available for spending at the Village's discretion. The remaining \$27,477,221 of the fund balance is restricted (\$3,574,678) and assigned (\$23,902,543). The restricted balance represents the Village's motor fuel tax fund balance and the assigned balance represents the capital development fund balance.

Revenues of the General Fund exceeded expenditures by \$10,652,530. This entire amount was transferred into the Capital Development Fund to be used for future capital outlay. Strong sales tax revenue as well as other revenue sources such as property taxes and income taxes, offset by conservative spending made this transfer possible. The fund balance of the Village of Frankfort's General Fund had no change for the fiscal year. At the end of the current fiscal year, the fund balance of the General Fund was \$7,170,358, of which the entire balance is unassigned. It also should be noted that 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 46.4% of the total General Fund expenditures.

The Motor Fuel Tax Fund ended the year with a fund balance of \$3,574,678 which is restricted for road maintenance and construction. During the year, the fund balance of the Village of Frankfort's Motor Fuel Tax Fund increased by \$1,065,131.

The Capital Development Fund ended the year with a fund balance of \$23,902,543, all of which is assigned for future capital projects. During the year, the fund balance of the Village of Frankfort's Capital Projects Fund increased by \$5,453,018. This fund received \$10,652,530 of transferred funds based on fiscal year 2022 operating results within the General Fund. These transfers were offset by expenditures such as costs related to the street resurfacing program and vehicles and equipment purchases.

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 \$28,436,955. The only major proprietary fund is the Waterworks and Sewerage Fund. Its net position increased by \$4,893,215. This overall increase was mainly a result of operating revenues exceeding operating expenses and will be used to fund future capital improvements and for the repayment of the Village's IEPA loans.

General Fund Budgetary Highlights

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

During the year, General Fund revenues were more than budgetary estimates by \$6,578,874 as all revenue categories were more than anticipated, except for interest income. Expenditures were less than budgeted by \$1,883,956, as all expenditure functions were less than expected. These favorable results along with the budgeted operating surplus of \$2,189,700 enabled the Village to continue its policy of transferring funds to support the activity in the Capital Development Fund. \$10,652,530 was transferred from the General Fund to the Capital Development Fund for fiscal year 2022.

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, 2022, amounts to \$225,617,317 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings and improvements, infrastructure, vehicles, equipment, and water distribution.

	Capital Assets - Net of Depreciation					
	Governmental Activities		Business-Type Activities		Totals	
	2022	2021	2022	2021	2022	2021
Land	\$ 30,938,656	30,938,656	2,580,859	2,580,859	33,519,515	33,519,515
Construction in Progress	153,636	97,925	2,990,658	8,696,552	3,144,294	8,794,477
Buildings and Improvements	5,713,403	5,896,988	-	-	5,713,403	5,896,988
Infrastructure	63,293,338	66,126,839	-	-	63,293,338	66,126,839
Vehicles	1,748,995	1,653,976	218,925	352,767	1,967,920	2,006,743
Equipment	410,628	403,594	-	-	410,628	403,594
Water Distribution	-	-	117,568,219	111,954,013	117,568,219	111,954,013
Totals	102,258,656	105,117,978	123,358,661	123,584,191	225,617,317	228,702,169

Major capital asset events during fiscal year 2022 included the following:

- On the business-type activities side, \$9,078,635 of assets were placed in service. These new additions included the final phase of the wastewater treatment consolidation project in the amount of \$7,417,680. Other improvements included water main replacements and sanitary sewer rehabilitation.
- On the governmental activities side the Village reconstructed Elm Street and purchased various vehicles and equipment mainly within the Police and Public Works departments.
- Depreciation in the amount of \$4,097,385 was recorded for governmental activities' capital assets and \$3,598,271 was recorded for business-type activities' capital assets.

Additional information on the Village of Frankfort's capital assets can be found in the Note 3 to the financial statements.

Long-term debt

The Village of Frankfort has total outstanding IEPA loans of \$49,273,145 and no outstanding general obligation bonded debt as of April 30, 2022. Under current Illinois Compiled Statutes, 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, 2022, the Village's legal debt limit of \$86,263,055 was equal to the legal debt margin.

Below is a comparative statement of outstanding debt:

	Long-Term Debt Outstanding					
	Governmental Activities		Business-Type Activities		Totals	
	2022	2021	2022	2021	2022	2021
IEPA Loans	\$ -	-	49,273,145	51,429,078	49,273,145	51,429,078

Additional information on the Village's long-term debt can be found in the Note 3 to the financial statements.

Economic Factors and Next Year’s Budget

Sales tax increased significantly again this year by \$1,833,437 or 20.0%. This is mainly due to sales tax on online sales due to the “Leveling the Playing Field for Illinois Retail Act” as mentioned earlier. This new act has had a significant impact on both the Village’s state sales tax as well as the non-home rule sales tax. Sales tax revenue is expected to level off in the upcoming year. An increase was also seen in the Village’s income tax revenue mainly due to an improving labor market and increased corporate income tax receipts. Legislative changes, including tax law changes, are continually being monitored.

General Sales and Income Taxes for the Past 5 Fiscal Years

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Sales taxes	\$10,994,405	\$9,160,968	\$7,883,132	\$5,942,547	\$6,048,104
Income taxes	\$3,058,907	\$2,158,420	\$1,749,481	\$1,839,642	\$1,618,056

During fiscal year 2022, construction of the Wastewater Treatment Plant Consolidation Project which is the largest capital improvement project in the history of the Village was completed. This project was funded by three low interest loans from the IEPA. Repayment of these loans will be paid for by current and future users of the utility system and are funded by sewer charges. During fiscal year 2022, \$3.1 million of principal and interest was paid on these loans. Annual debt service is expected to be approximately \$3.4 million per year. The term of each loan is 20 years. This project was necessary to meet environmental standards and to replace obsolete equipment.

An additional \$1.6 million was also spent on water and sewer projects during fiscal year 2022. The majority of these projects were watermain replacement projects. Water and sewer projects are expected to continue in future years to address the Village’s aging infrastructure.

The Village invested more than \$4 million in fiscal year 2022 to address the Village’s aging streets. Various Village streets were resurfaced throughout Frankfort. This investment is projected to increase to \$7 million in fiscal year 2023. Next year’s budget also includes funding for the Pfeiffer Road connection project’s engineering and construction costs. The Village is anticipating grant funding to cover a large portion of this project.

The depth and length of the financial impacts related to events such as the pandemic, the potential recession, and the Russia-Ukraine conflict are some significant factors that make the budget and long-term forecasting challenging. Despite these uncertain times, the Village remains in a strong financial position, as evidenced by the excellent performance of some of the Village’s largest revenue sources and responsible management of fund reserves. The Village continues to analyze its long-term financial plan and strives to maintain healthy fund balances, especially during these uncertain times.

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 Robert Piscia, Village Administrator or Jenni Booth, Finance Director, 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, 2022

See Following Page

VILLAGE OF FRANKFORT, ILLINOIS

Statement of Net Position

April 30, 2022

	Governmental Activities	Business-Type Activities	Totals
ASSETS			
Current Assets			
Cash and Investments	\$ 33,242,703	29,198,724	62,441,427
Receivables - Net of Allowances	7,555,419	1,471,883	9,027,302
Due from Other Governments	78,521	773,180	851,701
Land Held for Resale	85,113	-	85,113
Total Current Assets	40,961,756	31,443,787	72,405,543
Noncurrent Assets			
Capital Assets			
Nondepreciable Capital Assets	31,092,292	5,571,517	36,663,809
Depreciable Capital Assets	151,330,744	168,917,817	320,248,561
Accumulated Depreciation	(80,164,380)	(51,130,673)	(131,295,053)
Total Capital Assets	102,258,656	123,358,661	225,617,317
Other Asset			
Net Pension Asset - IMRF	1,390,959	864,537	2,255,496
Total Noncurrent Assets	103,649,615	124,223,198	227,872,813
Total Assets	144,611,371	155,666,985	300,278,356
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Items - IMRF	622,140	386,684	1,008,824
Deferred Items - Police Pension	2,236,451	-	2,236,451
Deferred Items - ARO	-	128,129	128,129
Total Deferred Outflows of Resources	2,858,591	514,813	3,373,404
Total Assets and Deferred Outflows of Resources	147,469,962	156,181,798	303,651,760

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

	Governmental Activities	Business-Type Activities	Totals
LIABILITIES			
Current Liabilities			
Accounts Payable	\$ 1,541,728	2,326,875	3,868,603
Retainage Payable	-	283,264	283,264
Accrued Payroll	134,059	42,023	176,082
Accrued Interest	-	160,444	160,444
Deposits Payable	507,065	-	507,065
Current Portion of Long-Term Debt	128,461	2,597,446	2,725,907
Total Current Liabilities	2,311,313	5,410,052	7,721,365
Noncurrent Liabilities			
Compensated Absences Payable	513,844	105,462	619,306
Net Pension Liability - Police	11,374,984	-	11,374,984
Total OPEB Liability - RBP	1,642,241	-	1,642,241
IEPA Loan Payable	-	46,702,065	46,702,065
Asset Retirement Obligation	-	131,445	131,445
Total Noncurrent Liabilities	13,531,069	46,938,972	60,470,041
Total Liabilities	15,842,382	52,349,024	68,191,406
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	4,131,325	-	4,131,325
Deferred Items - IMRF	2,108,157	1,310,303	3,418,460
Deferred Items - Police Pension	2,184,435	-	2,184,435
Total Deferred Inflows of Resources	8,423,917	1,310,303	9,734,220
Total Liabilities and Deferred Inflows of Resources	24,266,299	53,659,327	77,925,626
NET POSITION			
Net Investment in Capital Assets	102,258,656	74,085,516	176,344,172
Restricted			
Road Construction and Maintenance	3,574,678	-	3,574,678
Unrestricted	17,370,329	28,436,955	45,807,284
Total Net Position	123,203,663	102,522,471	225,726,134

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, 2022

		Program Revenues		
		Charges for Services	Operating Grants/ Contributions	Capital Grants/ Contributions
	Expenses			
Primary Government				
Governmental Activities				
General Government	\$ 503,718	1,899,820	-	-
Public Safety	7,745,050	280,846	2,261	-
Public Works	10,854,308	195,799	-	1,153,724
Solid Waste	1,590,642	1,543,090	-	-
Building and Community Development	1,454,271	-	-	-
Total Governmental Activities	22,147,989	3,919,555	2,261	1,153,724
Business-Type Activities				
Waterworks and Sewerage	9,550,444	13,762,440	-	908,050
Total Primary Government	31,698,433	17,681,995	2,261	2,061,774

General Revenues

Taxes

Property Taxes

Utility Taxes

Intergovernmental - Unrestricted

Sales Taxes

Income Taxes

Use Taxes

Replacement Taxes

Other Taxes

ARPA Grants

Interest Income (Loss)

Miscellaneous

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
1,396,102	-	1,396,102
(7,461,943)	-	(7,461,943)
(9,504,785)	-	(9,504,785)
(47,552)	-	(47,552)
(1,454,271)	-	(1,454,271)
(17,072,449)	-	(17,072,449)
-	5,120,046	5,120,046
(17,072,449)	5,120,046	(11,952,403)
4,022,031	-	4,022,031
1,799,739	-	1,799,739
10,994,405	-	10,994,405
3,058,907	-	3,058,907
750,664	-	750,664
154,555	-	154,555
30,966	-	30,966
1,318,184	-	1,318,184
(133,738)	(246,247)	(379,985)
260,218	19,416	279,634
22,255,931	(226,831)	22,029,100
5,183,482	4,893,215	10,076,697
118,020,181	97,629,256	215,649,437
123,203,663	102,522,471	225,726,134

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

VILLAGE OF FRANKFORT, ILLINOIS

Balance Sheet - Governmental Funds

April 30, 2022

	General	Special Revenue Motor Fuel Tax	Capital Projects Capital Development	Totals
ASSETS				
Cash and Investments	\$ 4,966,151	3,772,894	24,503,658	33,242,703
Receivables - Net of Allowances				
Property Taxes	4,131,325	-	-	4,131,325
Other Taxes	2,595,765	-	-	2,595,765
Accounts	828,071	-	-	828,071
Accrued Interest	-	-	258	258
Due from Other Governments	-	78,521	-	78,521
Land Held for Resale	-	-	85,113	85,113
Total Assets	12,521,312	3,851,415	24,589,029	40,961,756
LIABILITIES				
Accounts Payable	720,820	276,737	544,171	1,541,728
Accrued Payroll	134,059	-	-	134,059
Deposits Payable	364,750	-	142,315	507,065
Total Liabilities	1,219,629	276,737	686,486	2,182,852
DEFERRED INFLOWS OF RESOURCES				
Property Taxes	4,131,325	-	-	4,131,325
Total Liabilities and Deferred Inflows of Resources	5,350,954	276,737	686,486	6,314,177
FUND BALANCES				
Restricted	-	3,574,678	-	3,574,678
Assigned	-	-	23,902,543	23,902,543
Unassigned	7,170,358	-	-	7,170,358
Total Fund Balances	7,170,358	3,574,678	23,902,543	34,647,579
Total Liabilities, Deferred Inflows of Resources and Fund Balances	12,521,312	3,851,415	24,589,029	40,961,756

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, 2022

Total Governmental Fund Balances	\$ 34,647,579
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.	102,258,656
A net pension asset is not considered to represent a financial resource and therefore is not reported in the funds. Net Pension (Asset) - IMRF	1,390,959
Deferred outflows (inflows) of resources related to the pensions not reported in the funds. Deferred Items - IMRF	(1,486,017)
Deferred Items - Police Pension	52,016
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds. Compensated Absences Payable	(642,305)
Net Pension Liability - Police Pension	(11,374,984)
Total OPEB Liability - RBP	<u>(1,642,241)</u>
Net Position of Governmental Activities	<u>123,203,663</u>

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, 2022

	General	Special Revenue Motor Fuel Tax	Capital Projects Capital Development	Totals
Revenues				
Taxes	\$ 5,821,770	-	-	5,821,770
Intergovernmental	16,309,942	1,153,724	-	17,463,666
Charges for Services	2,387,804	-	195,799	2,583,603
Licenses and Permits	1,139,260	-	-	1,139,260
Fines and Forfeitures	196,692	-	-	196,692
Interest Income (Loss)	14,236	3,428	(151,402)	(133,738)
Miscellaneous	239,170	-	21,048	260,218
Total Revenues	26,108,874	1,157,152	65,445	27,331,471
Expenditures				
General Government	1,198,939	-	-	1,198,939
Public Safety	7,875,618	-	-	7,875,618
Public Works	3,402,418	-	8,841	3,411,259
Solid Waste	1,590,642	-	-	1,590,642
Building and Community Development	1,388,727	-	-	1,388,727
Capital Outlay	-	92,021	5,335,907	5,427,928
Total Expenditures	15,456,344	92,021	5,344,748	20,893,113
Excess (Deficiency) of Revenues Over (Under) Expenditures	10,652,530	1,065,131	(5,279,303)	6,438,358
Other Financing Sources (Uses)				
Disposal of Capital Assets	-	-	79,791	79,791
Transfers In	-	-	10,652,530	10,652,530
Transfers Out	(10,652,530)	-	-	(10,652,530)
	(10,652,530)	-	10,732,321	79,791
Net Change in Fund Balances	-	1,065,131	5,453,018	6,518,149
Fund Balances - Beginning	7,170,358	2,509,547	18,449,525	28,129,430
Fund Balances - Ending	7,170,358	3,574,678	23,902,543	34,647,579

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, 2022

Net Change in Fund Balances - Total Governmental Funds	\$ 6,518,149
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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	1,266,533
Depreciation Expense	(4,097,385)
Disposals - Cost	(311,456)
Disposals - Accumulated Depreciation	282,986

An addition to a net pension asset is not considered to be an increase in a
financial asset in the governmental funds.

Change in Net Pension Asset - IMRF	1,054,244
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The net effect of deferred outflows (inflows) of resources related to the pensions
not reported in the funds.

Change in Deferred Items - IMRF	(360,736)
Change in Deferred Items - Police Pension	848,382

The issuance of long-term debt provides current financial resources to
governmental funds, while the repayment of the principal on long-term
debt consumes the current financial resources of the governmental funds.

Change in Compensated Absences Payable	(13,750)
Change in Net Pension Liability - Police Pension	(462,755)
Change in Total OPEB Liability - RBP	459,270

Changes in Net Position of Governmental Activities	5,183,482
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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 Fund

April 30, 2022

	Business-Type Activities Waterworks and Sewerage
ASSETS	
Current Assets	
Cash and Investments	\$ 29,198,724
Receivables - Net of Allowances	
Accounts	1,471,883
Due from Other Governments	773,180
Total Current Assets	<u>31,443,787</u>
Noncurrent Assets	
Capital Assets	
Nondepreciable Capital Assets	5,571,517
Depreciable Capital Assets	168,917,817
Accumulated Depreciation	<u>(51,130,673)</u>
Total Noncurrent Assets	123,358,661
Other Asset	
Net Pension Asset - IMRF	<u>864,537</u>
Total Noncurrent Assets	<u>124,223,198</u>
Total Assets	<u>155,666,985</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Items - IMRF	386,684
Deferred Items - ARO	<u>128,129</u>
Total Deferred Outflows of Resources	<u>514,813</u>
Total Assets and Deferred Outflows of Resources	<u>156,181,798</u>

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

	Business-Type Activities Waterworks and Sewerage
LIABILITIES	
Current Liabilities	
Accounts Payable	\$ 2,326,875
Retainage Payable	283,264
Accrued Payroll	42,023
Accrued Interest	160,444
Current Portion of Long-Term Debt	2,597,446
Total Current Liabilities	<u>5,410,052</u>
Noncurrent Liabilities	
Compensated Absences Payable	105,462
IEPA Loans Payable	46,702,065
Asset Retirement Obligation	131,445
Total Noncurrent Liabilities	<u>46,938,972</u>
Total Liabilities	<u>52,349,024</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred Items - IMRF	<u>1,310,303</u>
Total Liabilities and Deferred Inflows of Resources	<u>53,659,327</u>
NET POSITION	
Net Investment in Capital Assets	74,085,516
Unrestricted	<u>28,436,955</u>
Total Net Position	<u><u>102,522,471</u></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, 2022

	Business-Type Activities <u>Waterworks and Sewerage</u>
Operating Revenues	
Charges for Services	<u>\$ 13,762,440</u>
Operating Expenses	
Personnel	2,074,574
Contractual Services	1,961,480
Commodities	540,960
Capital Improvements	509,039
Depreciation and Amortization	<u>3,601,588</u>
Total Operating Expenses	<u>8,687,641</u>
Operating Income	<u>5,074,799</u>
Nonoperating Revenues (Expenses)	
Other Income	19,416
Interest Income (Loss)	(246,247)
Interest Expense	<u>(862,803)</u>
	<u>(1,089,634)</u>
Income before Capital Grants	3,985,165
Capital Grants	<u>908,050</u>
Change in Net Position	4,893,215
Net Position - Beginning	<u>97,629,256</u>
Net Position - Ending	<u><u>102,522,471</u></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, 2022

	Business-Type Activities Waterworks and Sewerage
Cash Flows from Operating Activities	
Receipts from Customers and Users	\$ 13,811,308
Payments to Employees	(1,840,385)
Payments to Suppliers	(3,006,035)
	<u>8,964,888</u>
Cash Flows from Capital and Related Financing Activities	
Purchase of Capital Assets	(3,372,741)
Capital Grants	908,050
Debt Issuance	992,999
Payment of Loan Principal	(3,148,932)
Interest Payments	(862,803)
	<u>(5,483,427)</u>
Cash Flows from Investing Activities	
Interest Received	<u>(246,247)</u>
Net Change in Cash and Cash Equivalents	3,235,214
Cash and Cash Equivalents - Beginning	<u>25,963,510</u>
Cash and Cash Equivalents - Ending	<u><u>29,198,724</u></u>
Reconciliation of Operating Income to Net Cash	
Provided (Used) by Operating Activities	
Operating Income	5,074,799
Adjustments to Reconcile Operating Income to Net Income to Net Cash	
Provided by (Used In) Operating Activities:	
Depreciation and Amortization	3,601,588
Other Income	19,416
(Increase) Decrease in Current Assets	29,452
Increase (Decrease) in Current Liabilities	<u>239,633</u>
Net Cash Provided by Operating Activities	<u><u>8,964,888</u></u>

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

VILLAGE OF FRANKFORT, ILLINOIS

Statement of Fiduciary Net Position

April 30, 2022

	Pension Trust Police Pension
ASSETS	
Cash and Cash Equivalents	\$ 1,112,328
Investments	
U.S. Agency Obligations	5,152,204
Corporate Bonds	2,021,621
Mutual Funds	13,113,065
Receivables - Net of Allowances	
Accrued Interest	52,757
Prepays	1,030
Total Assets	21,453,005
LIABILITIES	
Accounts Payable	8,490
NET POSITION	
Restricted for Pensions	21,444,515

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

VILLAGE OF FRANKFORT, ILLINOIS

Statement of Changes in Fiduciary Net Position For the Fiscal Year Ended April 30, 2022

	Pension Trust Police Pension
Additions	
Contributions - Employer	\$ 1,486,404
Contributions - Plan Members	335,849
Total Contributions	<u>1,822,253</u>
Investment Income	
Interest Earned	677,965
Net Change in Fair Value	<u>(1,353,696)</u>
	(675,731)
Less Investment Expenses	<u>(58,023)</u>
Net Investment Income (Loss)	<u>(733,754)</u>
Total Additions	<u>1,088,499</u>
Deductions	
Administration	37,632
Benefits and Refunds	<u>906,293</u>
Total Deductions	<u>943,925</u>
Change in Fiduciary Net Position	144,574
Net Position Restricted for Pensions	
Beginning	<u>21,299,941</u>
Ending	<u><u>21,444,515</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, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Frankfort (the Village), Illinois, a non-home rule village, was founded in 1855. The Village Board is comprised 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, 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, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION

Government-Wide Statements

The Village's basic financial statements include both government-wide (reporting the Village as a whole) and fund financial statements (reporting the Village's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The Village's public safety, public works, solid waste, building and community development, 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, 2022

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, 2022

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 one special revenue fund. 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.

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, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements – Continued

Fiduciary Funds

Fiduciary funds are used to report assets held in a trustee 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, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, 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, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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

Cash and Investments

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

Investments are generally reported at fair value. Short-term investments are reported at cost, which approximates fair value. For investments, the Village categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Interfund Receivables, Payables and Activity

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements 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 \$20,000 or more, depending on asset class, are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition 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.

VILLAGE OF FRANKFORT, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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

Capital Assets – Continued

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.

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 acquisition value on the date donated.

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

Buildings and Improvements	5 - 100 Years
Vehicles	5 - 15 Years
Equipment	5 - 15 Years
Infrastructure	20 - 50 Years
Water Distribution, Storm and Sanitary System	50 - 100 Years

Compensated Absences

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

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

VILLAGE OF FRANKFORT, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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

Deferred Outflows/Inflows of Resources

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

Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as expenses at the time of issuance.

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

Net Position

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

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

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

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

VILLAGE OF FRANKFORT, ILLINOIS

Notes to the Financial Statements April 30, 2022

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, 2021 to April 30, 2022 was adopted through the passage of ordinance number 3307 on July 19, 2021.
- 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.
- 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.

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 some of the Village's funds. The deposits and investments of the pension trust funds are held separately from those of other funds.

VILLAGE OF FRANKFORT, ILLINOIS

Notes to the Financial Statements April 30, 2022

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

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 IPTIP, Illinois Public Treasurer's Investment Pool), or by banks, their subsidiaries or holding companies, in accordance with the laws of the State of Illinois; bonds or tax anticipation warrants of any county, township, or municipal corporation of the State of Illinois; direct obligations of the State of Israel; money market mutual funds managed by investment companies that are registered under the Federal Investment Company Act of 1940 and the Illinois Securities Law of 1953 and are diversified, open-ended management investment companies, provided the portfolio is limited to specified restrictions; general accounts of life insurance companies; and separate accounts of life insurance companies and mutual funds, the mutual funds must meet specific restrictions, provided the investment in separate accounts and mutual funds does not exceed ten percent of the Pension Fund's plan net position; and corporate bonds managed through an investment advisor, rated as investment grade by one of the two largest rating services at the time of purchase. Pension Funds with plan net position of \$2.5 million or more may invest up to forty-five percent of plan net position in separate accounts of life insurance companies and mutual funds. Pension Funds with plan net position of at least \$5 million that have appointed an investment advisor, may through that investment advisor invest up to forty-five percent of the plan net position in common and preferred stocks that meet specific restrictions. In addition, Pension Funds with plan net position of at least \$10 million that have appointed an investment advisor, may invest up to fifty percent of its net position in common and preferred stocks and mutual funds that meet specific restrictions effective July 1, 2011 and up to fifty-five percent effective July 1, 2012.

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

VILLAGE OF FRANKFORT, ILLINOIS

Notes to the Financial Statements April 30, 2022

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

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 \$6,715,652 and the bank balances totaled \$6,845,486. The Village also has \$47,467,334 invested in the Illinois Funds and \$8,258,441 invested in IMET. Illinois Funds and IMET are measured at net asset value per share as determined by the pool.

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. The Villages investment in the Illinois Funds has an average maturity of less than one year and the investment in IMET has an average maturity of less than one to three years.

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 AAAf by Standard & Poor's.

Custodial Credit Risk. In the case of deposits, this is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. The Village's investment policy 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, the entire amount of the bank balance of deposits was covered by collateral, federal depository or equivalent insurance.

VILLAGE OF FRANKFORT, ILLINOIS

Notes to the Financial Statements April 30, 2022

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

Custodial Credit Risk – Continued. 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 policy states that the Village can diversify its investments to the best of its ability based on the type of funds invested and the cash flow needs of those funds. At year-end, the Village does not have any investments over 5 percent of the total cash and investment portfolio (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

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 \$1,112,328 and the bank balances totaled \$1,112,344.

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. Agency Obligations	\$ 5,152,204	3,545,130	1,491,056	-	116,018
Corporate Bonds	2,021,621	68,217	1,695,065	258,339	-
	7,173,825	3,613,347	3,186,121	258,339	116,018

VILLAGE OF FRANKFORT, ILLINOIS

Notes to the Financial Statements April 30, 2022

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 – Continued. The Fund has the following recurring fair value measurements as of April 30, 2022:

Investments by Fair Value Level	Totals	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Debt Securities				
U.S. Agency Obligations	\$ 5,152,204	-	5,152,204	-
Corporate Bonds	2,021,621	-	2,021,621	-
Equity Securities				
Mutual Funds	13,113,065	13,113,065	-	-
Total Investments by Fair Value Level	20,286,890	13,113,065	7,173,825	-

Debt Securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

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 the U.S. Agency Obligations and the Corporate Bonds ratings were not available.

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.

VILLAGE OF FRANKFORT, ILLINOIS

Notes to the Financial Statements April 30, 2022

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

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 \$13,113,065 invested in mutual funds. At year-end, the Fund does not have any investments over 5 percent of the net plan position available for retirement benefits (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

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	38.00%	3.32%
Domestic Equities	15% - 30%	8.28% - 9.94%
International Equities	10.00%	2.33%
Real Estate	5.00%	7.19%
Cash and Cash Equivalents	2.00%	1.15%

Illinois Compiled Statutes (ILCS) limit the Fund's investments in equities, mutual funds and variable annuities to 65%. 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 May 2022 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, 2022 are listed in the table above.

Rate of Return

For the year ended April 30, 2022, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was (3.26%). The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

VILLAGE OF FRANKFORT, ILLINOIS

Notes to the Financial Statements April 30, 2022

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

PROPERTY TAXES

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

CAPITAL ASSETS

Governmental Activities

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 30,938,656	-	-	30,938,656
Construction in Progress	97,925	625,257	569,546	153,636
	<u>31,036,581</u>	<u>625,257</u>	<u>569,546</u>	<u>31,092,292</u>
Depreciable Capital Assets				
Buildings and Improvements	9,075,641	59,709	-	9,135,350
Vehicles	4,284,250	483,355	311,456	4,456,149
Equipment	2,081,456	98,212	-	2,179,668
Infrastructure	134,990,031	569,546	-	135,559,577
	<u>150,431,378</u>	<u>1,210,822</u>	<u>311,456</u>	<u>151,330,744</u>
Less Accumulated Depreciation				
Buildings and Improvements	3,178,653	243,294	-	3,421,947
Vehicles	2,630,274	359,866	282,986	2,707,154
Equipment	1,677,862	91,178	-	1,769,040
Infrastructure	68,863,192	3,403,047	-	72,266,239
	<u>76,349,981</u>	<u>4,097,385</u>	<u>282,986</u>	<u>80,164,380</u>
Total Depreciable Capital Assets	<u>74,081,397</u>	<u>(2,886,563)</u>	<u>28,470</u>	<u>71,166,364</u>
Total Capital Assets	<u>105,117,978</u>	<u>(2,261,306)</u>	<u>598,016</u>	<u>102,258,656</u>

VILLAGE OF FRANKFORT, ILLINOIS

Notes to the Financial Statements April 30, 2022

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

CAPITAL ASSETS – Continued

Governmental Activities – Continued

Depreciation expense was charged to governmental activities as follows:

General Government	\$ 92,938
Public Safety	239,484
Public Works	3,705,855
Building and Community Development	<u>59,108</u>
	<u>4,097,385</u>

Business-Type Activities

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

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 2,580,859	-	-	2,580,859
Construction in Progress	8,696,552	2,904,904	8,610,798	2,990,658
	<u>11,277,411</u>	<u>2,904,904</u>	<u>8,610,798</u>	<u>5,571,517</u>
Depreciable Capital Assets				
Vehicles	1,805,071	-	-	1,805,071
Water Distribution, Storm, and Sanitary System	158,034,111	9,078,635	-	167,112,746
	<u>159,839,182</u>	<u>9,078,635</u>	<u>-</u>	<u>168,917,817</u>
Less Accumulated Depreciation				
Vehicles	1,452,304	133,842	-	1,586,146
Water Distribution, Storm, and Sanitary System	46,080,098	3,464,429	-	49,544,527
	<u>47,532,402</u>	<u>3,598,271</u>	<u>-</u>	<u>51,130,673</u>
Total Depreciable Capital Assets	<u>112,306,780</u>	<u>5,480,364</u>	<u>-</u>	<u>117,787,144</u>
Total Capital Assets	<u>123,584,191</u>	<u>8,385,268</u>	<u>8,610,798</u>	<u>123,358,661</u>

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

Waterworks and Sewerage	<u>\$ 3,598,271</u>
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VILLAGE OF FRANKFORT, ILLINOIS

Notes to the Financial Statements April 30, 2022

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT

IEPA Loans Payable

The Village has entered into loan agreements with the IEPA to provide low interest financing for waterworks and sewerage improvements. IEPA loans 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	\$ 965,065	-	96,506	868,559
Illinois Environmental Protection Agency (IEPA) (L17-5363) Loan of 2016 - Due in semi-annual installments of \$352,884 including interest at 1.86% through November 25, 2036.	Waterworks and Sewerage	9,728,198	-	527,264	9,200,934
Illinois Environmental Protection Agency (IEPA) (L17-5388) Loan of 2017 - Due in semi-annual installments including interest at 1.76% through April 8, 2039.	Waterworks and Sewerage	33,650,892	-	1,604,149	32,046,743
Illinois Environmental Protection Agency (IEPA) (L17-5408) Loan of 2019 - Due in semi-annual installments including interest at 1.84% through May 30, 2041.	Waterworks and Sewerage	7,084,923	188,754	116,768	7,156,909
Illinois Environmental Protection Agency (IEPA) (L17-3465) Loan of 2021 - Due in semi-annual installments including interest at 1.15% through June 14, 2043.	Waterworks and Sewerage	-	804,245	804,245	-
		51,429,078	992,999	3,148,932	49,273,145

VILLAGE OF FRANKFORT, ILLINOIS

Notes to the Financial Statements April 30, 2022

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	\$ 628,555	27,500	13,750	642,305	128,461
Net Pension Liability					
Police Pension	10,912,229	462,755	-	11,374,984	-
Total OPEB Liability - RBP	2,101,511	-	459,270	1,642,241	-
	13,642,295	490,255	473,020	13,659,530	128,461
Business-Type Activities					
Compensated Absences	126,347	10,962	5,481	131,828	26,366
IEPA Loans Payable	51,429,078	992,999	3,148,932	49,273,145	2,571,080
Asset Retirement Obligation	131,445	-	-	131,445	-
	51,686,870	1,003,961	3,154,413	49,536,418	2,597,446

For governmental activities, the General Fund makes payments on the compensated absences, the net pension liability, and the total OPEB liability.

For business-type activities, the Waterworks and Sewerage Fund makes payments on the compensated absences, the IEPA loans payable, and the Asset Retirement Obligation.

Asset Retirement Obligation

The Village has recognized an asset retirement obligation (ARO) and related deferred outflow of resources in connection with its obligation to seal and abandon various water wells at the end of their estimated useful lives in accordance with federal, state, and/or local requirements. The ARO was measured using actual historical costs for similar abandonments, adjusted for inflation through the end of the year. The estimated remaining useful lives of the water wells are between 33 and 49 years.

VILLAGE OF FRANKFORT, ILLINOIS

Notes to the Financial Statements April 30, 2022

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
2023	\$ 2,571,080	854,410
2024	2,619,053	811,266
2025	2,664,451	765,868
2026	2,710,667	719,652
2027	2,757,715	672,604
2028	2,805,609	624,710
2029	2,854,367	575,952
2030	2,904,002	526,317
2031	2,954,535	475,789
2032	2,909,465	424,348
2033	2,961,830	371,983
2034	3,015,138	318,675
2035	3,069,407	264,406
2036	3,124,654	209,159
2037	3,180,895	152,918
2038	2,529,099	98,946
2039	2,574,136	53,909
2040	420,962	17,706
2041	428,743	9,925
2042	217,337	1,999
Totals	49,273,145	7,950,542

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.”

VILLAGE OF FRANKFORT, ILLINOIS

Notes to the Financial Statements April 30, 2022

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Legal Debt Margin – Continued

Assessed Valuation - 2021	<u>\$ 1,000,151,364</u>
Legal Debt Limit - 8.625% of Assessed Value	86,263,055
Amount of Debt Applicable to Limit	<u>-</u>
Legal Debt Margin	<u>86,263,055</u>

INTERFUND TRANSFERS

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them. Interfund transfers for the year consisted of the following:

Transfer In	Transfer Out	Amount
Capital Development	General	<u>\$ 10,652,530</u>

FUND BALANCE/NET POSITION

Fund Balance Classifications

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

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

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

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

VILLAGE OF FRANKFORT, ILLINOIS

Notes to the Financial Statements April 30, 2022

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

FUND BALANCE/ NET POSITION – Continued

Fund Balance Classifications – Continued

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

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

Minimum Fund Balance Policy. The Villages policy manual states that the General Fund should maintain a minimum fund balance equal to 25% of budgeted operating.

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

		Special Revenue	Capital Projects	
		Motor Fuel Tax	Capital Development	Totals
Fund Balances				
Restricted				
Motor Fuel Taxes				
Road Construction and Maintenance	\$ -	3,574,678	-	3,574,678
Assigned				
Capital Projects	-	-	23,902,543	23,902,543
Unassigned	7,170,358	-	-	7,170,358
Total Fund Balances	7,170,358	3,574,678	23,902,543	34,647,579

VILLAGE OF FRANKFORT, ILLINOIS

Notes to the Financial Statements April 30, 2022

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

FUND BALANCE/ NET POSITION – Continued

Net Position Classifications

Net investment in capital assets was comprised of the following as of April 30, 2022:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	<u><u>\$ 102,258,656</u></u>
Business-Type Activities	
Capital Assets - Net of Accumulated Depreciation	123,358,661
Less Capital Related Debt:	
Illinois Environmental Protection Agency (IEPA) (L17-3468) Loan of 2011	(868,559)
Illinois Environmental Protection Agency (IEPA) (L17-5363) Loan of 2016	(9,200,934)
Illinois Environmental Protection Agency (IEPA) (L17-5388) Loan of 2017	(32,046,743)
Illinois Environmental Protection Agency (IEPA) (L17-5408) Loan of 2019	<u><u>(7,156,909)</u></u>
Net Investment in Capital Assets	<u><u>74,085,516</u></u>

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.

VILLAGE OF FRANKFORT, ILLINOIS

Notes to the Financial Statements April 30, 2022

NOTE 4 – OTHER INFORMATION – Continued

CONTINGENT LIABILITIES – Continued

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.

Financial Impact of COVID-19

In March 2020, the World Health Organization declared the COVID-19 virus a public health emergency. As of the date of this report, the extent of the impact of COVID-19 on the Village's operations and financial position cannot be determined.

SALES TAX REBATE

The Village has entered into various tax rebate agreements with local corporations under Village code. Under these agreements, the Village rebates a portion of sales taxes. For the fiscal year ended April 30, 2022, the Village rebated a total of \$180,000 in taxes under these agreements.

JOINT VENTURE – LARAWAY COMMUNICATIONS CENTER

The Illinois General Assembly amended the Emergency Telephone System Act (PSAP) and mandated that Public Safety Answering Points in Counties with populations of at least 250,000 but less than 1,000,000 be consolidated to reduce the number of PSAPs by at least 50%. Therefore, as of December 2017, the Lincoln-Way Public Safety Communications Center closed and the Village became a member of the Laraway Communications Center (LCC). The LCC consists of fourteen municipalities, ten fire protection districts, one forest preserve district and one county sheriff (Will). The LCC is an intergovernmental association established by participating local governmental entities (agencies) and pursuant to legal authority conferred by the State of Illinois. The LCC provides equipment services and other items necessary and appropriate for the establishment, operations and ongoing maintenance of a combined public safety telecommunications system for the mutual benefit of the members of the LCC.

The LCC is governed by Board of Directors, which consists of one representative for each primary police or fire Agency member of LCC and signatory to the intergovernmental agreement and the by-laws. The Board, along with the Will County Board, shall have the authority to hire, fix the salary and job descriptions, and remove the employees of LCC with recommendation from the Executive Director. Per agreement between LCC and Will County, all payroll related matters will be handled through Will County including, but not limited to, payroll, IMRF, and benefit administration. Separate audited financial statements are available at 302 N Chicago Street, Joliet, Illinois 60432.

In accordance with the intergovernmental agreement, the Village remitted \$437,192 to the Center for the year ended April 30, 2022, which is recorded in the Village's General Fund.

VILLAGE OF FRANKFORT, ILLINOIS

Notes to the Financial Statements April 30, 2022

NOTE 4 – OTHER INFORMATION – Continued

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. 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. The aggregate amounts recognized for the two pension plans are:

	Pension Expense/ (Revenue)	Net Pension Liability/ (Asset)	Deferred Outflows	Deferred Inflows
IMRF	\$ (663,765)	(2,255,496)	1,008,824	3,418,460
Police Pension	1,100,777	11,374,984	2,236,451	2,184,435
	437,012	9,119,488	3,245,275	5,602,895

Illinois Municipal Retirement Fund (IMRF)

Plan Descriptions

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

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

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

VILLAGE OF FRANKFORT, ILLINOIS

Notes to the Financial Statements April 30, 2022

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Plan Descriptions – Continued

Benefits Provided – Continued. Employees hired **on or after** January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the *lesser* of:

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

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

Inactive Plan Members Currently Receiving Benefits	57
Inactive Plan Members Entitled to but not yet Receiving Benefits	73
Active Plan Members	<u>73</u>
Total	<u><u>203</u></u>

Contributions. As set by statute, the Village's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. For the year-ended April 30, 2022, the Village's contribution was 10.00% of covered payroll.

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

VILLAGE OF FRANKFORT, ILLINOIS

Notes to the Financial Statements April 30, 2022

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Plan Descriptions – Continued

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

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

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

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

VILLAGE OF FRANKFORT, ILLINOIS

Notes to the Financial Statements April 30, 2022

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Plan Descriptions – Continued

Actuarial Assumptions – Continued.

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

Discount Rate

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

Discount Rate Sensitivity

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability/(Asset) \$	1,079,536	(2,255,496)	(4,844,165)

VILLAGE OF FRANKFORT, ILLINOIS**Notes to the Financial Statements
April 30, 2022****NOTE 4 – OTHER INFORMATION – Continued****EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued****Illinois Municipal Retirement Fund (IMRF) – Continued****Changes in the Net Pension Liability/(Asset)**

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability/ (Asset) (A) - (B)
Balances at December 31, 2020	\$ 23,627,177	24,182,366	(555,189)
Changes for the Year:			
Service Cost	412,877	-	412,877
Interest on the Total Pension Liability	1,690,142	-	1,690,142
Difference Between Expected and Actual Experience of the Total Pension Liability	841,129	-	841,129
Changes of Assumptions	-	-	-
Changes of Benefit Terms	-	-	-
Contributions - Employer	-	515,700	(515,700)
Contributions - Employees	-	213,242	(213,242)
Net Investment Income	-	4,000,872	(4,000,872)
Benefit Payments, including Refunds of Employee Contributions	(1,042,632)	(1,042,632)	-
Other (Net Transfer)	-	(85,359)	85,359
Net Changes	1,901,516	3,601,823	(1,700,307)
Balances at December 31, 2021	25,528,693	27,784,189	(2,255,496)

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

For the year ended April 30, 2022, the Village recognized pension revenue of \$663,765. At April 30, 2022, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

VILLAGE OF FRANKFORT, ILLINOIS

Notes to the Financial Statements April 30, 2022

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

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

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 806,255	(192,688)	613,567
Change in Assumptions	63,291	(177,330)	(114,039)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	(3,048,442)	(3,048,442)
Total Pension Expense to be Recognized in Future Periods	869,546	(3,418,460)	(2,548,914)
Pension Contributions Made Subsequent to the Measurement Date	139,278	-	139,278
Total Deferred Amounts Related to IMRF	1,008,824	(3,418,460)	(2,409,636)

\$139,278 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the reporting year ended April 30, 2023. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Fiscal Year	Net Deferred (Inflows) of Resources
2023	\$ (489,976)
2024	(1,063,537)
2025	(637,894)
2026	(357,507)
2027	-
Thereafter	-
Total	(2,548,914)

VILLAGE OF FRANKFORT, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Police Pension Plan

Plan Descriptions

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

Plan Membership. At April 30, 2022, the measurement date, membership consisted of the following:

Inactive Plan Members Currently Receiving Benefits	14
Inactive Plan Members Entitled to but not yet Receiving Benefits	2
Active Plan Members	<u>36</u>
Total	<u><u>52</u></u>

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

The Police Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Covered employees hired before January 1, 2011 (Tier 1), attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit of $\frac{1}{2}$ 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.

VILLAGE OF FRANKFORT, ILLINOIS

Notes to the Financial Statements April 30, 2022

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Police Pension Plan – Continued

Plan Descriptions – Continued

Benefits Provided – Continued. Covered employees hired on or after January 1, 2011 (Tier 2), attaining the age of 55 or older with 10 or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 48 consecutive months of service within the last 60 months of service in which the total salary was the highest by the number of months of service in that period. Police officer salary for the pension purposes is capped at \$106,800, plus the lesser of ½ 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., ½ percent for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3 percent or ½ 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, 2022, the Village's contribution was 46.30% of covered payroll.

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

VILLAGE OF FRANKFORT, ILLINOIS

Notes to the Financial Statements April 30, 2022

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Police Pension Plan – Continued

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation performed, as of April 30, 2022, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Fair Value
Actuarial Assumptions	
Interest Rate	6.75%
Salary Increases	Graded by years of service
Cost of Living Adjustments	3.25%
Inflation	2.25%

Mortality rates were based on the Pub-2010 adjusted for plan status, demographics, and Illinois Public Pension Data, as described.

Discount Rate

The discount rate used to measure the total pension liability was 6.75%, 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.

VILLAGE OF FRANKFORT, ILLINOIS

Notes to the Financial Statements April 30, 2022

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Police Pension Plan – Continued

Discount Rate Sensitivity

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

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Net Pension Liability	\$ 16,923,636	11,374,984	6,906,998

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at April 30, 2021	\$ 32,212,170	21,299,941	10,912,229
Changes for the Year:			
Service Cost	857,836	-	857,836
Interest on the Total Pension Liability	2,038,105	-	2,038,105
Difference Between Expected and Actual Experience of the Total Pension Liability	(1,530,438)	-	(1,530,438)
Changes of Assumptions	148,119	-	148,119
Changes of Benefit Terms	-	-	-
Contributions - Employer	-	1,486,404	(1,486,404)
Contributions - Employees	-	335,849	(335,849)
Net Investment Income	-	(733,754)	733,754
Benefit Payments, including Refunds of Employee Contributions	(906,293)	(906,293)	-
Administrative Expense	-	(37,632)	37,632
Net Changes	607,329	144,574	462,755
Balances at April 30, 2022	32,819,499	21,444,515	11,374,984

VILLAGE OF FRANKFORT, ILLINOIS

Notes to the Financial Statements April 30, 2022

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Police Pension Plan – Continued

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

For the year ended April 30, 2022, the Village recognized pension expense of \$1,100,777. At April 30, 2022, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 1,036,179	(2,016,409)	(980,230)
Change in Assumptions	1,193,294	(168,026)	1,025,268
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	6,978	-	6,978
Total Deferred Amounts Related to Police Pension	2,236,451	(2,184,435)	52,016

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

Fiscal Year	Net Deferred Outflows/ (Inflows) of Resources
2023	\$ (48,930)
2024	28,051
2025	(131,132)
2026	453,541
2027	(17,412)
Thereafter	(232,102)
Total	52,016

VILLAGE OF FRANKFORT, ILLINOIS

Notes to the Financial Statements April 30, 2022

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS

General Information about the OPEB Plan

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

Benefits Provided. 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. The plan also provides all retirees with dental and vision insurance and retirees pay the full cost of coverage.

Plan Membership. As of April 30, 2022, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	-
Inactive Plan Members Entitled to but not yet Receiving Benefits	-
Active Plan Members	<u>88</u>
Total	<u><u>88</u></u>

Total OPEB Liability

The Village's total OPEB liability was measured as of April 30, 2022, and was determined by an actuarial valuation as of April 30, 2022.

Actuarial assumptions and other inputs. The total OPEB liability in the April 30, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

VILLAGE OF FRANKFORT, ILLINOIS

Notes to the Financial Statements April 30, 2022

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

Total OPEB Liability – Continued

Actuarial assumptions and other inputs – Continued.

Inflation	2.25%
Salary Increases	2.75%
Discount Rate	3.21%
Healthcare Cost Trend Rates	7.30% for 2022, decreasing 0.26% per year to an ultimate rate of 5.00% for 2032 and later
Retirees' Share of Benefit-Related Costs	100% of projected health insurance premiums for retirees

The discount rate was based on the Bond Buyer 20-Bond GO Index.

Mortality rates were based on the PubG-2010(B) improved generationally using MP-2020 improvement rates weighted per IMRF experience study report dated December 14, 2020.

Change in the Total OPEB Liability

	Total OPEB Liability
Balance at April 30, 2021	<u>\$ 2,101,511</u>
Changes for the Year:	
Service Cost	49,709
Interest on the Total Pension Liability	47,181
Changes of Benefit Terms	-
Difference Between Expected and Actual Experience	(229,168)
Changes of Assumptions or Other Inputs	(280,870)
Benefit Payments	<u>(46,122)</u>
Net Changes	<u>(459,270)</u>
Balance at April 30, 2022	<u><u>1,642,241</u></u>

VILLAGE OF FRANKFORT, ILLINOIS

Notes to the Financial Statements April 30, 2022

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

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

The following presents the total OPEB liability, calculated using a Single Discount Rate of 3.21%, and the prior year rate was 2.27%, as well as what the total OPEB liability would be if it were calculated using a Single Discount Rate that is one percentage point lower or one percentage point higher:

	1% Decrease (2.21%)	Current Discount Rate (3.21%)	1% Increase (4.21%)
Total OPEB Liability	\$ 1,902,048	1,642,241	1,428,316

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

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

	1% Decrease (Varies)	Healthcare Cost Trend Rates (Varies)	1% Increase (Varies)
Total OPEB Liability	\$ 1,411,724	1,642,241	1,920,867

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

For the year ended April 30, 2022, the Village recognized OPEB income of \$413,148. Per GASB Statement No. 75, under the Alternative Measurement Method, changes in Total OPEB Liability are immediately recognized as income, resulting in no deferred outflows of resources or deferred inflows of resources related to OPEB. There are no employer contributions made subsequent to the measurement date.

VILLAGE OF FRANKFORT, ILLINOIS

Notes to the Financial Statements April 30, 2022

NOTE 4 – OTHER INFORMATION – Continued

SUBSEQUENT EVENTS

American Rescue Plan Act

On March 11, 2021, the American Rescue Plan Act of 2021 was signed into law. This act provides \$350 billion in funding for local governments. The Village has been allocated \$2,636,368 to be received in two installments. On September 2, 2021, the Village received their first installment of \$1,318,184. As of the date of these financial statements, the Village has not received their second installment.

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 Employer Contributions
 Illinois Municipal Retirement Fund
 Police Pension Fund
- Schedule of Changes in the Employer's Net Pension Liability/(Asset)
 Illinois Municipal Retirement Fund
 Police Pension Fund
- Schedule of Investment Returns
 Police Pension Fund
- Schedule of Changes in the Employer's Total OPEB Liability
 Retiree Benefits Plan
- Budgetary Comparison Schedules
 General 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 Employer Contributions

April 30, 2022

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2016	\$ 491,836	\$ 491,836	\$ -	\$ 3,896,181	12.62%
2017	529,899	529,899	-	4,064,199	13.04%
2018	491,984	491,984	-	3,894,847	12.63%
2019	449,379	449,379	-	3,938,141	11.41%
2020	431,399	431,399	-	4,293,011	10.05%
2021	489,609	489,609	-	4,561,056	10.73%
2022	482,313	482,313	-	4,821,680	10.00%

Notes to the Required Supplementary Information:

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

Note:

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

VILLAGE OF FRANKFORT, ILLINOIS

Police Pension Fund

Required Supplementary Information

Schedule of Employer Contributions

April 30, 2022

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2015	\$ 776,067	\$ 774,820	\$ (1,247)	\$ 2,252,880	34.39%
2016	833,060	836,569	3,509	2,524,246	33.14%
2017	892,667	890,526	(2,141)	2,442,326	36.46%
2018	980,824	981,772	948	2,521,702	38.93%
2019	1,044,764	1,043,322	(1,442)	2,696,284	38.69%
2020	1,113,526	1,111,866	(1,660)	3,041,411	36.56%
2021	1,207,698	1,205,010	(2,688)	3,228,811	37.32%
2022	1,487,320	1,486,404	(916)	3,210,350	46.30%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	20 Years
Asset Valuation Method	Fair Value
Inflation	2.25%
Salary Increases	3.25%
Investment Rate of Return	6.75%
Retirement Age	See the Notes to the Financial Statements
Mortality	Pub-2010 Adjusted for Plan Status, Demographics, and Illinois Public Pension Data, as described

Note:

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

VILLAGE OF FRANKFORT, ILLINOIS

Illinois Municipal Retirement Fund

Required Supplementary Information

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

April 30, 2022

See Following Page

VILLAGE OF FRANKFORT, ILLINOIS

Illinois Municipal Retirement Fund

Required Supplementary Information

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

April 30, 2022

	12/31/15
Total Pension Liability	
Service Cost	\$ 406,401
Interest	1,294,590
Differences Between Expected and Actual Experience	333,983
Change of Assumptions	25,474
Benefit Payments, Including Refunds of Member Contributions	(629,201)
Net Change in Total Pension Liability	1,431,247
Total Pension Liability - Beginning	17,395,649
Total Pension Liability - Ending	18,826,896
Plan Fiduciary Net Position	
Contributions - Employer	\$ 491,836
Contributions - Members	178,345
Net Investment Income	74,449
Benefit Payments, Including Refunds of Member Contributions	(629,201)
Other (Net Transfer)	(40,531)
Net Change in Plan Fiduciary Net Position	74,898
Plan Net Position - Beginning	14,869,307
Plan Net Position - Ending	14,944,205
Employer's Net Pension Liability/(Asset)	\$ 3,882,691
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	79.38%
Covered Payroll	\$ 3,963,215
Employer's Net Pension Liability/(Asset) as a Percentage of Covered Payroll	97.97%

Changes of Assumptions. Changes in assumptions related to the discount rate were made in 2014 through 2018 and 2020. Changes in assumptions related to the demographics were made in 2014 and 2017.

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

12/31/16	12/31/17	12/31/18	12/31/19	12/31/20	12/31/21
423,576	435,318	378,191	396,535	436,203	412,877
1,398,709	1,455,720	1,454,995	1,551,501	1,653,860	1,690,142
(382,241)	(490,892)	357,407	326,097	(319,219)	841,129
(52,563)	(635,480)	632,595	-	(285,495)	-
(678,727)	(687,406)	(804,145)	(860,400)	(903,858)	(1,042,632)
708,754	77,260	2,019,043	1,413,733	581,491	1,901,516
18,826,896	19,535,650	19,612,910	21,631,953	23,045,686	23,627,177
19,535,650	19,612,910	21,631,953	23,045,686	23,627,177	25,528,693
529,899	498,325	479,348	414,298	476,761	515,700
182,166	175,467	177,409	190,046	193,714	213,242
1,038,444	2,806,196	(974,073)	3,400,323	3,010,505	4,000,872
(678,727)	(687,406)	(804,145)	(860,400)	(903,858)	(1,042,632)
96,280	(235,958)	696,439	(64,013)	81,121	(85,359)
1,168,062	2,556,624	(425,022)	3,080,254	2,858,243	3,601,823
14,944,205	16,112,267	18,668,891	18,243,869	21,324,123	24,182,366
16,112,267	18,668,891	18,243,869	21,324,123	24,182,366	27,784,189
3,423,383	944,019	3,388,084	1,721,563	(555,189)	(2,255,496)
82.48%	95.19%	84.34%	92.53%	102.35%	108.84%
4,048,131	3,899,260	3,942,410	4,223,221	4,287,418	4,722,529
84.57%	24.21%	85.94%	40.76%	(12.95%)	(47.76%)

VILLAGE OF FRANKFORT, ILLINOIS

Police Pension Fund

Required Supplementary Information Schedule of Changes in the Employer's Net Pension Liability April 30, 2022

	4/30/2015	4/30/2016
Total Pension Liability		
Service Cost	\$ 517,324	515,213
Interest	1,343,788	1,384,020
Changes of Benefit Terms	-	-
Differences Between Expected and Actual Experience	-	429,395
Change of Assumptions	-	(104,277)
Benefit Payments, Including		
Refunds of Member Contributions	(531,926)	(576,191)
Net Change in Total Pension Liability	1,329,186	1,648,160
Total Pension Liability - Beginning	19,462,914	20,792,100
Total Pension Liability - Ending	20,792,100	22,440,260
Plan Fiduciary Net Position		
Contributions - Employer	\$ 774,820	836,569
Contributions - Members	228,686	253,766
Net Investment Income	678,031	(171,522)
Benefit Payments, Including		
Refunds of Member Contributions	(531,926)	(576,191)
Administrative Expense	(29,442)	(27,663)
Net Change in Plan Fiduciary Net Position	1,120,169	314,959
Plan Net Position - Beginning	9,462,258	10,582,427
Plan Net Position - Ending	10,582,427	10,897,386
Employer's Net Pension Liability	\$ 10,209,673	11,542,874
Plan Fiduciary Net Position as a		
Percentage of the Total Pension Liability	50.90%	48.56%
Covered Payroll	\$ 2,252,880	2,524,246
Employer's Net Pension Liability as a		
Percentage of Covered Payroll	453.18%	457.28%

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

4/30/2017	4/30/2018	4/30/2019	4/30/2020	4/30/2021	4/30/2022
549,990	587,114	663,841	651,007	907,869	857,836
1,491,865	1,533,546	1,654,139	1,807,275	1,924,035	2,038,105
-	-	-	86,689	-	-
(808,914)	(140,737)	513,086	(658,085)	877,869	(1,530,438)
-	570,324	127,761	1,195,300	(178,874)	148,119
(624,992)	(658,048)	(742,151)	(765,288)	(792,711)	(906,293)
607,949	1,892,199	2,216,676	2,316,898	2,738,188	607,329
22,440,260	23,048,209	24,940,408	27,157,084	29,473,982	32,212,170
23,048,209	24,940,408	27,157,084	29,473,982	32,212,170	32,819,499
890,526	981,772	1,043,322	1,111,866	1,205,010	1,486,404
248,346	254,053	262,115	301,404	355,140	335,849
975,546	753,770	992,364	222,933	4,573,530	(733,754)
(624,992)	(658,048)	(742,151)	(765,288)	(792,711)	(906,293)
(30,859)	(29,519)	(38,666)	(50,278)	(36,630)	(37,632)
1,458,567	1,302,028	1,516,984	820,637	5,304,339	144,574
10,897,386	12,355,953	13,657,981	15,174,965	15,995,602	21,299,941
12,355,953	13,657,981	15,174,965	15,995,602	21,299,941	21,444,515
10,692,256	11,282,427	11,982,119	13,478,380	10,912,229	11,374,984
53.61%	54.76%	55.88%	54.27%	66.12%	65.34%
2,442,326	2,521,702	2,696,284	3,041,411	3,228,811	3,210,350
437.79%	447.41%	444.39%	443.16%	337.96%	354.32%

VILLAGE OF FRANKFORT, ILLINOIS

Police Pension Fund

Required Supplementary Information

Schedule of Investment Returns

April 30, 2022

Fiscal Year	Annual Money- Weighted Rate of Return, Net of Investment Expense
2015	6.79%
2016	(1.48%)
2017	8.80%
2018	6.05%
2019	7.16%
2020	1.52%
2021	27.75%
2022	(3.26%)

Note:

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

VILLAGE OF FRANKFORT, ILLINOIS

Illinois Municipal Retirement Fund

**Required Supplementary Information
Schedule of Changes in the Employer's Total OPEB Liability
April 30, 2022**

See Following Page

VILLAGE OF FRANKFORT, ILLINOIS

Retiree Benefits Plan

Required Supplementary Information

Schedule of Changes in the Employer's Total OPEB Liability

April 30, 2022

	<u>4/30/2018</u>
Total OPEB Liability	
Service Cost	\$ 22,001
Interest	49,678
Changes in Benefit Terms	-
Differences Between Expected and Actual Experience	-
Change of Assumptions or Other Inputs	-
Benefit Payments	<u>(83,842)</u>
Net Change in Total OPEB Liability	<u>(12,163)</u>
Total OPEB Liability - Beginning	<u>1,293,264</u>
 Total OPEB Liability - Ending	 <u><u>1,281,101</u></u>
 Covered-Employee Payroll	 \$ 5,636,689
 Total OPEB Liability as a Percentage of Covered-Employee Payroll	 22.73%

Notes:

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

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

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

4/30/2019	4/30/2020	4/30/2021	4/30/2022
22,874	36,522	46,558	49,709
49,104	61,147	50,194	47,181
-	-	-	-
-	348,756	-	(229,168)
24,344	301,100	70,961	(280,870)
(88,334)	(48,929)	(53,887)	(46,122)
7,988	698,596	113,826	(459,270)
1,281,101	1,289,089	1,987,685	2,101,511
1,289,089	1,987,685	2,101,511	1,642,241
6,371,153	7,242,708	7,808,895	8,054,712
20.23%	27.44%	26.91%	20.39%

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, 2022

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 4,006,200	4,006,200	4,022,031
Utility Taxes	1,536,000	1,536,000	1,799,739
Intergovernmental			
Sales Taxes	8,550,000	8,550,000	10,994,405
Income Taxes	1,700,000	1,700,000	3,058,907
Use Taxes	500,000	500,000	750,664
Replacement	45,000	45,000	154,555
Other Taxes	11,500	11,500	30,966
Grants	10,000	10,000	1,320,445
Charges for Services	1,944,500	1,944,500	2,387,804
Licenses and Permits	967,500	967,500	1,139,260
Fines and Forfeitures	131,500	131,500	196,692
Interest Income	15,000	15,000	14,236
Miscellaneous	112,800	112,800	239,170
Total Revenues	19,530,000	19,530,000	26,108,874
Expenditures			
General Government	1,509,000	1,509,000	1,198,939
Public Safety	8,575,800	8,575,800	7,875,618
Public Works	3,796,900	3,796,900	3,402,418
Solid Waste	1,648,500	1,648,500	1,590,642
Building and Community Development	1,810,100	1,810,100	1,388,727
Total Expenditures	17,340,300	17,340,300	15,456,344
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,189,700	2,189,700	10,652,530
Other Financing (Uses)			
Transfers Out	-	-	(10,652,530)
Net Change in Fund Balance	2,189,700	2,189,700	-
Fund Balance - Beginning			7,170,358
Fund Balance - Ending			7,170,358

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, 2022

	Budget		Actual
	Original	Final	
Revenues			
Intergovernmental			
Motor Fuel Tax Allotment	\$ 675,000	675,000	761,342
Rebuild Illinois	390,635	390,635	390,635
Grants	760,000	760,000	1,747
Interest Income	2,500	2,500	3,428
Total Revenues	1,828,135	1,828,135	1,157,152
Expenditures			
Capital Outlay	2,558,530	2,558,530	92,021
Net Change in Fund Balance	(730,395)	(730,395)	1,065,131
Fund Balance - Beginning			2,509,547
Fund Balance - Ending			3,574,678

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
- Budgetary Comparison Schedule – Enterprise Fund
- Budgetary Comparison Schedule – Pension Trust Fund
- Consolidated Year-End Financial Report

INDIVIDUAL FUND DESCRIPTIONS

GENERAL FUND

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

SPECIAL REVENUE FUND

The 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 for specified purposes.

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.

CAPITAL PROJECTS FUND

The 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.

ENTERPRISE FUND

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

INDIVIDUAL FUND DESCRIPTIONS

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.

VILLAGE OF FRANKFORT, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual For the Fiscal Year Ended April 30, 2022

	Budget		Actual
	Original	Final	
General Government			
Office of the Mayor			
Personnel	\$ 54,100	54,100	52,696
Professional Fees	70,000	70,000	99,261
Communication	32,500	32,500	6,811
Professional Development	86,200	86,200	78,913
Contractual Services	10,000	10,000	10,000
Supplies	500	500	178
Administration			
Personnel	542,100	542,100	454,132
Maintenance	8,000	8,000	2,865
Professional Fees	57,500	57,500	-
Communication	26,000	26,000	15,429
Professional Development	50,200	50,200	51,704
Contractual Services	22,500	22,500	17,789
Supplies	49,500	49,500	21,326
Civil Defense			
Maintenance	8,000	8,000	5,143
Finance			
Personnel	376,000	376,000	307,686
Maintenance	1,000	1,000	773
Professional Fees	30,000	30,000	23,993
Communication	2,500	2,500	1,965
Professional Development	5,500	5,500	1,522
Contractual Services	34,400	34,400	19,084
Supplies	42,500	42,500	27,669
Total General Government	1,509,000	1,509,000	1,198,939
Public Safety			
Police Protections			
Personnel	7,290,800	7,290,800	6,736,614
Maintenance	64,000	64,000	62,032
Professional Fees	136,500	136,500	157,960
Communication	465,000	465,000	452,332

VILLAGE OF FRANKFORT, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued For the Fiscal Year Ended April 30, 2022

	Budget		Actual
	Original	Final	
Public Safety - Continued			
Police Protections - Continued			
Professional Development	\$ 93,000	93,000	59,072
Contractual Services	157,500	157,500	124,216
Supplies	352,000	352,000	276,399
Police/Fire Commission			
Personnel	14,600	14,600	6,618
Professional Fees	1,000	1,000	-
Professional Development	900	900	375
Supplies	500	500	-
Total Public Safety	8,575,800	8,575,800	7,875,618
Public Works			
Street and Birdge			
Personnel	1,945,500	1,945,500	1,800,777
Maintenance	1,273,500	1,273,500	1,107,630
Professional Fees	39,500	39,500	15,506
Communication	7,000	7,000	10,150
Professional Development	14,500	14,500	4,784
Contractual Services	343,400	343,400	319,892
Supplies	173,500	173,500	143,679
Total Public Works	3,796,900	3,796,900	3,402,418
Solid Waste			
Garbage Disposal			
Contractual Services	1,648,500	1,648,500	1,590,642
Building and Community Development			
Building			
Personnel	817,500	817,500	648,377
Maintenance	31,000	31,000	10,704
Professional Fees	130,500	130,500	135,623
Communication	5,300	5,300	3,546

VILLAGE OF FRANKFORT, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued For the Fiscal Year Ended April 30, 2022

	Budget		Actual
	Original	Final	
Building and Community Development - Continued			
Building - Continued			
Professional Development	\$ 9,700	9,700	2,862
Contractual Services	29,000	29,000	37,023
Supplies	74,300	74,300	50,305
Community Development			
Personnel	509,200	509,200	366,165
Maintenance	4,700	4,700	6,929
Professional Fees	130,000	130,000	92,285
Communication	6,400	6,400	4,630
Professional Development	13,000	13,000	5,046
Contractual Services	12,500	12,500	10,114
Supplies	37,000	37,000	15,118
Total Building and Community Development	1,810,100	1,810,100	1,388,727
Total Expenditures	17,340,300	17,340,300	15,456,344

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, 2022

	Budget		Actual
	Original	Final	
Revenues			
Charges for Services	\$ 155,000	155,000	195,799
Intergovernmental	400,000	400,000	-
Interest Income (Loss)	40,000	40,000	(151,402)
Miscellaneous	10,000	10,000	21,048
Total Revenues	605,000	605,000	65,445
Expenditures			
Public Works			
Professional Services	35,000	35,000	8,841
Capital Outlay	7,409,500	7,409,500	5,335,907
Total Expenditures	7,444,500	7,444,500	5,344,748
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,839,500)	(6,839,500)	(5,279,303)
Other Financing Sources			
Disposal of Capital Assets	2,000	2,000	79,791
Transfers In	-	-	10,652,530
	2,000	2,000	10,732,321
Net Change in Fund Balance	(6,837,500)	(6,837,500)	5,453,018
Fund Balance - Beginning			18,449,525
Fund Balance - Ending			23,902,543

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, 2022

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services			
Water Sales and Sewer Fees	\$ 12,550,000	12,550,000	13,653,564
Sale of Water Meters	45,000	45,000	62,123
Miscellaneous	14,500	14,500	46,753
Total Operating Revenues	12,609,500	12,609,500	13,762,440
Operating Expenses			
Personnel	3,066,300	3,066,300	2,074,574
Contractual Services	3,303,700	3,303,700	1,961,480
Commodities	886,500	886,500	540,960
Capital Improvements	10,540,000	10,540,000	509,039
Depreciation and Amortization	-	-	3,601,588
Total Operating Expenses	17,796,500	17,796,500	8,687,641
Operating Income (Loss)	(5,187,000)	(5,187,000)	5,074,799
Nonoperating Revenues (Expenses)			
Other Income	15,000	15,000	19,416
Interest Income (Loss)	70,000	70,000	(246,247)
Interest Expense	(3,600,000)	(3,600,000)	(862,803)
	(3,515,000)	(3,515,000)	(1,089,634)
Income before Capital Grants	(8,702,000)	(8,702,000)	3,985,165
Capital Grants	3,505,000	3,505,000	908,050
Change in Net Position	(5,197,000)	(5,197,000)	4,893,215
Net Position - Beginning			97,629,256
Net Position - Ending			102,522,471

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, 2022

	Budget		Actual
	Original	Final	
Additions			
Contributions - Employer	\$ 1,487,300	1,487,300	1,486,404
Contributions - Plan Members	250,000	250,000	335,849
Total Contributions	1,737,300	1,737,300	1,822,253
Investment Income			
Interest Earned	250,000	250,000	677,965
Net Change in Fair Value	-	-	(1,353,696)
	250,000	250,000	(675,731)
Less Investment Expenses	(50,000)	(50,000)	(58,023)
Net Investment Income (Loss)	200,000	200,000	(733,754)
Total Additions	1,937,300	1,937,300	1,088,499
Deductions			
Administration	51,000	51,000	37,632
Benefits and Refunds	1,000,000	1,000,000	906,293
Total Deductions	1,051,000	1,051,000	943,925
Change in Fiduciary Net Position	886,300	886,300	144,574
Net Position Restricted for Pensions			
Beginning			21,299,941
Ending			21,444,515

VILLAGE OF FRANKFORT, ILLINOIS

Consolidated Year-End Financial Report

April 30, 2022

CSFA #	Program Name	State	Federal	Other	Totals
444-26-1565	Tobacco Enforcement Program	\$ -	990	-	990
494-00-1005	Local Federal Bridge Program	-	1,252	313	1,565
494-42-0495	Local Surface Transportation Program	-	495	124	619
494-00-2356	Rebuild Illinois Bond Funds	89,836	-	-	89,836
	Other Grant Programs and Activities	913,301	111,271	1,319,455	2,344,027
	All Other Costs Not Allocated	-	-	29,261,396	29,261,396
	Totals	1,003,137	114,008	30,581,288	31,698,433



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

September 12, 2022

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Frankfort, Illinois, as of and for the year ended April 30, 2022, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements, and have issued our report thereon dated September 12, 2022.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

Lauterbach & Amen, LLP
LAUTERBACH & AMEN, LLP

SUPPLEMENTAL SCHEDULES

VILLAGE OF FRANKFORT, ILLINOIS

Long-Term Debt Requirements

Illinois Environmental Protection Agency (IEPA) (L17-3468) Loan of 2011 April 30, 2022

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

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
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
	868,559	-	868,559

VILLAGE OF FRANKFORT, ILLINOIS

Long-Term Debt Requirements

Illinois Environmental Protection Agency (IEPA) (L17-5363) Loan of 2016

April 30, 2022

Date of Issue	June 27 2016
Date of Maturity	November 25, 2036
Authorized Issue	\$11,439,376
Interest Rate	1.86%
Interest Date	May 25 and November 25
Principal Maturity Date	May 25 and November 25
Payable at	Illinois Environment Protection Agency

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2023	\$ 537,116	168,652	705,768
2024	547,153	158,615	705,768
2025	557,377	148,391	705,768
2026	567,793	137,975	705,768
2027	578,403	127,365	705,768
2028	589,211	116,557	705,768
2029	600,222	105,546	705,768
2030	611,438	94,330	705,768
2031	622,863	82,905	705,768
2032	634,503	71,265	705,768
2033	646,359	59,409	705,768
2034	658,437	47,331	705,768
2035	670,741	35,027	705,768
2036	683,275	22,493	705,768
2037	696,043	9,725	705,768
	9,200,934	1,385,586	10,586,520

VILLAGE OF FRANKFORT, ILLINOIS

Long-Term Debt Requirements

Illinois Environmental Protection Agency (IEPA) (L17-5388) Loan of 2017

April 30, 2022

Date of Issue	November 7, 2017
Date of Maturity	April 8, 2039
Authorized Issue	\$36,529,241
Interest Rate	1.76%
Interest Date	April 8 and October 8
Principal Maturity Date	April 8 and October 8
Payable at	Illinois Environment Protection Agency

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2023	\$ 1,632,506	556,871	2,189,377
2024	1,661,364	528,013	2,189,377
2025	1,690,733	498,644	2,189,377
2026	1,720,621	468,756	2,189,377
2027	1,751,037	438,340	2,189,377
2028	1,781,991	407,386	2,189,377
2029	1,813,492	375,885	2,189,377
2030	1,845,549	343,828	2,189,377
2031	1,878,174	311,203	2,189,377
2032	1,911,376	278,001	2,189,377
2033	1,945,164	244,213	2,189,377
2034	1,979,550	209,827	2,189,377
2035	2,014,543	174,834	2,189,377
2036	2,050,155	139,222	2,189,377
2037	2,086,396	102,981	2,189,377
2038	2,123,278	66,099	2,189,377
2039	2,160,814	28,563	2,189,377
	32,046,743	5,172,666	37,219,409

VILLAGE OF FRANKFORT, ILLINOIS

Long-Term Debt Requirements

Illinois Environmental Protection Agency (IEPA) (L17-5408) Loan of 2019

April 30, 2022

Date of Issue	May 31, 2019
Date of Maturity	May 30, 2041
Authorized Issue	\$7,273,677
Interest Rate	1.84%
Interest Date	May 30 and November 30
Principal Maturity Date	May 30 and November 30
Payable at	Illinois Environment Protection Agency

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2023	\$ 304,952	128,887	433,839
2024	314,030	124,638	438,668
2025	319,835	118,833	438,668
2026	325,747	112,921	438,668
2027	331,769	106,899	438,668
2028	337,901	100,767	438,668
2029	344,147	94,521	438,668
2030	350,509	88,159	438,668
2031	356,987	81,681	438,668
2032	363,586	75,082	438,668
2033	370,307	68,361	438,668
2034	377,151	61,517	438,668
2035	384,123	54,545	438,668
2036	391,224	47,444	438,668
2037	398,456	40,212	438,668
2038	405,821	32,847	438,668
2039	413,322	25,346	438,668
2040	420,962	17,706	438,668
2041	428,743	9,925	438,668
2042	217,337	1,999	219,336
	7,156,909	1,392,290	8,549,199

STATISTICAL SECTION

(Unaudited)

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

Financial Trends

These schedules contain trend information to help the reader understand how the Village's financial performance and well-being have changed over time.

Revenue Capacity

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

Debt Capacity

These schedules present information to help the reader assess the affordability of the Village's current levels of outstanding debt and the Village'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, 2022 (Unaudited)

See Following Page

VILLAGE OF FRANKFORT, ILLINOIS

Net Position by Component - Last Ten Fiscal Years* April 30, 2022 (Unaudited)

	2013	2014	2015
Governmental Activities			
Net Investment in Capital Assets	\$ 117,765,489	117,254,446	117,128,772
Restricted	907,314	964,242	7,085,507
Unrestricted	17,259,905	15,162,051	6,726,567
Total Governmental Activities Net Position	135,932,708	133,380,739	130,940,846
Business-Type Activities			
Net Investment in Capital Assets	75,230,401	75,189,807	81,119,996
Unrestricted	20,280,390	20,536,633	13,326,091
Total Business-Type Activities Net Position	95,510,791	95,726,440	94,446,087
Net Position			
Net Investment in Capital Assets	192,995,890	192,444,253	198,248,768
Restricted	907,314	964,242	7,085,507
Unrestricted	37,540,295	35,698,684	20,052,658
Total Net Position	231,443,499	229,107,179	225,386,933

Data Source: Audited Financial Statements

* Accrual Basis of Accounting

2016	2017	2018	2019	2020	2021	2022
114,140,516	114,633,501	111,052,299	108,277,749	105,455,418	105,117,978	102,258,656
5,383,990	568,666	926,265	1,296,856	1,755,931	2,509,547	3,574,678
(2,941,994)	1,136,771	1,891,938	3,851,177	5,551,718	10,392,656	17,370,329
116,582,512	116,338,938	113,870,502	113,425,782	112,763,067	118,020,181	123,203,663
82,055,859	81,719,708	78,129,382	76,645,300	67,597,225	72,155,113	74,085,516
9,993,638	10,957,613	16,088,229	20,584,311	25,282,911	25,474,143	28,436,955
92,049,497	92,677,321	94,217,611	97,229,611	92,880,136	97,629,256	102,522,471
196,196,375	196,353,209	189,181,681	184,923,049	173,052,643	177,273,091	176,344,172
5,383,990	568,666	926,265	1,296,856	1,755,931	2,509,547	3,574,678
7,051,644	12,094,384	17,980,167	24,435,488	30,834,629	35,866,799	45,807,284
208,632,009	209,016,259	208,088,113	210,655,393	205,643,203	215,649,437	225,726,134

VILLAGE OF FRANKFORT, ILLINOIS

Changes in Net Position - Last Ten Fiscal Years*
April 30, 2022 (Unaudited)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Expenses										
Governmental Activities										
General Government	\$ 1,169,996	1,395,084	1,263,524	3,332,029	2,557,616	1,817,834	1,429,444	2,274,111	948,334	503,718
Community Development	1,009,932	908,189	1,104,635	1,356,325	1,083,800	1,060,317	1,355,137	1,188,517	1,276,927	1,454,271
Public Safety	5,209,916	5,422,269	5,866,812	7,179,980	6,360,475	6,594,006	6,828,855	7,586,304	6,839,665	7,745,050
Public Works	8,101,812	8,758,146	9,115,705	7,386,535	6,497,624	7,428,788	8,398,601	9,128,334	10,692,356	10,854,308
Solid Waste	1,301,292	1,286,640	1,358,153	1,373,180	1,417,644	1,397,520	1,412,339	1,460,001	1,513,433	1,590,642
Interest on Long-Term Debt	98,056	63,732	26,606	-	-	-	-	-	-	-
	16,891,004	17,834,060	18,735,435	20,628,049	17,917,159	18,298,465	19,424,376	21,637,267	21,270,715	22,147,989
Business-Type Activities										
Waterworks and Sewerage	6,504,073	7,537,359	8,317,325	9,077,684	8,209,968	8,702,533	9,041,307	16,949,322	8,889,682	9,550,444
Total Expenses	23,395,077	25,371,419	27,052,760	29,705,733	26,127,127	27,000,998	28,465,683	38,586,589	30,160,397	31,698,433
Program Revenues										
Governmental Activities										
Charges for Services										
General Government	916,323	867,087	1,596,632	1,620,303	1,533,846	1,563,728	1,678,742	1,606,004	1,508,036	1,899,820
Building and Community Deve.	454,948	557,223	-	-	-	-	-	-	-	-
Public Safety	326,257	286,908	541,833	556,228	560,164	169,484	121,794	163,908	234,781	280,846
Public Works	418,449	92,511	587,238	356,419	306,940	172,782	167,465	138,879	203,032	195,799
Solid Waste	260,822	263,076	246,178	268,654	274,725	874,912	1,344,024	1,417,309	1,473,538	1,543,090
Operating Grants/Contributions	479,559	494,933	468,251	505,304	494,854	608,836	38,293	1,890	851,921	2,261
Capital Grants/Contributions	378,475	349,361	104,574	443,223	2,511,139	47,476	853,459	928,569	4,193,546	1,153,724
	3,234,833	2,911,099	3,544,706	3,750,131	5,681,668	3,437,218	4,203,777	4,256,559	8,464,854	5,075,540
Business-Type Activities										
Charges for Services	8,063,017	7,926,304	7,638,725	7,726,967	8,702,382	10,150,435	11,689,036	11,955,776	13,549,321	13,762,440
Capital Grants/Contributions	43,240	-	-	-	55,000	-	-	-	-	908,050
	8,106,257	7,926,304	7,638,725	7,726,967	8,757,382	10,150,435	11,689,036	11,955,776	13,549,321	14,670,490
Total Program Revenues	11,341,090	10,837,403	11,183,431	11,477,098	14,439,050	13,587,653	15,892,813	16,212,335	22,014,175	19,746,030
Net (Expenses) Revenues										
Governmental Activities	(13,656,171)	(14,922,961)	(15,190,729)	(16,877,918)	(12,235,491)	(14,861,247)	(15,220,599)	(17,380,708)	(12,805,861)	(17,072,449)
Business-Type Activities	1,602,184	388,945	(678,600)	(1,350,717)	547,414	1,447,902	2,647,729	(4,993,546)	4,659,639	5,120,046
Total Net (Expenses) Revenues	(12,053,987)	(14,534,016)	(15,869,329)	(18,228,635)	(11,688,077)	(13,413,345)	(12,572,870)	(22,374,254)	(8,146,222)	(11,952,403)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Revenues and Other Changes in Net Position										
Governmental Activities										
Taxes										
Property	\$ 3,757,175	3,637,695	3,541,613	3,547,862	3,565,618	3,697,632	3,774,240	3,864,952	3,971,304	4,022,031
Utility	-	-	-	-	-	1,326,531	1,938,633	1,751,412	1,621,180	1,799,739
Intergovernmental										
Sales Taxes	5,116,556	5,756,785	5,797,015	6,078,143	6,004,269	6,048,104	5,942,547	7,883,132	9,160,968	10,994,405
Income Taxes	1,672,487	1,698,153	1,791,461	1,818,863	1,676,626	1,618,056	1,839,642	1,749,481	2,158,420	3,058,907
Use Taxes	-	-	-	-	438,441	467,728	540,628	622,245	799,960	750,664
Replacement Taxes	48,721	55,772	54,238	57,438	63,357	49,120	51,911	58,769	70,648	154,555
ARPA Grants	-	-	-	-	-	-	-	-	-	1,318,184
Interest Income	35,708	30,786	59,032	31,886	51,246	112,255	393,571	462,883	55,969	(133,738)
Miscellaneous	726,090	526,201	817,102	410,480	192,360	211,027	294,707	325,119	224,526	291,184
Transfers - Interfund Activity	665,600	665,600	690,375	183,713	-	-	-	-	-	-
Total Governmental Activities	12,022,337	12,370,992	12,750,836	12,128,385	11,991,917	13,530,453	14,775,879	16,717,993	18,062,975	22,255,931
Business-Type Activities										
Interest Income	37,385	38,926	59,295	49,484	28,803	64,340	350,032	531,388	71,361	(246,247)
Gain (loss) on Disposal of Capital Assets	2,341	-	-	-	-	-	-	-	-	-
Miscellaneous	466,679	453,378	29,327	33,519	51,607	28,048	14,239	112,683	18,120	19,416
Transfers - Interfund Activity	(665,600)	(665,600)	(690,375)	-	-	-	-	-	-	-
Total Business-Type Activities	(159,195)	(173,296)	(601,753)	83,003	80,410	92,388	364,271	644,071	89,481	(226,831)
Total General Revenues and Other										
Changes in Net Position	11,863,142	12,197,696	12,149,083	12,211,388	12,072,327	13,622,841	15,140,150	17,362,064	18,152,456	22,029,100
Changes in Net Position										
Governmental Activities	(2,900,624)	(2,819,737)	(2,439,893)	(4,749,533)	(243,574)	(1,330,794)	(444,720)	(662,715)	5,257,114	5,183,482
Business-Type Activities	229,750	(851,896)	(1,280,353)	(1,267,714)	627,824	1,540,290	3,012,000	(4,349,475)	4,749,120	4,893,215
Total Changes in Net Position	(2,670,874)	(3,671,633)	(3,720,246)	(6,017,247)	384,250	209,496	2,567,280	(5,012,190)	10,006,234	10,076,697

Data Source: Audited Financial Statements
* Accrual Basis of Accounting

VILLAGE OF FRANKFORT, ILLINOIS

Fund Balances of Governmental Funds - Last Ten Fiscal Years* April 30, 2022 (Unaudited)

	2013	2014	2015
General Fund			
Nonspendable	\$ -	-	-
Unassigned	2,014,386	1,974,361	2,456,397
Total General Fund	2,014,386	1,974,361	2,456,397
All Other Governmental Funds			
Restricted	907,314	964,242	7,085,507
Assigned	17,177,629	14,982,283	5,587,701
Total All Other Governmental Funds	18,084,943	15,946,525	12,673,208
Total Governmental Funds	20,099,329	17,920,886	15,129,605

Date Source: Audited Financial Statements

* Modified Accrual Basis of Accounting

2016	2017	2018	2019	2020	2021	2022
-	300,361	-	-	-	-	-
1,435,089	5,802,314	6,125,057	6,125,057	6,125,057	7,170,358	7,170,358
1,435,089	6,102,675	6,125,057	6,125,057	6,125,057	7,170,358	7,170,358
5,383,990	568,666	926,265	1,296,856	1,755,931	2,509,547	3,574,678
7,917,827	8,037,721	10,097,648	12,107,992	15,229,446	18,449,525	23,902,543
13,301,817	8,606,387	11,023,913	13,404,848	16,985,377	20,959,072	27,477,221
14,736,906	14,709,062	17,148,970	19,529,905	23,110,434	28,129,430	34,647,579

VILLAGE OF FRANKFORT, ILLINOIS

Changes in Fund Balances for Governmental Funds - Last Ten Fiscal Years* April 30, 2022 (Unaudited)

	2013	2014	2015
Revenues			
Taxes			
Property	\$ 3,757,175	3,637,695	3,900,889
Utility	-	-	-
Intergovernmental			
Sales Taxes	5,116,556	5,756,785	6,156,291
Use Taxes	-	-	-
Income Taxes	1,672,487	1,698,153	1,791,461
Motor Fuel Taxes	452,672	471,415	468,251
Other Taxes	-	-	-
Replacement	48,721	55,772	54,238
Grants	405,362	372,879	104,574
Charges for Services	992,468	809,238	949,794
Licenses and Permits	1,092,548	1,000,420	1,472,717
Fees by Agreement	40,563	45,368	-
Fines and Forfeitures	251,220	211,779	190,094
Interest Income	35,708	30,786	59,032
Miscellaneous	726,090	526,201	457,826
Total Revenues	14,591,570	14,616,491	15,605,167
Expenditures			
General Government	1,097,929	1,252,249	1,226,492
Building and Community Development	875,112	824,135	1,026,036
Public Safety	5,502,632	5,207,943	5,590,913
Public Works	3,568,188	4,579,825	3,954,226
Solid Waste	1,301,292	1,286,640	1,358,153
Capital Outlay	2,097,659	3,644,142	5,275,911
Debt Service			
Principal Retirement	240,045	234,076	690,000
Interest and Fiscal Charges	425,555	431,524	375
Total Expenditures	15,108,412	17,460,534	19,122,106
Excess (Deficiency) of Revenues Over (Under) Expenditures	(516,842)	(2,844,043)	(3,516,939)
Other Financing Sources (Uses)			
Disposal of Capital Assets	-	-	35,283
Transfers In	3,555,600	3,429,014	3,463,386
Transfers Out	(2,890,000)	(2,763,414)	(2,773,011)
	665,600	665,600	725,658
Net Change in Fund Balances	148,758	(2,178,443)	(2,791,281)
Debt Service as a Percentage of Noncapital Expenditures	4.80%	4.60%	4.40%

* Modified Accrual Basis of Accounting

2016	2017	2018	2019	2020	2021	2022
3,547,862	3,565,618	3,697,632	3,774,240	3,864,952	3,971,304	4,022,031
-	-	1,326,531	1,938,633	1,751,412	1,621,180	1,799,739
6,488,623	6,442,710	6,048,104	5,942,547	7,883,132	9,160,968	10,994,405
-	-	467,728	540,628	622,245	799,960	750,664
1,818,863	1,676,626	1,618,056	1,839,642	1,749,481	2,158,420	3,058,907
487,332	483,219	485,908	500,515	663,993	712,559	761,342
-	-	-	-	-	16,201	30,966
57,438	63,357	49,120	51,911	58,769	70,648	154,555
461,195	261,811	170,404	208,655	266,466	1,543,478	1,712,827
985,875	1,040,612	1,633,558	2,093,455	2,163,159	2,240,145	2,583,603
1,606,092	1,478,158	972,226	1,064,920	1,020,031	1,003,214	1,139,260
-	-	-	-	-	-	-
209,637	156,905	175,122	153,650	142,910	176,028	196,692
31,886	51,246	112,255	393,571	462,883	55,969	(133,738)
183,713	192,360	211,027	294,707	325,119	208,325	260,218
15,878,516	15,412,622	16,967,671	18,797,074	20,974,552	23,738,399	27,331,471
1,212,974	1,179,576	1,161,025	1,029,421	1,019,371	1,010,353	1,198,939
990,264	1,008,065	972,944	1,286,600	1,117,485	1,205,895	1,388,727
5,806,743	5,914,044	5,993,216	6,193,337	6,788,954	7,133,159	7,875,618
3,963,254	3,353,639	3,040,776	3,173,548	3,336,583	3,572,749	3,411,259
1,373,180	1,417,644	1,397,520	1,412,339	1,460,001	1,513,433	1,590,642
2,938,387	2,580,039	1,966,920	3,328,299	3,686,993	4,684,786	5,427,928
-	-	-	-	-	-	-
-	-	-	-	-	-	-
16,284,802	15,453,007	14,532,401	16,423,544	17,409,387	19,120,375	20,893,113
(406,286)	(40,385)	2,435,270	2,373,530	3,565,165	4,618,024	6,438,358
13,587	12,541	4,638	7,405	15,364	400,972	79,791
6,097,564	7,301,970	3,600,000	4,603,255	5,844,269	6,600,000	10,652,530
(6,097,564)	(7,301,970)	(3,600,000)	(4,603,255)	(5,844,269)	(6,600,000)	(10,652,530)
13,587	12,541	4,638	7,405	15,364	400,972	79,791
(392,699)	(27,844)	2,439,908	2,380,935	3,580,529	5,018,996	6,518,149
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

VILLAGE OF FRANKFORT, ILLINOIS

Assessed Value and Actual Value of Taxable Property - Last Ten Tax Levy Years April 30, 2022 (Unaudited)

Tax Levy Year	Residential Property	Farm	Commercial Property	Industrial Property
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
2015	673,559,289	2,668,354	91,283,575	39,539,740
2016	707,530,858	2,759,487	91,282,036	39,509,741
2017	739,990,205	2,896,756	90,962,121	39,498,673
2018	765,931,150	3,001,482	92,756,943	39,461,243
2019	792,086,069	3,147,112	91,919,880	39,911,429
2020	820,359,315	3,260,498	93,600,498	40,202,176
2021	861,514,956	3,272,825	93,868,768	41,043,131

Data Source: County Assessor

Total	Railroad	Total Assessed Value	Assessed Value as a Percentage of Estimated Actual Value	Total Direct Tax Rate
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
807,050,958	526,071	807,577,029	33.33	0.4405
841,082,122	581,154	841,663,276	33.33	0.4368
873,347,755	480,014	873,827,769	33.33	0.4315
901,150,818	505,391	901,656,209	33.33	0.4281
927,064,490	509,315	927,573,805	33.33	0.4279
957,422,487	503,158	957,925,645	33.33	0.4189
999,699,680	451,684	1,000,151,364	33.33	0.4168

VILLAGE OF FRANKFORT, ILLINOIS

Direct and Overlapping Property Tax Rates - Last Ten Tax Levy Years April 30, 2022 (Unaudited)

	2012	2013	2014	2015
Village of Frankfort				
Corporate	\$ 0.0057	0.0024	0.0045	0.0062
Police Protection	0.1425	0.1492	0.1517	0.1486
Garbage Disposal	0.0499	0.0392	0.0247	0.0219
I.M.R.F	0.0256	0.0268	0.0273	0.0267
Social Security	0.0357	0.0249	0.0254	0.0248
Police Pension	0.0797	0.0965	0.1053	0.1106
PA 102 059 Adj	-	-	-	-
Road and Bridge	0.0918	0.0990	0.1055	0.1017
Total Direct Tax Rate	0.4309	0.4380	0.4444	0.4405
Overlapping Rates				
Will County Forest Preserve District	0.1859	0.1970	0.1977	0.1937
Will County	0.5696	0.5994	0.6210	0.6140
Will County Building Comm.	0.0212	0.0222	0.0223	0.0218
Frankfort Township Funds	0.0896	0.0960	0.0998	0.0998
Frankfort Township Road Funds	0.1228	0.0205	0.1167	0.1138
Frankfort Fire Protection District	0.7272	0.7840	0.8157	0.8224
Frankfort School District #157-C	3.7572	3.9318	4.0179	4.0362
Crete-Monee School District #201-U	7.2682	8.1372	8.8188	8.6262
Peotone School District #207-U	4.0915	4.4680	4.5933	4.6250
Lincoln-Way High School District #210	1.9190	2.0650	2.1394	2.1594
Prairie State Community College District #515	0.4321	0.4429	0.4585	0.4703
Joliet Community College District #525	0.2768	0.2955	0.3066	0.3065
Frankfort Park District	0.2089	0.2215	0.2286	0.2302
Frankfort Square Park District	0.5846	0.6265	0.6527	0.6699
Frankfort Public Library	0.1843	0.1988	0.2049	0.2067
Mokena Community Library District	0.3709	0.3229	0.3169	0.3392
Mokena Fire District	0.9107	0.9684	1.0097	1.0245
Green Garden Township Fund	0.1232	0.1350	0.1383	0.1387
Green Garden Township Road Fund	0.4034	0.4419	0.4526	0.4538
Monee Township Fund	0.1959	0.2160	0.2288	0.2284
Monee Township Road Fund	0.2896	0.1761	0.3383	0.3378
Monee Fire Protection District	0.7834	0.9056	0.9489	0.9502
Peotone Library District	0.1009	0.1102	0.1138	0.1134
Mokena Community Park District	0.3030	0.3184	0.3234	0.3255
Summit Hill School District #161	3.6596	3.9036	4.1112	4.1590
Total Direct and Overlapping Tax Rate	28.0104	30.0424	31.7202	31.7069

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.

2016	2017	2018	2019	2020	2021
0.0051	0.0050	0.0051	0.0054	0.0056	0.0061
0.1560	0.1374	0.1399	0.1329	0.1061	0.1145
0.0068	-	-	-	-	-
0.0281	0.0326	0.0264	0.0278	0.0270	0.0259
0.0261	0.0440	0.0436	0.0421	0.0443	0.0425
0.1166	0.1196	0.1235	0.1302	0.1553	0.1472
-	-	-	-	-	0.0008
0.0981	0.0929	0.0896	0.0895	0.0806	0.0798
0.4368	0.4315	0.4281	0.4279	0.4189	0.4168
0.1944	0.1895	0.1504	0.1462	0.1443	0.1339
0.6121	0.5986	0.5927	0.5842	0.5788	0.5761
0.0026	-	-	-	-	-
0.0962	0.0951	0.0926	0.0931	0.0934	0.0904
0.1097	0.1083	0.1061	0.1015	0.1054	0.1039
0.8078	0.8084	0.8108	0.8155	0.8223	0.8174
3.9139	3.8339	3.6675	3.5394	3.5494	3.5315
8.6810	8.7142	8.4857	8.3662	8.1108	7.8168
4.5481	4.5288	4.5453	4.0812	3.7374	3.6389
2.1189	2.1207	2.1292	2.1550	2.1911	2.1986
0.5537	0.4577	0.4481	0.4595	0.4336	0.4148
0.3099	0.2994	0.2924	0.2938	0.2891	0.2848
0.2268	0.2263	0.2274	0.2284	0.2278	0.2254
0.6433	0.6382	0.6274	0.6396	0.6383	0.5349
0.2033	0.2025	0.2035	0.2044	0.2041	0.2033
0.3338	0.3327	0.3335	0.3356	0.3371	0.3268
1.0093	1.0095	1.0126	1.0235	1.0269	1.0149
0.1350	0.1378	0.1386	0.1335	0.1346	0.1324
0.4417	0.4508	0.4533	0.4546	0.4583	0.4507
0.2185	0.2177	0.2206	0.2158	0.2144	0.2135
0.3231	0.3219	0.3262	0.3191	0.3171	0.3150
0.9087	0.9040	0.8968	0.8925	0.8854	0.8774
0.1092	0.1089	0.1079	0.1068	0.1071	0.1052
0.3208	0.3175	0.3160	0.3154	0.3139	0.3086
4.1149	4.1024	4.1247	4.1544	4.1765	4.1634
31.3735	31.1563	30.7374	30.0871	29.5160	28.8954

VILLAGE OF FRANKFORT, ILLINOIS

Principal Property Tax Payers - Current Fiscal Year and Nine Fiscal Years Ago April 30, 2022 (Unaudited)

Taxpayer	2022			2013		
	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value
Pactiv Corp	\$ 4,954,600	1	0.50%	\$ 5,076,821	2	0.60%
Frankfort Crossing LLC	3,727,734	2	0.37%			
CAB Holdings Inc.	2,967,989	3	0.30%	3,156,654	7	0.37%
Inland Prairie Crossings LLC	2,522,441	4	0.25%	2,661,545	9	0.32%
Butera Center Management Inc.	2,394,800	5	0.24%	2,688,700	8	0.32%
Charm III LLC-Home Depot USA	1,776,714	6	0.18%	4,832,944	3	0.57%
Realty Income IL Properties 2	1,587,558	7	0.16%			
Kohl's Illinois Inc.	1,543,360	8	0.15%			
Performance Management	1,316,667	9	0.13%			
Crown Centre Frankfort LLC	1,314,740	10	0.13%			
Frankfort Prairie LLC				5,612,871	1	0.67%
Chicago Title Land Trust Co.				4,724,960	4	0.56%
BRE Throne Frankfort Xing LLC				4,400,000	5	0.52%
Harris NA				3,378,018	6	0.40%
Speedway LLC				2,115,989	10	0.25%
	<u>24,106,603</u>		<u>2.41%</u>	<u>38,648,502</u>		<u>4.59%</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, 2022 (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
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	3,529,319	100.00%	-	3,529,319	100.00%
2015	3,564,306	3,554,013	99.71%	-	3,554,013	99.71%
2016	3,685,244	3,685,244	100.00%	-	3,685,244	100.00%
2017	3,780,687	3,774,240	99.83%	-	3,774,240	99.83%
2018	3,870,791	3,864,952	99.85%	-	3,864,952	99.85%
2019	3,980,170	3,971,304	99.78%	-	3,971,304	99.78%
2020	4,025,017	4,022,031	99.93%	-	4,022,031	99.93%
2021	4,181,057	N/A	N/A	N/A	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.

N/A - Not Available

VILLAGE OF FRANKFORT, ILLINOIS

Ratios of Outstanding Debt by Type - Last Ten Fiscal Years April 30, 2022 (Unaudited)

Fiscal Year	Government Activities	Business-Type Activities		Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
	General Obligation Bonds (2)	IEPA Loans Payabe	General Obligation Bonds (2)			
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	0.19%	81.92
2016	-	1,447,595	-	1,447,595	0.18%	75.79
2017	-	12,440,319	-	12,440,319	1.43%	642.15
2018	-	22,187,847	-	22,187,847	2.54%	1,129.50
2019	-	47,159,329	-	47,159,329	4.95%	2,363.05
2020	-	51,376,222	-	51,376,222	5.08%	2,531.35
2021	-	51,429,078	-	51,429,078	4.75%	2,492.81
2022	-	49,273,145	-	49,273,145	4.57%	2,342.77

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, 2022 (Unaudited)

Fiscal Year	General Obligation Bonds (3)	Less: Amounts Available in Debt Service	Net General Obligation Bonds	Percentage of Equalized Assessed Valuation (1)	Per Capita (2)
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%	-
2016	-	-	-	0.00%	-
2017	-	-	-	0.00%	-
2018	-	-	-	0.00%	-
2019	-	-	-	0.00%	-
2020	-	-	-	0.00%	-
2021	-	-	-	0.00%	-
2022	-	-	-	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, 2022 (Unaudited)

Governmental Unit	Gross Debt	*Percentage to Debt Applicable to Village (1)	Village's Share of Debt
Village of Frankfort	\$ -	100.000 %	\$ -
Will County	391,141,885	4.445 %	17,386,257
Will County Forest Preserve	80,805,000	4.445 %	3,591,782
Park Districts:			
Frankfort	1,715,000	99.162 %	1,700,628
Frankfort Square	1,559,209	19.938 %	310,875
Mokena Community	5,798,000	1.271 %	73,693
School Districts			
Frankfort SD # 157-C	11,505,000	92.822 %	10,679,171
Summit Hill SD #161	36,776,972	12.618 %	4,640,518
Lincoln Way HSD #210	130,205,366	22.791 %	29,675,105
Crete-Monee SD #201-U	61,313,251	0.058 %	35,562
Peotone SD #207-U	9,235,000	2.028 %	187,286
Prairie State Community College	26,288,301	0.012 %	3,155
Joliet Community College #525	55,305,000	4.524 %	2,501,998
	811,647,984		70,786,030
Totals	811,647,984		70,786,030

Data Source: Audited Financial Statements

* This statement excludes the Cook County portion of debt in the Village.

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, 2022 (Unaudited)

Fiscal Year	Waterworks and Sewerage Revenue Bonds					
	Gross Revenues (1)	Less: Operating Expenses (2)	Net Available Revenue	Debt Service (3)		Coverage
				Principal	Interest	
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
2016	7,809,970	6,444,256	1,365,714	96,506	-	14.15
2017	8,782,792	5,475,073	3,307,719	96,506	-	34.27
2018	10,214,775	5,689,364	4,525,411	290,251	84,240	12.08
2019	12,039,068	5,781,120	6,257,948	588,250	289,515	7.13
2020	12,487,164	5,071,076	7,416,088	1,928,798	740,576	2.78
2021	13,549,321	4,640,263	8,909,058	2,168,253	792,527	3.01
2022	13,535,609	5,086,053	8,449,556	3,148,932	815,393	2.13

(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.

VILLAGE OF FRANKFORT, ILLINOIS

Legal Debt Margin - Last Ten Fiscal Years April 30, 2022 (Unaudited)

	2013	2014	2015	2016
Assessed Valuation	\$ 842,163,876	804,772,884	795,842,797	807,577,029
Bonded Debt Limit - 8.625% of Assessed Value	72,636,634	69,411,661	68,644,157	69,653,519
Less: General Obligation Bonds (1)	1,265,637	663,769	-	-
Legal Debt Margin	71,370,997	68,747,892	68,644,157	69,653,519
Percentage of Legal Debt Margin to Bonded Debt Limit	98.26%	99.04%	100.00%	100.00%

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.

2017	2018	2019	2020	2021	2022
841,663,276	873,827,769	901,656,209	927,573,805	957,925,645	1,000,151,364
72,593,458	75,367,645	77,767,848	80,003,241	82,621,087	86,263,055
-	-	-	-	-	-
72,593,458	75,367,645	77,767,848	80,003,241	82,621,087	86,263,055
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

VILLAGE OF FRANKFORT, ILLINOIS

Demographic and Economic Statistics - Last Ten Fiscal Years April 30, 2022 (Unaudited)

Fiscal Year	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		
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%
2016	19,101	799,030	41,832	40.8	10,937	5,137	9,497	6.4%
2017	19,373	872,347	45,029	41.3	11,535	6,588	8,403	4.4%
2018	19,644	921,402	46,905	43.3	11,866	6,837	8,342	3.4%
2019	19,957	952,568	47,731	42.9	11,902	6,799	8,238	3.7%
2020	20,296	1,011,918	49,858	42.2	11,879	7,065	8,140	17.4%
2021	20,631	1,081,848	52,438	42.1	12,023	7,206	7,959	7.1%
2022	21,032	1,078,479	51,278	41.9	11,873	6,923	7,943	4.1%

Data Sources: Population - 2012 based on U.S. Census Bureau 2010 official census; 2020 based on U.S Census Bureau 2020 official census; all other years are estimated from Frankfort building permit data.

Per capita income, median age and median education level - American Community Survey 5-year estimates from the U.S. Census Bureau.

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

Unemployment rate available only for Will County. Figures are not compiled for "Frankfort Only". Statistics are from Illinois Department of Employment Security.

VILLAGE OF FRANKFORT, ILLINOIS

Principal Employers - Current Fiscal Year and Nine Fiscal Years Ago April 30, 2022 (Unaudited)

Employer	2022			2013		
	Employees	Rank	Percentage of Total Village Employment	Employees	Rank	Percentage of Total Village Employment
Retail Trade	1,538	1	N/A	N/A	N/A	N/A
Administrative and Waste Management Services	1,319	2	N/A	N/A	N/A	N/A
Accommodation and Food Services	1,062	3	N/A	N/A	N/A	N/A
Construction	874	4	N/A	N/A	N/A	N/A
Manufacturing	826	5	N/A	N/A	N/A	N/A
Health Care and Social Assistance	767	6	N/A	N/A	N/A	N/A
Other Services	505	7	N/A	N/A	N/A	N/A
Professional, Scientific and Technical Services	395	8	N/A	N/A	N/A	N/A
Finance and Insurance	327	9	N/A	N/A	N/A	N/A
Wholesale Trade	309	10	N/A	N/A	N/A	N/A
	<u>7,922</u>		<u>N/A</u>	<u>N/A</u>		<u>N/A</u>

Source: Industry Report from Illinois 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, 2022 (Unaudited)

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Government	18	16	14	16	16	13	13	13	12	12
Public Safety	30	28	28	28	27	27	29	32	35	32
Public Works	15	16	18	18	16	16	16	17	17	17
Building and Community Development	6	6	6	5	5	5	5	6	6	7
Waterworks and Sewage	17	18	21	21	20	20	21	20	20	20
Totals	86	84	87	88	84	81	84	88	90	88

Data Source: Various Village Records

VILLAGE OF FRANKFORT, ILLINOIS

**Operating Indicators by Function/Program - Last Ten Fiscal Years
April 30, 2022 (Unaudited)**

See Following Page

VILLAGE OF FRANKFORT, ILLINOIS

Operating Indicators by Function/Program - Last Ten Fiscal Years April 30, 2022 (Unaudited)

Function/Program	2013	2014	2015	2016
Police				
Arrests	510	355	535	420
Traffic Violation	7,955	7,994	9,404	9,647
Parking Violations	190	227	249	255
Public Works				
Street Resurfacing (Miles)	2.290	2.200	1.900	0.510
Building and Community Development				
Building Permits Issued	81	94	92	82
Building Value	27,142,572	31,490,000	34,500,000	30,750,000
Inspections	3,517	3,063	3,881	3,611
Solid Waste				
Refuse Collected (Tons/Day)	20.53	20.93	22.51	23.63
Recyclables Collected (Tons/Day)	5.58	5.21	5.74	5.85
Waterworks and Sewage				
Number of Customers	10,782	10,872	10,782	10,825
Average Daily Consumption	2,873,849	2,628,101	2,322,122	2,311,614
Total Gallons Billed	1,048,954,966	959,256,723	847,574,374	843,739,148

Data Source: Various Village Records

2017	2018	2019	2020	2021	2022
413	405	492	358	218	308
7,771	7,641	7,358	7,788	7,728	9,257
249	271	301	283	174	233
1.880	1.909	2.680	3.365	4.864	5.900
88	89	109	85	109	133
34,555,822	29,435,000	42,599,550	37,505,000	45,321,000	55,432,750
3,031	3,398	3,290	3,428	4,158	4,076
24.88	25.87	23.94	25.24	27.97	27.32
5.87	6.01	5.48	5.57	5.67	5.30
10,901	11,008	11,086	11,187	11,296	11,395
2,422,209	2,485,096	2,371,596	2,186,148	2,399,790	2,303,685
884,106,133	907,060,154	865,632,367	797,943,858	875,923,221	840,845,150

VILLAGE OF FRANKFORT, ILLINOIS

Capital Asset Statistics by Function/Program - Last Ten Fiscal Years April 30, 2022 (Unaudited)

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	16	16	16	16	16	16	19	21	23	21
Public Works										
Streets (Miles)	120	130	130	130	130	130	130	130	130	130
Streetlights	1,432	1,444	1,452	1,454	1,455	1,455	1,455	1,455	1,455	1,455
Storm Sewers (Miles)	80	80	80	80	80	81	81	81	81	81
Storm Inlets	2,744	2,753	2,753	2,753	2,753	2,765	2,765	2,765	2,765	2,766
Waterworks and Sewerage										
Water Mains (Miles)	159	208	208	208	209	209	209	209	210	210
Fire Hydrants	2,435	2,836	2,836	2,837	2,840	2,840	2,840	2,840	2,842	2,845
Sanitary Sewers (Miles)	158	181	181	181	182	182	182	182	182	182
Manholes	3,064	4,341	4,341	4,341	4,351	4,351	4,351	4,351	4,351	4,351

Data Source: Various Village Records