

FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS

ANNUAL FINANCIAL REPORT



FOR THE FISCAL YEAR ENDED
JUNE 30, 2019

FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS

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FINANCIAL SECTION

This section includes:

- Independent Auditors' Report
- Management's Discussion and Analysis
- Basic Financial Statements
- Required Supplementary Information
- Other Supplementary Information

INDEPENDENT AUDITORS' REPORT

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



INDEPENDENT AUDITORS' REPORT

October 24, 2019

Members of the Board of Trustees
Frankfort Public Library District
Frankfort, Illinois

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Frankfort Public Library District, Illinois, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Library's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Frankfort Public Library District, Illinois, as of June 30, 2019, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Frankfort Public Library District, Illinois' basic financial statements. The combining and individual fund financial statements and budgetary comparison schedules, and supplemental schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

Lauterbach & Amen, LLP
LAUTERBACH & AMEN, LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS

Management's Discussion and Analysis

Year Ended June 30, 2019

As management of the Frankfort Public Library District, Illinois (Library), we offer readers of the Library's statements this narrative overview and analysis of the financial activities of the Library for the fiscal year ended June 30, 2019.

FINANCIAL HIGHLIGHTS

- The Library implemented Government Accounting Standards Board (GASB) No. 68 Accounting and Financial Reporting for Pensions in the fiscal year ending June 30, 2015. GASB 68 requires all government agencies to report Pension Expense, Net Pension Liability, and Pension Related Deferred Inflows and Outflows in fiscal year audited financial statements. The Library's Statement of Net Position remains sound even though the Government Accounting Standards Board (GASB) required all agencies to report the unfunded net pension liability in the liability section. GASB 68 is for financial reporting purposes only and its changes are limited to the Library financial statements presentation. To comply with GASB 68, the Library reported \$1,297,852 in pension liabilities, \$716,418 of deferred outflows, and \$137,312 in deferred inflows in the fiscal year ending June 30, 2019.
- The assets/deferred outflows of the Library exceeded its liabilities/deferred inflows at June 30, 2019 by \$793,697 (net position). Of this amount, a deficit of \$996,555 (unrestricted net position) may be used to meet the Library's ongoing obligations to citizens and creditors.
- The Library's total net position increased by \$226,433.
- At June 30, 2019, the Library's governmental funds reported combined ending fund balances of \$141,362, an increase of \$76,442 from the prior year.
- At June 30, 2019, the fund balance for the General Fund was \$241,698.
- The Library's total net fixed assets decreased by \$105,504 during the year ended June 30, 2019.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the Library's basic financial statements. The Library's basic financial statements comprise of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains required supplementary information in addition to the basic financial statements themselves.

FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS

Management's Discussion and Analysis

Year Ended June 30, 2019

Government-wide financial statements

The government-wide financial statements are designed to provide readers with a broad overview of the Library's finances in a manner similar to a private-sector business.

The Statement of Net Position presents information on all of the Library's assets, deferred outflows, liabilities, and 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 Library is improving or deteriorating.

The Statement of Activities presents information showing how the Library'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 (e.g., uncollected taxes).

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 Library, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, 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 a government'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 Library'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.

FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS

Management's Discussion and Analysis

Year Ended June 30, 2019

Notes to the financial statements

Notes to the financial statements provide additional information that is essential to a full understanding of the information provided in the basic financial statements. Required supplementary information consists of more detailed data on budget to actual revenues and appropriations with expenditures.

Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Library's progress in meeting its obligation to provide as fully adequate as possible services to its residents.

The Library adopts an annual budget and appropriation ordinance for all funds. An appropriation comparison statement has been provided for the General Fund to demonstrate compliance with the appropriation ordinance.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Library, assets and deferred outflows exceeded liabilities and deferred inflows by \$793,697 at June 30, 2019. Contributing to the Library's net position, \$1,411,309 reflects its investment in capital assets (e.g., land, construction in progress, buildings, systems and equipment); less any related outstanding debt used to acquire those assets. The Library uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Library's net 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, since the capital assets themselves cannot be used to liquidate these liabilities. An additional portion of the Library's net position, \$378,493 represents resources that are subject to external restrictions on how they may be used.

FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS

Management's Discussion and Analysis

Year Ended June 30, 2019

Frankfort Library District's Net Position

	Net Position	
	2019	2018
Current Assets	\$ 2,583,370	2,413,329
Capital Assets	3,032,023	3,137,527
Total Assets	5,615,393	5,550,856
Deferred Outflows	716,418	259,795
Total Assets/Deferred Outflows	6,331,811	5,810,651
Long-Term Debt Outstanding	2,737,581	2,148,085
Other Liabilities	298,891	344,879
Total Liabilities	3,036,472	2,492,964
Deferred Inflows	2,501,642	2,750,423
Total Liabilities/Deferred Inflows	5,538,114	5,243,387
Net Position		
Net Investment in Capital Assets	1,411,309	1,291,963
Restricted	378,943	177,959
Unrestricted	(996,555)	(902,658)
Total Net Position	793,697	567,264

FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS

Management's Discussion and Analysis

Year Ended June 30, 2019

Governmental activities

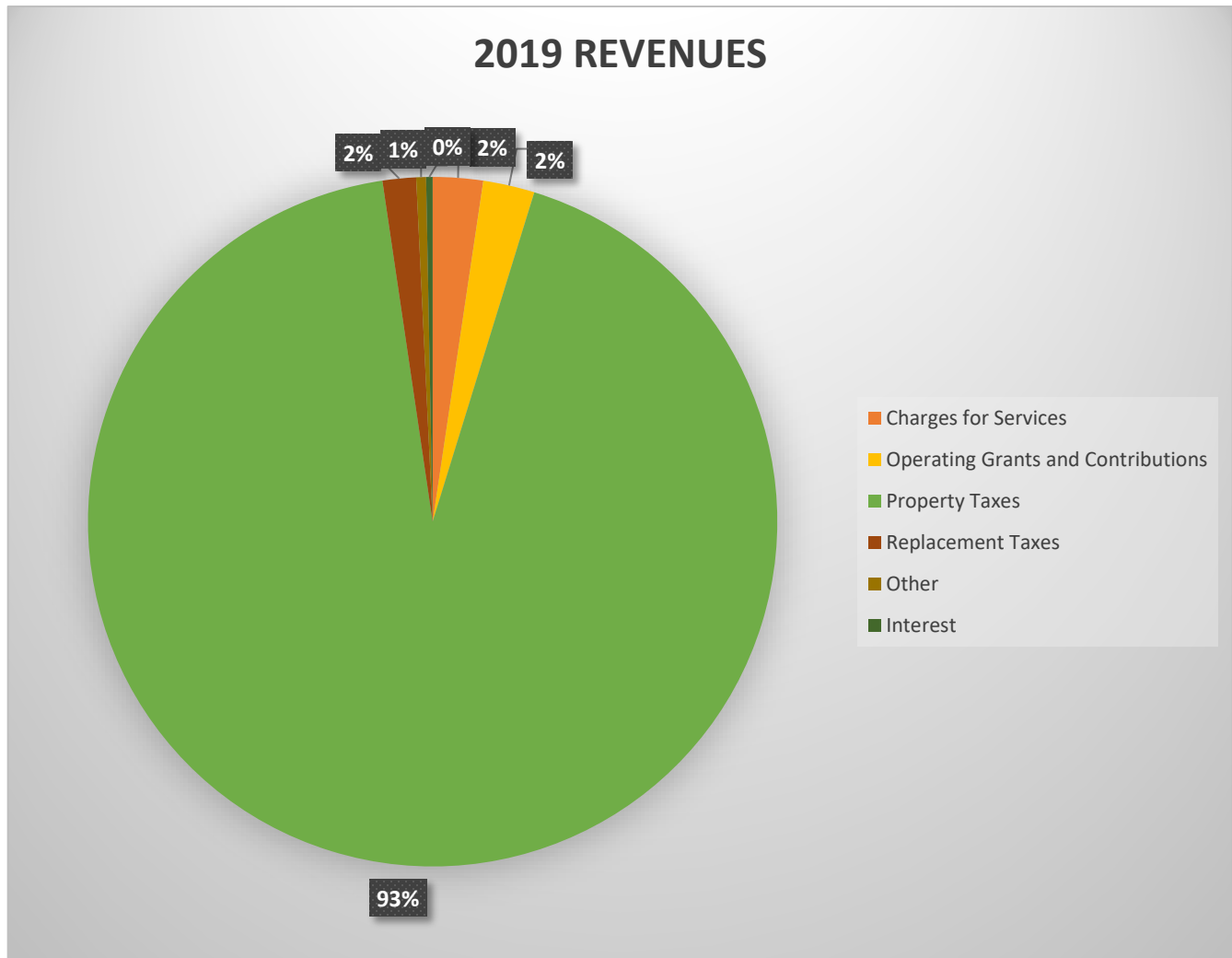
Governmental activities increased the Library's net position by \$226,433. Key elements of the changes to net position by governmental activities are as follows:

	Change in Net Position	
	2019	2018
Revenues		
Program Revenues		
Charges for Services	\$ 58,322	66,012
Operating Grants/Contributions	59,929	64,517
General Revenues		
Property Taxes	2,303,803	2,226,987
Personal Property Replacement Taxes	38,890	35,948
Interest	7,509	3,707
Miscellaneous	11,405	-
Total Revenues	<u>2,479,858</u>	<u>2,397,171</u>
Expenses		
Cultural and Recreation	2,204,021	2,287,245
Interest on Long-Term Debt	49,404	54,301
Total Expenses	<u>2,253,425</u>	<u>2,341,546</u>
Change in Net Position	226,433	55,625
Net Position - Beginning	<u>567,264</u>	<u>511,639</u>
Net Position - Ending	<u><u>793,697</u></u>	<u><u>567,264</u></u>

FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS

Management's Discussion and Analysis

Year Ended June 30, 2019



FINANCIAL ANALYSIS OF THE LIBRARY'S FUNDS

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

Governmental funds

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

At June 30, 2019, the Library's governmental funds reported combined ending fund balances of \$141,362, an increase of \$76,442 in comparison with the prior year.

The General Fund is the chief operating fund of the Library. At June 30, 2019, the fund balance of the General Fund was \$241,698. This represents a decrease of \$73,167 compared to the prior fiscal year.

FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS

Management's Discussion and Analysis

Year Ended June 30, 2019

General Fund Budgetary Highlights

Changes were approved by the Library Board of Trustees between the original budget and the final budget, shifting budget amounts from one General Fund account to another for the year ended June 30, 2019. Total differences between the final budget and the actual revenues and expenditures are summarized as follows:

- The difference between the General Fund budgeted revenues and the actual revenues was \$16,140 (favorable).
- The difference between the Total budgeted expenditures and actual expenditures was \$95,733 (unfavorable).

CAPITAL ASSETS

The Library's capital assets for its governmental activities as of June 30, 2019 amount to \$3,032,023 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, and furniture and equipment.

FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS

Management's Discussion and Analysis

Year Ended June 30, 2019

ECONOMIC FACTORS AND PROPERTY TAXES

The equalized assessed valuation (EAV) of the Library for 2019 is \$1,173,568,902. That represents a decrease in EAV of \$37,017,992 over the prior year's EAV. Taxes recorded in these financial statements are from the 2017 and 2018 levies. A summary of the assessed valuations and extensions for tax years 2018, 2017, and 2016 is as follows:

ASSESSED VALUATIONS, EXTENDED TAX RATES PERCENTAGE ALLOCATIONS AND AMOUNTS BY FUNDS

TAX LEVY YEAR	2018		2017		2016	
Assessed Valuation						
Will County	\$ 1,161,964,120		\$ 1,126,804,686		\$ 1,085,604,027	
Cook County	11,604,782		9,746,224		9,282,118	
Tax Rates and Percentage Allocations by Fund						
Funds	<u>Rate</u>	<u>Percentage</u>	<u>Rate</u>	<u>Percentage</u>	<u>Rate</u>	<u>Percentage</u>
General Fund	0.1689	82.62	0.1673	82.78	0.1683	82.62
I.M.R.F.	0.0109	5.53	0.0112	5.76	0.0117	6.10
Social Security	0.0080	4.05	0.0082	3.84	0.0078	3.39
Audit	0.0009	0.44	0.0009	0.44	0.0009	0.38
Workers Comp	.0005	0.25	0.0005	0.49	0.0010	0.29
Tort / Liability	0.0021	1.09	0.0022	1.03	0.0021	0.88
Building & Maintenance	0.0122	6.02	0.0122	5.66	0.0115	6.34
Totals	<u>0.2035</u>	<u>100.000</u>	<u>0.2025</u>	<u>100.000</u>	<u>0.2033</u>	<u>100.000</u>
Property Tax Extensions						
Funds	<u>2018</u>		<u>2017</u>		<u>2016</u>	
General Fund	\$ 1,962,557		\$ 1,885,144		\$ 1,827,072	
I.M.R.F.	126,654		126,202		127,016	
Social Security	92,957		92,398		84,677	
Audit	10,458		10,141		9,770	
Workers Comp	5,810		5,634		10,856	
Tort / Liability	24,401		24,790		22,798	
Building & Maintenance	141,760		137,470		124,844	
Cook County Total	<u>23,616</u>		<u>19,737</u>		<u>18,867</u>	
Totals	<u>\$ 2,388,213</u>		<u>\$ 2,301,516</u>		<u>\$ 2,225,900</u>	

FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS

Management's Discussion and Analysis

Year Ended June 30, 2019

DESCRIPTION OF CURRENT OR EXPECTED CONDITIONS

Currently, management undertook a building assessment which showed numerous aged systems and structures that could have a significant effect on the financial position or results of activities of the Library in the near future. Management continues to monitor items that may impact future receipts.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the District's finances for all those with an interest in its finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Director, Frankfort Public Library District, 21119 S Pfeiffer Rd, Frankfort, IL 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

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.

FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS

**Statement of Net Position
June 30, 2019**

ASSETS	
Current Assets	
Cash and Investments	\$ 1,353,874
Receivables - Net of Allowances	1,184,222
Prepays	<u>45,274</u>
Total Current Assets	<u>2,583,370</u>
Noncurrent Assets	
Capital Assets	
Nondepreciable Capital Assets	572,331
Depreciable Capital Assets	6,013,694
Accumulated Depreciation	<u>(3,554,002)</u>
Total Noncurrent Assets	<u>3,032,023</u>
Total Assets	5,615,393
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Items - IMRF	<u>716,418</u>
Total Assets and Deferred Outflows of Resources	<u>6,331,811</u>

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

LIABILITIES

Current Liabilities	
Accounts Payable	\$ 14,706
Accrued Payroll and Related Liabilities	62,972
Compensated Absences Payable	8,046
Current Portion of Mortgage Loan	213,167
Total Current Liabilities	<u>298,891</u>
Noncurrent Liabilities	
Compensated Absences Payable	32,182
Net Pension Liability - IMRF	1,297,852
Mortgage Loan	1,407,547
Total Noncurrent Liabilities	<u>2,737,581</u>
Total Liabilities	<u>3,036,472</u>

DEFERRED INFLOWS OF RESOURCES

Property Taxes	2,364,330
Deferred Items - IMRF	137,312
Total Deferred Inflows of Resources	<u>2,501,642</u>
Total Liabilities and Deferred Inflows of Resources	<u>5,538,114</u>

NET POSITION

Net Investment in Capital Assets	1,411,309
Restricted - Audit	12,745
Restricted - Employee Benefits	107,872
Restricted - Insurance	68,120
Restricted - Working Cash	190,206
Unrestricted	<u>(996,555)</u>
Total Net Position	<u>793,697</u>

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

FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS

Statement of Activities

For the Fiscal Year Ended June 30, 2019

	<u>Program Revenues</u>		Net
	Charges	Operating	(Expenses)/
	for	Grants/	Revenues and
	Services	Donations	Changes in
<u>Expenses</u>	<u>Services</u>	<u>Donations</u>	<u>Net Position</u>
Governmental Activities			
Culture and Recreation	\$ 2,204,021	58,322	59,929
Interest on Long-Term Debt	49,404	-	-
	<u>2,253,425</u>	<u>58,322</u>	<u>59,929</u>
			<u>(2,085,770)</u>
			<u>(49,404)</u>
			<u>(2,135,174)</u>
General Revenues			
Taxes			
Property Taxes			2,303,803
Personal Property Replacement Taxes			38,890
Interest			7,509
Miscellaneous			11,405
			<u>2,361,607</u>
Change in Net Position			226,433
Net Position - Beginning			<u>567,264</u>
Net Position - Ending			<u><u>793,697</u></u>

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

FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS

**Balance Sheet
June 30, 2019**

	General	Library Building and Sites	Nonmajor	Totals
ASSETS				
Cash and Investments	\$ 665,710	160,182	527,982	1,353,874
Receivables - Net of Allowances				
Property Taxes	951,083	68,699	126,135	1,145,917
Accounts	38,305	-	-	38,305
Due from Other Funds	566,417	-	-	566,417
Prepays	45,274	-	-	45,274
Total Assets	<u>2,266,789</u>	<u>228,881</u>	<u>654,117</u>	<u>3,149,787</u>
LIABILITIES				
Accounts Payable	14,693	-	13	14,706
Accrued Payroll and Related Liabilities	48,062	-	14,910	62,972
Due to Other Funds	-	566,417	-	566,417
Total Liabilities	<u>62,755</u>	<u>566,417</u>	<u>14,923</u>	<u>644,095</u>
DEFERRED INFLOWS OF RESOURCES				
Property Taxes	1,962,336	141,743	260,251	2,364,330
Total Liabilities and Deferred Inflows of Resources	<u>2,025,091</u>	<u>708,160</u>	<u>275,174</u>	<u>3,008,425</u>
FUND BALANCES				
Nonspendable	45,274	-	190,206	235,480
Restricted	-	-	188,737	188,737
Unassigned	196,424	(479,279)	-	(282,855)
Total Fund Balances	<u>241,698</u>	<u>(479,279)</u>	<u>378,943</u>	<u>141,362</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>2,266,789</u>	<u>228,881</u>	<u>654,117</u>	<u>3,149,787</u>

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

FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS

**Reconciliation of Total Fund Balances to the
Statement of Net Position**

June 30, 2019

Total Fund Balances	\$ 141,362
Amounts reported in the Statement of Net Position are different because:	
Capital assets are not financial resources and therefore, are not reported in the funds.	3,032,023
Deferred Outflows of Resources related to IMRF not reported in the funds. Deferred Items - IMRF	579,106
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Compensated Absences Payable	(40,228)
Net Pension Liability - IMRF	(1,297,852)
Mortgage Loan	<u>(1,620,714)</u>
Net Position	<u><u>793,697</u></u>

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

FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS

**Statement of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2019**

	General	Library Building and Sites	Nonmajor	Totals
Revenues				
Taxes	\$ 1,942,395	138,805	261,493	2,342,693
Grants and Donations	59,929	-	-	59,929
Fines and Forfeitures	25,784	-	-	25,784
Developer Fees	30,389	-	-	30,389
Reimbursements	2,121	28	-	2,149
Interest	7,366	-	143	7,509
Miscellaneous	11,405	-	-	11,405
Total Revenues	2,079,389	138,833	261,636	2,479,858
Expenditures				
Current				
Culture and Recreation	1,878,302	-	250,860	2,129,162
Debt Service				
Principal Retirement	224,850	-	-	224,850
Interest and Fiscal Charges	49,404	-	-	49,404
Total Expenditures	2,152,556	-	250,860	2,403,416
Excess (Deficiency) of Revenues Over (Under) Expenditures	(73,167)	138,833	10,776	76,442
Net Change in Fund Balances	(73,167)	138,833	10,776	76,442
Fund Balances - Beginning	314,865	(618,112)	368,167	64,920
Fund Balances - Ending	241,698	(479,279)	378,943	141,362

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

FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances
to the Statement of Activities**

For the Fiscal Year Ended June 30, 2019

Net Change in Fund Balances	\$ 76,442
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Amounts reported 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	22,785
Depreciation Expense	(128,289)

The net effect of deferred outflows (inflows) of resources related to the pensions
not reported in the funds.

Change in Deferred Items - IMRF	791,236
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The issuance of long-term debt provides current financial resources to
governmental funds, while the repayment of the principal on long-term
debt consumes the current financial resources of the governmental funds.

Deductions to Compensated Absences Payable	8,338
(Additions) to Net Pension Liability - IMRF	(768,929)
Deductions to Mortgage Loan	<u>224,850</u>

Changes in Net Position	<u>226,433</u>
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The notes to the financial statements are an integral part of this statement.

FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to the Financial Statements June 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Frankfort Public Library District, Illinois is located in Will County and is operated under a Board of Trustees and Librarian form of management. The financial statements of the District are prepared in accordance with generally accepted accounting principles (GAAP) in the United States of America. The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements.

REPORTING ENTITY

In determining the financial reporting entity, the Library complies with the provisions of GASB Statement No. 61, “The Financial Reporting Omnibus – an Amendment of GASB Statements No. 14 and No. 34,” and includes all component units that have a significant operational or financial relationship with the Library. Based upon the criteria set forth in the GASB Statement No. 61, there are no component units included in the reporting entity.

BASIS OF PRESENTATION

Government-Wide Statements

The Library’s basic financial statements include both government-wide (reporting the Library as a whole) and fund financial statements (reporting the Library’s major funds). The Library only reports governmental activities.

In the government-wide Statement of Net Position, the governmental activities is (a) presented on a consolidated basis, 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 Library’s net position is reported in three parts: net investment in capital assets, restricted; and unrestricted. The Library first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the Library’s functions. The functions are supported by general government revenues (property and personal property replacement taxes, certain intergovernmental revenues, interest income, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, which include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

The net costs (by function) are normally covered by general revenue (property and personal property replacement taxes, certain intergovernmental revenues, interest income, etc.).

FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to the Financial Statements June 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Government-Wide Statements – Continued

The Library does not allocate indirect costs. An administrative service fee is charged by the General Fund to the other operating funds that is eliminated like a reimbursement (reducing the revenue and expense in the General Fund) to recover the direct costs of General Fund services provided (finance, personnel, purchasing, legal, technology management, etc.).

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

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 Library:

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

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Library maintains one major and five nonmajor special revenue funds.

Permanent funds are used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs, that is, for the benefit of the government or its citizenry. The Library maintains one nonmajor permanent fund.

FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to the Financial Statements June 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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, governmental funds are presented using the economic resources measurement focus as defined below. In the fund financial statements, the “current financial resources” measurement focus is utilized.

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

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.

Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, governmental 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 Library 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.

FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to the Financial Statements June 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

Basis of Accounting – Continued

In applying the susceptible to accrual concept under the modified accrual basis, those revenues susceptible to accrual are property taxes, interest revenue, and grants. All other revenues are not susceptible to accrual because generally they are not measurable until received in cash.

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

Cash and Investments

For purpose of the Statement of Net Position, the Library's cash and cash equivalents are considered to be cash on hand, demand deposits, and cash with fiscal agent.

Investments are generally reported at fair value. Short-term investments are reported at cost, which approximates fair value. For investments, the Library 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. All of the Library's investments are in 2a7-like investment pools that are measured at the net asset value per share determined by the pool.

Prepays

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

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.

FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to the Financial Statements June 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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

Interfund Receivables, Payables and Activity

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers.

Capital Assets

Capital assets purchased or acquired with an original cost of more than \$1,000, 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.

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 Library as a whole. When purchased, such assets are recorded as expenditures in the governmental funds and capitalized. The valuation basis for general capital assets is historical cost, or where historical cost is not available, estimated historical cost based on replacement costs.

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

Buildings and Improvements	30 Years
Furniture and Equipment	5 Years

FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to the Financial Statements June 30, 2019

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 an acquisition/reduction of net position 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.

Compensated Absences

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

Long-Term Obligations

In the government-wide financial statements long-term obligations are reported as liabilities in the governmental activities statement of net position.

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 mortgages 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.”

FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS

**Notes to the Financial Statements
June 30, 2019**

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

Budgets are adopted on a modified cash basis. Annual appropriated budgets are adopted for the General Fund, the special revenue funds and the capital projects fund. All annual appropriations lapse at fiscal year-end. No supplemental appropriations were necessary in the current fiscal year.

EXCESS OF ACTUAL EXPENDITURES/EXPENSES OVER BUDGET IN INDIVIDUAL FUNDS

The following fund had an excess of actual expenditures/expenses, exclusive of depreciation, over budget as of the date of this report:

<u>Fund</u>	<u>Excess</u>
General Fund	\$ 95,733
Workmen's Compensation	88
Audit	38
Public Liability Insurance	1,474

DEFICIT FUND BALANCE/NET POSITION

The following funds had deficit fund balance/net position as of the date of this report:

<u>Fund</u>	<u>Deficit</u>
Library Building and Sites	\$ 479,279

NOTE 3 – DETAIL NOTES ON ALL FUNDS

DEPOSITS AND INVESTMENTS

The Library maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the combined balance sheet as "cash and investments." In addition, investments are separately held by several of the Library's funds.

Permitted Deposits and Investments – Statutes authorize the Library 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, and Illinois Funds.

FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to the Financial Statements June 30, 2019

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Interest Rate Risk, Credit Risk, Concentration Risk, and Custodial Credit Risk

Deposits. At year-end, the carrying amount of the Library's deposits totaled \$1,353,874 and the bank balances totaled \$1,403,291.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. It is the policy of the Library to limit its exposure to interest rate risk by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity. The Library's investment policy does not specifically limit the maximum maturity length of investments.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Library's investment policy states the Library will minimize credit risk by limiting investments to the types of securities permitted under Illinois Public Funds Investment Act, 30ILCS 235/1 and diversify the investment portfolio so that the impact of potential losses from any one type of security or from any one individual issuer will be minimized.

Concentration Risk. Concentration of credit risk is the risk of loss attributed to the magnitude of the Library's investment in a single issuer. The Library's investment policy does not mitigate concentration risk. At year-end, the Library 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).

Custodial Credit Risk. In the case of deposits, this is the risk that in the event of a bank failure, the Library's deposits may not be returned to it. The Library's investment policy states the Library will minimize custodial risk by maintaining a list of public depositories, financial institutions and broker/dealers authorized to provide deposit and investment services and further states that all public depositories, financial institutions and broker/dealers authorized to provide deposit and investment services must supply as appropriate audited financial statements demonstrating compliance with state and federal capital adequacy guidelines. At year-end, the entire amount of the bank balance of the deposits was covered by federal depository or equivalent insurance.

For an investment, this is the risk that in the event of the failure of the counterparty, the Library will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party.

FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS

**Notes to the Financial Statements
June 30, 2019**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

PROPERTY TAXES

Property taxes for 2018 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 the County and are payable in two installments, on or about June 1 and September 1. The County collects such taxes and remits them periodically.

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

CAPITAL ASSETS

Governmental Activities

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 572,331	-	-	572,331
Depreciable Capital Assets				
Buildings and Improvements	5,319,682	10,310	-	5,329,992
Furniture and Equipment	671,227	12,475	-	683,702
	<u>5,990,909</u>	<u>22,785</u>	<u>-</u>	<u>6,013,694</u>
Less Accumulated Depreciation				
Buildings and Improvements	2,803,429	104,958	-	2,908,387
Furniture and Equipment	622,284	23,331	-	645,615
	<u>3,425,713</u>	<u>128,289</u>	<u>-</u>	<u>3,554,002</u>
Total Net Depreciable Capital Assets	<u>2,565,196</u>	<u>(105,504)</u>	<u>-</u>	<u>2,459,692</u>
Total Net Capital Assets	<u>3,137,527</u>	<u>(105,504)</u>	<u>-</u>	<u>3,032,023</u>

Depreciation expense of \$128,289 was charged to the culture and recreation function.

FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS

**Notes to the Financial Statements
June 30, 2019**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

INTERFUND ADVANCES

Interfund advances as of the date of this report are as follows:

Receivable	Payable	Amount
General Fund	Library Building and Sites	<u>\$ 566,417</u>

Interfund advances represent payments for building construction related payments on behalf of these funds. These amounts will be paid back over several years.

LONG-TERM DEBT

Mortgage Loans Payable

The Library enters into loans payable for the acquisition of capital construction. Mortgage loans payable are direct obligations and pledge the full faith and credit of the Library. Mortgage loans payable currently outstanding are as follows:

Issue	Beginning Balances	Issuances	Refundings/ Retirements	Ending Balances
Mortgage Note of 2014 - Due in monthly installments of \$17,850 to \$1,308,780 plus interest at 2.72% through December 5, 2020.	\$ 1,845,564	-	224,850	<u>1,620,714</u>

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
Compensated Absences	\$ 48,566	8,338	16,676	40,228	8,046
Net Pension Liability - IMRF	528,923	768,929	-	1,297,852	-
Mortgage Note	1,845,564	-	224,850	1,620,714	213,167
	<u>2,423,053</u>	<u>777,267</u>	<u>241,526</u>	<u>2,958,794</u>	<u>221,213</u>

For the governmental activities, the compensated absences, net pension liability, and the Mortgage Note are generally liquidated by the General Fund.

FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to the Financial Statements June 30, 2019

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Legal Debt Margin

Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes provides, "...no municipality having a population of less than 500,000 shall become indebted in any manner or for any purpose, to an amount, including existing indebtedness in the aggregate exceeding 2.875% on the value of the taxable property therein, to be ascertained by the last assessment for state and county purposes, previous to the incurring of the indebtedness or, until January 1, 1983, if greater, the sum that is produced by multiplying the municipality's 1978 equalized assessed valuation by the debt limitation percentage in effect on January 1, 1979."

Assessed Valuation - 2018	<u>\$ 1,173,568,902</u>
Legal Debt Limit - 2.875% of Assessed Value	33,740,106
Amount of Debt Applicable to Limit	-
Legal Debt Margin	<u>33,740,106</u>

NET POSITION/FUND BALANCES

Net Position Classification

Net investment in capital assets was comprised of the following as of June 30, 2019:

Governmental Activities	
Investment in Capital Assets	\$ 3,032,023
Less Capital Related Debt: Mortgage Note	<u>(1,620,714)</u>
Net Investment in Capital Assets	<u>1,411,309</u>

Fund Balance Classifications

In the governmental funds' financial statements, the Library 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 Library 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.

FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS

**Notes to the Financial Statements
June 30, 2019**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

NET POSITION/FUND BALANCES – Continued

Net Position Classification – Continued

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

Assigned Fund Balance. Consists of amounts that are constrained by the Board of Trustees’ 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 Library’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.

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

	General	Special Revenue Library Building and Sites	Nonmajor	Totals
Fund Balances				
Nonspendable				
Prepays	\$ 45,274	-	-	45,274
Working Cash	-	-	190,206	190,206
	<u>45,274</u>	<u>-</u>	<u>190,206</u>	<u>235,480</u>
Restricted				
Workmen's Compensation	-	-	47,285	47,285
Illinois Municipal Retirement	-	-	17,364	17,364
Audit	-	-	12,745	12,745
Public Liability Insurance	-	-	68,120	68,120
Social Security	-	-	43,223	43,223
	<u>-</u>	<u>-</u>	<u>188,737</u>	<u>188,737</u>
Unassigned	196,424	(479,279)	-	(282,855)
Total Fund Balances	<u>241,698</u>	<u>(479,279)</u>	<u>378,943</u>	<u>141,362</u>

FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to the Financial Statements June 30, 2019

NOTE 4 – OTHER INFORMATION

CONTINGENT LIABILITIES

Litigation

The Library is not involved in any lawsuits.

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 Library expects such amounts, if any, to be immaterial.

RISK MANAGEMENT

The Library 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 Library's employees. These risks are provided for through insurance from private insurance companies. The Library currently reports all its risk management activities in the General Fund and the Liability Insurance Fund. The Library increased insurance coverages from the prior year to account for improvements made to the Library and settlements did not exceed insurance coverage in any of the past three fiscal years.

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN

Illinois Municipal Retirement Fund (IMRF)

The Library contributes to one defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system. IMRF 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.

Plan Description

Plan Administration. All employees 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.

FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to the Financial Statements June 30, 2019

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Plan Description – Continued

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.

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.

FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS

**Notes to the Financial Statements
June 30, 2019**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Plan Descriptions – Continued

Plan Membership. As of December 31, 2018, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	34
Inactive Plan Members Entitled to but not yet Receiving Benefits	9
Active Plan Members	<u>28</u>
Total	<u><u>71</u></u>

Contributions. As set by statute, the Library’s Regular Plan Members are required to contribute 4.50% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. For the fiscal year ended June 30, 2019, the Library’s annual contribution rate for the year was 11.71% of covered payroll.

Net Pension Liability. The Library’s net pension liability was measured as of December 31, 2018. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

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

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market
Actuarial Assumptions	
Interest Rate	7.25%
Salary Increases	3.39% - 14.25%
Cost of Living Adjustments	2.50%
Inflation	2.50%

FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS

**Notes to the Financial Statements
June 30, 2019**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Plan Descriptions – Continued

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

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:

<u>Asset Class</u>	<u>Target</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed Income	28.00%	3.75%
Domestic Equities	37.00%	7.15%
International Equities	18.00%	7.25%
Real Estate	9.00%	6.25%
Blended	7.00%	3.20% - 8.50%
Cash and Cash Equivalents	1.00%	2.50%

FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS

**Notes to the Financial Statements
June 30, 2019**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Discount Rate

The discount rate used to measure the total pension liability was 7.25%, and 7.50% in prior year 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 Library 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 to changes in the discount rate. The table below presents the pension liability of the Library calculated using the discount rate as well as what the Library’s net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability	\$ 1,958,934	1,297,852	753,962

FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS

**Notes to the Financial Statements
June 30, 2019**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2017	\$ 4,310,487	3,781,564	528,923
Changes for the year:			
Service Cost	120,945	-	120,945
Interest on the Total Pension Liability	316,763	-	316,763
Difference Between Expected and Actual Experience of the Total Pension Liability	357,253	-	357,253
Changes of Assumptions	145,758	-	145,758
Contributions - Employer	-	138,156	(138,156)
Contributions - Employees	-	73,191	(73,191)
Net Investment Income	-	(219,670)	219,670
Benefit Payments, including Refunds of Employee Contributions	(294,893)	(294,893)	-
Other (Net Transfer)	-	180,113	(180,113)
Net Changes	645,826	(123,103)	768,929
Balances at December 31, 2018	4,956,313	3,658,461	1,297,852

FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS

**Notes to the Financial Statements
June 30, 2019**

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

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

For the year ended June 30, 2019, the Library recognized pension expense of \$112,001. At June 30, 2019, the Library 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	Total
Difference Between Expected and Actual Experience	\$ 289,159	(59,071)	230,088
Changes of Assumptions	112,034	(78,241)	33,793
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	251,376	-	251,376
Total Pension Expense			
to be Recognized in Future Periods	652,569	(137,312)	515,257
Pension Contributions Made Subsequent to the Measurement Date	63,849	-	63,849
Total Deferred Amounts Related to Pensions	<u>716,418</u>	<u>(137,312)</u>	<u>579,106</u>

\$63,849 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 June 30, 2020. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Fiscal Year	Net Deferred Outflows of Resources
2020	\$ 152,865
2021	100,364
2022	132,960
2023	129,068
2024	-
Thereafter	-
Total	<u>515,257</u>

FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS

Notes to the Financial Statements June 30, 2019

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS

The Library has evaluated its potential other postemployment benefits liability. Former employees who choose to retain their rights to health insurance through the Library are required to pay 100% of the current premium. However, there is minimal participation. As the Library provides no explicit benefit, and there is minimal participation, there is no material implicit subsidy to calculate in accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Therefore, the Library has not recorded a liability as of June 30, 2019.

REQUIRED SUPPLEMENTARY INFORMATION

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

- Schedule of Funding Progress and Employer Contributions
Illinois Municipal Retirement Fund
- Schedule of Changes in the Employer's Net Pension Liability
Illinois Municipal Retirement Fund
- Budgetary Comparison Schedule
General Fund
Library Building and Sites

Notes to the Required Supplementary Information

Budgetary Information – Budgets are adopted on a basis consistent with generally accepted accounting principles.

FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS

Illinois Municipal Retirement Fund

**Required Supplementary Information
Schedule of Employer Contributions
June 30, 2019**

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	\$ 133,353	\$ 130,010	\$ (3,343)	\$ 1,153,571	11.27%
2016	136,470	136,470	-	1,187,729	11.49%
2017	135,717	135,717	-	1,174,023	11.56%
2018	133,368	133,368	-	1,145,769	11.64%
2019	134,308	134,308	-	1,147,073	11.71%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	25 Years
Asset Valuation Method	5-Year Smoothed Market, 20% Corridor
Inflation	2.75%
Salary Increases	3.75% - 14.50%
Investment Rate of Return	7.50%
Retirement Age	See the Notes to the Financial Statements
Mortality	MP-2014 (base year 2012)

Note:

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

FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS

Illinois Municipal Retirement Fund

**Required Supplementary Information
Schedule of Changes in the Employer's Net Pension Liability
June 30, 2019**

	<u>12/31/14</u>
Total Pension Liability	
Service Cost	\$ 123,199
Interest	237,333
Differences Between Expected and Actual Experience	110,435
Change of Assumptions	177,757
Benefit Payments, Including Refunds of Member Contributions	<u>(130,760)</u>
 Net Change in Total Pension Liability	 517,964
Total Pension Liability - Beginning	<u>3,172,449</u>
 Total Pension Liability - Ending	 <u><u>3,690,413</u></u>
 Plan Fiduciary Net Position	
Contributions - Employer	\$ 130,010
Contributions - Members	50,610
Net Investment Income	174,681
Benefit Payments, Including Refunds of Member Contributions	(130,760)
Other (Net Transfer)	<u>37,977</u>
 Net Change in Plan Fiduciary Net Position	 262,518
Plan Net Position - Beginning	<u>2,838,692</u>
 Plan Net Position - Ending	 <u><u>3,101,210</u></u>
 Employer's Net Pension Liability	 <u><u>\$ 589,203</u></u>
 Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	 84.03%
 Covered Payroll	 \$ 1,153,571
 Employer's Net Pension Liability as a Percentage of Covered Payroll	 51.08%

Note:

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

12/31/15	12/31/16	12/31/17	12/31/18
133,910	138,395	128,543	120,945
275,389	298,858	320,046	316,763
54,827	24,689	(109,781)	357,253
5,218	(16,716)	(134,303)	145,758
(151,401)	(153,541)	(194,059)	(294,893)
317,943	291,685	10,446	645,826
3,690,413	4,008,356	4,300,041	4,310,487
4,008,356	4,300,041	4,310,487	4,956,313
136,470	135,717	133,368	138,156
53,448	56,227	58,474	73,191
15,602	219,571	592,299	(219,670)
(151,401)	(153,541)	(194,059)	(294,893)
8,632	28,203	(258,656)	180,113
62,751	286,177	331,426	(123,103)
3,101,210	3,163,961	3,450,138	3,781,564
3,163,961	3,450,138	3,781,564	3,658,461
844,395	849,903	528,923	1,297,852
78.93%	80.24%	87.73%	73.81%
1,187,729	1,174,023	1,145,769	1,160,974
71.09%	72.39%	46.16%	111.79%

FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS

General Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2019**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property	\$ 1,901,144	1,901,144	1,903,505
Personal Property Replacement	38,000	38,000	38,890
Grants and Donations	64,105	64,105	59,929
Fines and Forfeitures	28,000	28,000	25,784
Developer Fees	25,000	25,000	30,389
Reimbursements	5,000	5,000	2,121
Interest	1,000	1,000	7,366
Miscellaneous	1,000	1,000	11,405
Total Revenues	<u>2,063,249</u>	<u>2,063,249</u>	<u>2,079,389</u>
Expenditures			
Operating	1,785,327	1,782,527	1,878,302
Debt Service			
Principal Retirement	229,938	229,938	224,850
Interest and Fiscal Charges	44,358	44,358	49,404
Total Expenditures	<u>2,059,623</u>	<u>2,056,823</u>	<u>2,152,556</u>
Net Change in Fund Balance	<u>3,626</u>	<u>6,426</u>	(73,167)
Fund Balance - Beginning			<u>314,865</u>
Fund Balance - Ending			<u>241,698</u>

FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS

Library Building and Site - Special Revenue Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2019**

	Budget		Actual
	Original	Final	
Revenues			
Property Taxes	\$ 138,470	138,470	138,805
Reimbursements	-	-	28
Total Revenues	<u>138,470</u>	<u>138,470</u>	<u>138,833</u>
Expenditures			
Culture and Recreation			
Utilities	60,000	60,000	-
Maintenance	97,720	70,000	-
Supplies	10,000	10,000	-
Total Expenditures	<u>167,720</u>	<u>140,000</u>	<u>-</u>
Net Change in Fund Balance	<u>(29,250)</u>	<u>(1,530)</u>	138,833
Fund Balance - Beginning			<u>(618,112)</u>
Fund Balance - Ending			<u>(479,279)</u>

OTHER SUPPLEMENTARY INFORMATION

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

Such statements and schedules include:

- Budgetary Comparison Schedules – Major Governmental Funds
- Combining Statements – Nonmajor Governmental Funds
- Budgetary Comparison Schedules – Nonmajor Governmental Funds

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

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 FUNDS

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

Library Building and Site Fund

The Library Building and Site Fund is used to account for the purchase of sites and buildings, for the construction and equipment of buildings, for the rental of buildings required for Library purposes, and for maintenance, repairs, and alterations of Library buildings and equipment, and the annual property taxes specifically levied to fund those costs.

Workmen's Compensation Fund

The Workmen's Compensation Fund is used to account for annual workmen's compensation insurance costs and the annual property taxes specifically levied to fund those costs.

Illinois Municipal Retirement Fund

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

Audit Fund

The Audit Fund is used to account for audit fees and the annual property taxes specifically levied to fund those costs.

Public Liability Insurance Fund

The Public Liability Insurance Fund is used to account for the Library's annual liability insurance costs and the annual property taxes specifically levied to fund those costs.

Social Security Fund

The Social Security Fund is used to account for the Library's portion of Social Security and Medicare paid on behalf of its employees. Financing is provided by a specific annual property tax levy which produces a sufficient amount to pay the Library's portion.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

PERMANENT FUND

Permanent Funds are used to account for resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs, that is, for the benefit of the government or its citizenry.

Working Cash Fund

The Working Cash Fund is used to account for payments for general government expenditures if tax revenue is temporarily unavailable. Upon receipt of tax revenues, the general fund must repay this permanent fund.

FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019**

	Budget		Actual
	Original	Final	
Operating			
Personnel			
Salaries	\$ 1,307,157	1,307,157	1,216,638
Payroll Taxes	-	-	4,017
Health Insurance	92,220	92,220	88,070
	<u>1,399,377</u>	<u>1,399,377</u>	<u>1,308,725</u>
Library Materials			
Books - Adult	64,000	64,000	61,182
Books - Special	-	-	1,776
Books - Youth	29,500	29,500	31,620
Periodicals	6,000	6,000	6,026
Audio - Adult	5,000	5,000	4,607
Audio - Youth	750	750	494
Videos - Adult	10,000	10,000	9,878
Videos - Youth	2,500	2,500	2,250
Electronic Resources	37,900	37,900	39,739
	<u>155,650</u>	<u>155,650</u>	<u>157,572</u>
Library Operations			
Circulation System	38,000	38,000	34,740
Automations	60,000	60,000	30,496
Office & Library Equipment	33,000	33,000	3,614
Office & Library Supplies	7,000	7,000	9,885
Technical Processing	10,000	10,000	10,233
Printing	9,000	9,000	6,545
Professional Training	6,000	6,000	7,317
Programming	30,000	30,000	32,290
Telephone	11,300	8,500	15,308
Broadband	-	-	4,307
Building Utilities	-	-	61,204
Building Supplies	-	-	8,845
Maintenance	-	-	135,305
Hardware and Equipment	-	-	23,964
Transportation	-	-	752
Website	-	-	2,262
Special Reserve	10,000	10,000	6,985
Miscellaneous	-	-	997
	<u>214,300</u>	<u>211,500</u>	<u>395,049</u>

FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual
For the Fiscal Year Ended June 30, 2019**

	Budget		
	Original	Final	Actual
Outside Professional Services			
Legal Fees	\$ 4,000	4,000	3,120
Bookkeeping Service	12,000	12,000	13,836
	<u>16,000</u>	<u>16,000</u>	<u>16,956</u>
 Total Expenditures	 <u>1,785,327</u>	 <u>1,782,527</u>	 <u>1,878,302</u>

FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS

Nonmajor Governmental Funds

**Combining Balance Sheet
June 30, 2019**

	Workmen's Compensation	Special Illinois Municipal Retirement
ASSETS		
Cash and Investments	\$ 50,278	97,536
Receivables - Net of Allowances		
Property Taxes	2,816	61,378
Total Assets	<u>53,094</u>	<u>158,914</u>
LIABILITIES		
Accounts Payable	-	-
Accrued Payroll and Related Liabilities	-	14,910
Total Liabilities	-	14,910
DEFERRED INFLOWS OF RESOURCES		
Property Taxes	5,809	126,640
Total Liabilities and Deferred Inflows of Resources	<u>5,809</u>	<u>141,550</u>
FUND BALANCES		
Nonspendable	-	-
Restricted	47,285	17,364
Total Fund Balances	<u>47,285</u>	<u>17,364</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>53,094</u>	<u>158,914</u>

<u>Revenue</u>				
<u>Audit</u>	<u>Public Liability Insurance</u>	<u>Social Security</u>	<u>Permanent Working Cash</u>	<u>Totals</u>
18,146	80,694	91,122	190,206	527,982
5,068	11,825	45,048	-	126,135
<u>23,214</u>	<u>92,519</u>	<u>136,170</u>	<u>190,206</u>	<u>654,117</u>
13	-	-	-	13
-	-	-	-	14,910
13	-	-	-	14,923
10,456	24,399	92,947	-	260,251
<u>10,469</u>	<u>24,399</u>	<u>92,947</u>	<u>-</u>	<u>275,174</u>
-	-	-	190,206	190,206
12,745	68,120	43,223	-	188,737
<u>12,745</u>	<u>68,120</u>	<u>43,223</u>	<u>190,206</u>	<u>378,943</u>
<u>23,214</u>	<u>92,519</u>	<u>136,170</u>	<u>190,206</u>	<u>654,117</u>

FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS

Nonmajor Governmental Funds

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2019**

	Workmen's Compensation	Special Illinois Municipal Retirement
Revenues		
Property Taxes	\$ 5,688	127,276
Reimbursements	-	143
Total Revenues	<u>5,688</u>	<u>127,419</u>
Expenditures		
Culture and Recreation	<u>1,922</u>	<u>134,308</u>
Net Change in Fund Balances	3,766	(6,889)
Fund Balances - Beginning	<u>43,519</u>	<u>24,253</u>
Fund Balances - Ending	<u><u>47,285</u></u>	<u><u>17,364</u></u>

<u>Revenue</u>				
<u>Audit</u>	<u>Public Liability Insurance</u>	<u>Social Security</u>	<u>Permanent Working Cash</u>	<u>Totals</u>
10,239	25,016	93,274	-	261,493
-	-	-	-	143
10,239	25,016	93,274	-	261,636
9,888	14,640	90,102	-	250,860
351	10,376	3,172	-	10,776
12,394	57,744	40,051	190,206	368,167
12,745	68,120	43,223	190,206	378,943

FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS

Workmen's Compensation - Special Revenue Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2019**

	Budget		Actual
	Original	Final	
Revenues			
Property Taxes	\$ 5,729	5,729	5,688
Expenditures			
Culture and Recreation			
Workmen's Compensation	1,834	1,834	1,922
Net Change in Fund Balance	<u>3,895</u>	<u>3,895</u>	3,766
Fund Balance - Beginning			<u>43,519</u>
Fund Balance - Ending			<u>47,285</u>

FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS

Illinois Municipal Retirement - Special Revenue Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2019**

	Budget		Actual
	Original	Final	
Revenues			
Property Taxes	\$ 127,202	127,202	127,276
Reimbursements	-	-	143
Total Revenues	127,202	127,202	127,419
Expenditures			
Culture and Recreation			
Illinois Municipal Retirement	142,219	142,219	134,308
Net Change in Fund Balance	<u>(15,017)</u>	<u>(15,017)</u>	(6,889)
Fund Balance - Beginning			<u>24,253</u>
Fund Balance - Ending			<u>17,364</u>

FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS

Audit - Special Revenue Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2019**

	Budget		Actual
	Original	Final	
Revenues			
Property Taxes	\$ 10,216	10,216	10,239
Expenditures			
Culture and Recreation			
Audit	9,850	9,850	9,888
Net Change in Fund Balance	<u>366</u>	<u>366</u>	351
Fund Balance - Beginning			<u>12,394</u>
Fund Balance - Ending			<u><u>12,745</u></u>

FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS

Public Liability Insurance - Special Revenue Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2019**

	Budget		Actual
	Original	Final	
Revenues			
Property Taxes	\$ 24,990	24,990	25,016
Expenditures			
Culture and Recreation			
Public Liability Insurance	13,166	13,166	14,640
Net Change in Fund Balance	<u>11,824</u>	<u>11,824</u>	10,376
Fund Balance - Beginning			<u>57,744</u>
Fund Balance - Ending			<u><u>68,120</u></u>

FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS

Social Security - Special Revenue Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2019**

	Budget		Actual
	Original	Final	
Revenues			
Property Taxes	\$ 93,148	93,148	93,274
Expenditures			
Culture and Recreation			
Social Security	98,960	98,960	90,102
Net Change in Fund Balance	<u>(5,812)</u>	<u>(5,812)</u>	3,172
Fund Balance - Beginning			<u>40,051</u>
Fund Balance - Ending			<u><u>43,223</u></u>

SUPPLEMENTAL SCHEDULES

FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS

Long-Term Debt Requirements

**Mortgage Loan of 2014
June 30, 2019**

Date of Issue	September 30, 2014
Date of Maturity	December 5, 2020
Authorized Issue	\$2,397,823
Interest Rates	2.72%
Interest Dates	Monthly
Principal Maturity Date	Monthly
Payable at	First Midwest Bank

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2020	\$ 213,167	38,232	251,399
2021	1,407,547	18,472	1,426,019
	<u>1,620,714</u>	<u>56,704</u>	<u>1,677,418</u>

FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS

**Property Tax Levies and Collections - Last Ten Fiscal Years
June 30, 2019**

Fiscal Year	Tax Levy Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2010	2009	\$ 1,946,483	\$ 949,773	48.79%	\$ 988,539	\$ 1,938,312	99.58%
2011	2010	2,003,058	990,803	49.46%	1,031,244	2,022,047	100.95%
2012	2011	2,087,317	1,055,488	50.57%	1,014,097	2,069,585	99.15%
2013	2012	2,008,128	980,395	48.82%	1,020,412	2,000,807	99.64%
2014	2013	2,072,325	1,018,276	49.14%	1,059,838	2,078,114	100.28%
2015	2014	2,116,088	1,068,382	50.49%	1,026,485	2,094,867	99.00%
2016	2015	2,161,220	1,047,122	48.45%	1,089,862	2,136,984	98.88%
2017	2016	2,225,900	1,098,327	49.34%	1,128,659	2,226,986	100.05%
2018	2017	2,301,516	1,213,132	52.71%	1,060,521	2,273,653	98.79%
2019	2018	2,388,213	1,218,414	51.02%	-	1,218,414	51.02%

Data Source: Office of the County Clerk

FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS

**Assessed Valuation, Tax Rates and Tax Extensions - Last Three Levy Years
June 30, 2019**

	2016		2017		2018	
	Rate	Amount	Rate	Amount	Rate	Amount
Assessed Valuations:						
Will County		\$1,085,604,027		\$1,126,804,686		\$1,161,964,120
Cook County		9,282,118		9,746,224		11,604,782
		<u>1,094,886,145</u>		<u>1,136,550,910</u>		<u>1,173,568,902</u>
Will County						
General Fund	0.1683	\$ 1,827,072	0.1673	\$ 1,885,144	0.1689	\$ 1,962,557
I.M.R.F. Fund	0.0117	127,016	0.0112	126,202	0.0109	126,654
Social Security Fund	0.0078	84,677	0.0082	92,398	0.0080	92,957
Audit Fund	0.0009	9,770	0.0009	10,141	0.0009	10,458
Liability Insurance Fund	0.0021	22,798	0.0022	24,790	0.0021	24,401
Workmen's Compensation	0.0010	10,856	0.0005	5,634	0.0005	5,810
Building and Site Fund	0.0115	124,844	0.0122	137,470	0.0122	141,760
Total Will County	<u>0.2033</u>	<u>2,207,033</u>	<u>0.2025</u>	<u>2,281,779</u>	<u>0.2035</u>	<u>2,364,597</u>
Cook County						
General Fund	0.1685	15,637	0.1677	16,305	0.1690	19,601
I.M.R.F. Fund	0.0116	1,077	0.0112	1,092	0.0109	1,265
Social Security Fund	0.0078	724	0.0081	799	0.0079	929
Audit Fund	0.0009	83	0.0009	88	0.0009	104
Liability Insurance Fund	0.0021	194	0.0021	214	0.0020	244
Workmen's Compensation	0.0010	93	0.0005	49	0.0005	58
Building and Site Fund	0.0114	1,059	0.0122	1,190	0.0122	1,415
Total Cook County	<u>0.2033</u>	<u>18,867</u>	<u>0.2027</u>	<u>19,737</u>	<u>0.2034</u>	<u>23,616</u>
Total Tax Extension		<u>2,225,900</u>		<u>2,301,516</u>		<u>2,388,213</u>

Data Source: Office of the County Clerk

Assessed value is set by the County Assessor on an annual basis. The assessment level is then adjusted by the State with a County Multiplier based on the factor needed to bring the average prior years' level up to 33-1/3% of market value. All property is reassessed on a repeating triennial cycle.