

# FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS

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## ANNUAL FINANCIAL REPORT



FOR THE FISCAL YEAR ENDED  
JUNE 30, 2021

# FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS

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# 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**

November 10, 2021

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, 2021, 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, 2021, 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 other supplementary information and supplemental schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The other supplementary information 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 other supplementary information 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, IL.

*Management's Discussion and Analysis*

*Year Ended June 30, 2021*

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, 2021.

## FINANCIAL HIGHLIGHTS

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- 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 \$658,801 in pension liabilities, \$430,545 of deferred outflows, and \$464,157 in deferred inflows in the fiscal year ending June 30, 2021. This reflects a decrease in pension liabilities of \$350,235 largely due to an increase in the plan fiduciary net position.
- The assets and deferred outflows of the Library exceeded its liabilities and deferred inflows at June 30, 2021 by \$1,087,268 (*net position*). Of this amount, (\$457,773) (*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 \$269,439.
- At June 30, 2021, the Library's governmental funds reported combined ending fund balances of \$716,402, an increase of \$14,932 from the prior year.
- At June 30, 2021, the fund balance for the General Fund was \$578,911.
- The Library's total net capital assets increased by \$5,585 during the year ended June 30, 2021.
- Beginning net position and fund balance in the General Fund was restated due to the Library appropriately aligning their fiscal year per capita award with the correct year in which the expenditures were being budgeted.

## OVERVIEW OF THE FINANCIAL STATEMENTS

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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, IL.

*Management's Discussion and Analysis*

*Year Ended June 30, 2021*

## 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, IL.

*Management's Discussion and Analysis*

*Year Ended June 30, 2021*

## 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

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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 \$1,087,268 at June 30, 2021. Contributing to the Library's net position, \$1,099,596 reflects its net investment in capital assets (e.g., land, buildings and improvements, and furniture 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 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, \$445,445 represents resources that are subject to external restrictions on how they may be used.

# FRANKFORT PUBLIC LIBRARY DISTRICT, IL.

Management's Discussion and Analysis

Year Ended June 30, 2021

## Frankfort Library District's Net Position

	Net Position	
	2021	2020
Current Assets	\$ 3,323,706	3,289,557
Capital Assets	2,921,819	2,916,234
Total Assets	6,245,525	6,205,791
Deferred Outflows	430,545	492,072
Total Assets/Deferred Outflows	6,676,070	6,697,863
Long-Term Debt Outstanding	2,376,745	2,882,061
Other Liabilities	225,208	252,304
Total Liabilities	2,601,953	3,134,365
Deferred Inflows	2,986,849	2,707,564
Total Liabilities/Deferred Inflows	5,588,802	5,841,929
Net Position		
Net Investment in Capital Assets	1,099,596	960,678
Restricted	445,445	427,086
Unrestricted (Deficit)	(457,773)	(531,830)
Total Net Position	1,087,268	855,934

# FRANKFORT PUBLIC LIBRARY DISTRICT, IL.

Management's Discussion and Analysis

Year Ended June 30, 2021

## Governmental activities

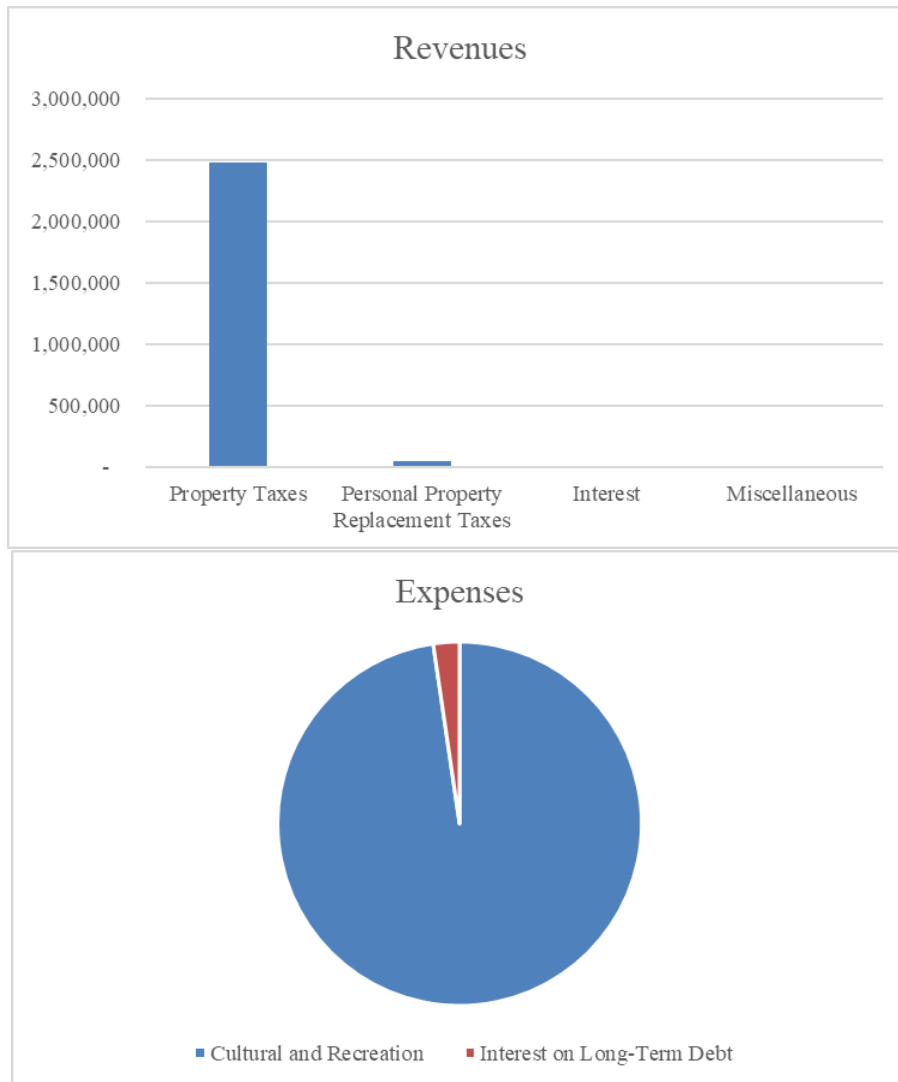
	Change in Net Position	
	2021	2020
Revenues		
Program Revenues		
Charges for Services	\$ 50,626	72,326
Operating Grants/Contributions	70,713	58,781
General Revenues		
Property Taxes	2,480,247	2,383,108
Personal Property Replacement Taxes	53,999	42,573
Interest	421	6,461
Miscellaneous	11,499	1,144
Total Revenues	<u>2,667,505</u>	<u>2,564,393</u>
Expenses		
Cultural and Recreation	2,342,283	2,435,948
Interest on Long-Term Debt	55,783	66,208
Total Expenses	<u>2,398,066</u>	<u>2,502,156</u>
Change in Net Position	269,439	62,237
Net Position - Beginning as Restated	<u>817,829</u>	<u>793,697</u>
Net Position - Ending	<u><u>1,087,268</u></u>	<u><u>855,934</u></u>

Governmental activities increased the Library's net position by \$269,439. Key elements of the changes to net position by governmental activities are as follows:

# FRANKFORT PUBLIC LIBRARY DISTRICT, IL.

Management's Discussion and Analysis

Year Ended June 30, 2021



## 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, 2021, the Library's governmental funds reported combined ending fund balances of \$716,402, an increase of \$14,932 in comparison with the prior year.

# FRANKFORT PUBLIC LIBRARY DISTRICT, IL.

*Management's Discussion and Analysis*

*Year Ended June 30, 2021*

The General Fund is the chief operating fund of the Library. At June 30, 2021, the fund balance of the General Fund was \$578,911. This represents a decrease of \$43,660 compared to the restated prior fiscal year.

## General Fund Budgetary Highlights

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 \$96,168 (favorable).
- The difference between the General Fund budgeted expenditures and actual expenditures was \$98,629 (unfavorable).

## CAPITAL ASSETS

The Library's fixed assets for its governmental activities as of June 30, 2021 amount to \$2,921,819 (net of accumulated depreciation). This investment in fixed assets includes land, buildings and improvements, and furniture and equipment.

# FRANKFORT PUBLIC LIBRARY DISTRICT, IL.

Management's Discussion and Analysis

Year Ended June 30, 2021

## ECONOMIC FACTORS AND PROPERTY TAXES

The equalized assessed valuation (EAV) of the Library for 2020 is \$1,245,442,386. That represents an increase in EAV of \$37,813,549 over the prior year's EAV. Taxes recorded in these financial statements are from the 2020 and 2021 levies. A summary of the assessed valuations and extensions for tax years 2020, 2019, and 2018 is as follows:

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

TAX LEVY YEAR	2020		2019		2018	
<b>Assessed Valuation</b>						
Will County	\$ 1,230,081,769		\$ 1,196,449,906		\$ 1,161,964,120	
Cook County	15,360,617		11,178,931		11,604,782	
<b>Tax Rates and Percentage Allocations by Fund</b>						
<b>Funds</b>	<b>Rate</b>	<b>Percentage</b>	<b>Rate</b>	<b>Percentage</b>	<b>Rate</b>	<b>Percentage</b>
General Fund	0.1611	78.93	0.1690	82.68	0.1689	82.62
I.M.R.F.	0.0197	9.65	0.0106	5.19	0.0109	5.53
Social Security	0.0087	4.26	0.0082	4.01	0.0080	4.05
Audit	0.0009	0.44	0.0009	0.44	0.0009	0.44
Workers Comp	0.0002	0.10	0.0002	0.10	0.0005	0.25
Tort / Liability	0.0008	0.39	0.0024	1.17	0.0021	1.09
Building & Maintenance	0.0127	6.22	0.0131	6.41	0.0122	6.02
<b>Totals</b>	<b>0.2041</b>	<b>100.000</b>	<b>0.2035</b>	<b>100.000</b>	<b>0.2035</b>	<b>100.000</b>
<b>Property Tax Extensions</b>						
<b>Funds</b>	<b>2020</b>		<b>2019</b>		<b>2018</b>	
General Fund	\$ 1,981,662		\$ 2,022,000		\$ 1,962,557	
I.M.R.F.	242,326		126,824		126,654	
Social Security	107,017		98,109		92,957	
Audit	11,071		10,768		10,458	
Workers Comp	2,460		2,393		5,810	
Tort / Liability	9,841		28,715		24,401	
Building & Maintenance	156,220		156,735		141,759	
Cook County Total	<u>50,385</u>		<u>22,850</u>		<u>23,616</u>	
<b>Totals</b>	<b>\$ 2,560,982</b>		<b>\$ 2,468,394</b>		<b>\$ 2,388,213</b>	



# FRANKFORT PUBLIC LIBRARY DISTRICT, IL.

*Management's Discussion and Analysis*

*Year Ended June 30, 2021*

## DESCRIPTION OF CURRENT OR EXPECTED CONDITIONS

During fiscal year 2020-2021, multiple projects from the Board of Trustee's Capital Priorities list were addressed. These priorities were established following 2019's Library building and grounds assessment and will take several years to complete. Two major projects completed this year included an east end roof replacement and the demolition of the aging barn on the property. Future items on the Capital Priorities list include replacing damaged siding and updating an air handling system original to the 1977 building. Library Management is pursuing grants to defray some of the mounting costs needed to maintain the aging building.

Spending in fiscal year 2020-2021 was impacted by the COVID-19 pandemic, as spending priorities shifted towards more virtual services during building closures and maintaining a safe and secure environment for staff and visitors upon reopening. CARES Act funds assisted with the cost of PPE and other COVID spending. It is likely that the pandemic will leave lasting changes to how people use the Library, the impact of which remains to be seen.

Looking to the future, minimum wage increases, the rising costs of health insurance, and a changing hiring market will likely continue to impact the personnel budget over the next several years.

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, 2021**

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<b>ASSETS</b>	
Current Assets	
Cash and Investments	\$ 1,871,855
Receivables - Net of Allowances	1,398,344
Prepays	<u>53,507</u>
Total Current Assets	<u>3,323,706</u>
Noncurrent Assets	
Capital Assets	
Nondepreciable Capital Assets	572,331
Depreciable Capital Assets	6,141,300
Accumulated Depreciation	<u>(3,791,812)</u>
Total Noncurrent Assets	<u>2,921,819</u>
Total Assets	6,245,525
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred Items - IMRF	<u>430,545</u>
Total Assets and Deferred Outflows of Resources	<u>6,676,070</u>

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

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**LIABILITIES**

Current Liabilities	
Accounts Payable	\$ 48,220
Accrued Payroll and Related Liabilities	36,392
Compensated Absences Payable	7,263
Current Portion of Loans Payable	133,333
Total Current Liabilities	<u>225,208</u>
Noncurrent Liabilities	
Compensated Absences Payable	29,054
Net Pension Liability - IMRF	658,801
Loans Payable	1,688,890
Total Noncurrent Liabilities	<u>2,376,745</u>
Total Liabilities	<u>2,601,953</u>

**DEFERRED INFLOWS OF RESOURCES**

Property Taxes	2,522,692
Deferred Items - IMRF	464,157
Total Deferred Inflows of Resources	<u>2,986,849</u>
Total Liabilities and Deferred Inflows of Resources	<u>5,588,802</u>

**NET POSITION**

Net Investment in Capital Assets	1,099,596
Restricted - Audit	16,177
Restricted - Public Liability Insurance	144,935
Restricted - Special Reserve	50,000
Restricted - Social Security	44,127
Restricted - Working Cash	190,206
Unrestricted (Deficit)	<u>(457,773)</u>
Total Net Position	<u>1,087,268</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, 2021**

	Expenses	Program Revenues		Net (Expenses)/ Revenues and Changes in Net Position
		Charges for Services	Operating Grants/ Contributions	
Governmental Activities				
Culture and Recreation	\$ 2,342,283	50,626	70,713	(2,220,944)
Interest on Long-Term Debt	55,783	-	-	(55,783)
	<u>2,398,066</u>	<u>50,626</u>	<u>70,713</u>	<u>(2,276,727)</u>
General Revenues				
Taxes				
Property Taxes				2,480,247
Intergovernmental - Unrestricted				
Personal Property Replacement Taxes				53,999
Interest				421
Miscellaneous				11,499
				<u>2,546,166</u>
Change in Net Position				269,439
Net Position - Beginning as Restated				817,829
Net Position - Ending				1,087,268

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

**FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS**

**Balance Sheet  
June 30, 2021**

	General	Special Revenue Library Building and Sites	Nonmajor	Totals
<b>ASSETS</b>				
Cash and Investments	\$ 897,530	461,246	513,079	1,871,855
Receivables - Net of Allowances				
Property Taxes	1,104,202	86,778	207,039	1,398,019
Accounts	325	-	-	325
Due from Other Funds	571,029	-	-	571,029
Prepays	50,898	-	2,609	53,507
Total Assets	<u>2,623,984</u>	<u>548,024</u>	<u>722,727</u>	<u>3,894,735</u>
<b>LIABILITIES</b>				
Accounts Payable	38,852	-	9,368	48,220
Accrued Payroll and Related Liabilities	13,712	-	22,680	36,392
Due to Other Funds	-	566,417	4,612	571,029
Total Liabilities	<u>52,564</u>	<u>566,417</u>	<u>36,660</u>	<u>655,641</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Property Taxes	1,992,509	156,589	373,594	2,522,692
Total Liabilities and Deferred Inflows of Resources	<u>2,045,073</u>	<u>723,006</u>	<u>410,254</u>	<u>3,178,333</u>
<b>FUND BALANCES</b>				
Nonspendable	50,898	-	192,815	243,713
Restricted	-	-	255,239	255,239
Unassigned	528,013	(174,982)	(135,581)	217,450
Total Fund Balances	<u>578,911</u>	<u>(174,982)</u>	<u>312,473</u>	<u>716,402</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>2,623,984</u>	<u>548,024</u>	<u>722,727</u>	<u>3,894,735</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, 2021**

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<b>Total Fund Balances</b>	\$ 716,402
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.	2,921,819
Deferred Outflows of Resources related to IMRF not reported in the funds. Deferred Items - IMRF	(33,612)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Compensated Absences Payable	(36,317)
Net Pension Liability - IMRF	(658,801)
Loans Payable	<u>(1,822,223)</u>
<b>Net Position</b>	<u><u>1,087,268</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, 2021**

	General	Special Revenue Library Building and Sites	Nonmajor	Totals
<b>Revenues</b>				
Taxes	\$ 2,092,411	161,096	226,740	2,480,247
Intergovernmental	53,999	-	-	53,999
Grants and Donations	70,713	-	-	70,713
Fines and Forfeitures	2,686	-	-	2,686
Developer Fees	41,826	-	-	41,826
Reimbursements	6,114	-	-	6,114
Interest	421	-	-	421
Miscellaneous	11,499	-	-	11,499
<b>Total Revenues</b>	<b>2,279,669</b>	<b>161,096</b>	<b>226,740</b>	<b>2,667,505</b>
<b>Expenditures</b>				
<b>Current</b>				
Culture and Recreation	2,134,213	-	329,244	2,463,457
<b>Debt Service</b>				
Principal Retirement	133,333	-	-	133,333
Interest and Fiscal Charges	55,783	-	-	55,783
<b>Total Expenditures</b>	<b>2,323,329</b>	<b>-</b>	<b>329,244</b>	<b>2,652,573</b>
Net Change in Fund Balances	(43,660)	161,096	(102,504)	14,932
Fund Balances - Beginning as Restated	622,571	(336,078)	414,977	701,470
Fund Balances - Ending	578,911	(174,982)	312,473	716,402

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, 2021**

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<b>Net Change in Fund Balances</b>	<b>\$ 14,932</b>
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	125,954
Depreciation Expense	(120,369)
The net effect of deferred outflows (inflows) of resources related to the pensions not reported in the funds.	
Change in Deferred Items - IMRF	(261,832)
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	27,186
Change in Net Pension Liability - IMRF	350,235
Retirement of Debt	<u>133,333</u>
<b>Changes in Net Position</b>	<b><u><u>269,439</u></u></b>

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, 2021**

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### **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, 2021

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### 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 six 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.

#### 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.

# FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS

## Notes to the Financial Statements June 30, 2021

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

#### MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

##### Measurement Focus – Continued

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.

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.

# FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS

## Notes to the Financial Statements June 30, 2021

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

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

##### Cash and Investments

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. The Library has no investments at year end.

##### 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.

##### 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.

##### 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.

**FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS**

**Notes to the Financial Statements  
June 30, 2021**

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

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

**Capital Assets**

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

**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.

**FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS**

**Notes to the Financial Statements  
June 30, 2021**

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

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

**Long-Term Obligations**

In the government-wide financial statements 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.”

**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 OVER BUDGET IN INDIVIDUAL FUNDS**

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

<u>Fund</u>	<u>Excess</u>
Audit	\$ 150
Public Liability Insurance	2,550

**FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS**

**Notes to the Financial Statements  
June 30, 2021**

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

**DEFICIT FUND BALANCE**

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

<u>Fund</u>	<u>Deficit</u>
Library Building and Sites	\$ 174,982
Illinois Municipal Retirement	135,581

**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.

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

*Deposits.* At year-end, the carrying amount of the Library's deposits totaled \$1,871,855 and the bank balances totaled \$1,873,895.

*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).



**FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS**

**Notes to the Financial Statements  
June 30, 2021**

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

**DEPOSITS AND INVESTMENTS – Continued**

**Interest Rate Risk, Credit Risk, Concentration Risk, and Custodial Credit Risk- Continued**

*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.

**CAPITAL ASSETS**

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	5,329,992	91,620	-	5,421,612
Furniture and Equipment	685,354	34,334	-	719,688
	<u>6,015,346</u>	<u>125,954</u>	<u>-</u>	<u>6,141,300</u>
Less Accumulated Depreciation				
Buildings and Improvements	3,013,460	107,109	-	3,120,569
Furniture and Equipment	657,983	13,260	-	671,243
	<u>3,671,443</u>	<u>120,369</u>	<u>-</u>	<u>3,791,812</u>
Total Net Depreciable Capital Assets	<u>2,343,903</u>	<u>5,585</u>	<u>-</u>	<u>2,349,488</u>
Total Net Capital Assets	<u>2,916,234</u>	<u>5,585</u>	<u>-</u>	<u>2,921,819</u>

**FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS**

**Notes to the Financial Statements  
June 30, 2021**

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

**CAPITAL ASSETS – Continued**

Depreciation expense of \$120,369 was charged to the culture and recreation function.

**PROPERTY TAXES**

Property taxes for 2020 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.

**INTERFUND BALANCES**

Interfund balances are (1) represent General Fund payments for building construction expenditures made on behalf of the Library Building and Sites Fund which will be paid back over several years and (2) in anticipation of receipts to cover temporary cash shortages.

The composition of interfund balances as of the date of this report, is as follows:

Receivable	Payable	Amount
General	Library Building and Sites	\$ 566,417
General	Nonmajor	<u>4,612</u>
		<u><u>571,029</u></u>

**LONG-TERM DEBT**

**Loans Payable**

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

Issue	Beginning Balances	Issuances	Retirements	Ending Balances
Loan Payable of 2020 - Due in monthly installments of \$11,111 to \$1,344,445 plus interest at 2.90% through February 7, 2025.	\$ 1,955,556	-	133,333	<u><u>1,822,223</u></u>

**FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS**

**Notes to the Financial Statements  
June 30, 2021**

**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
Compensated Absences	\$ 63,503	27,186	54,372	36,317	7,263
Net Pension Liability - IMRF	1,009,036	-	350,235	658,801	-
Loans Payable	1,955,556	-	133,333	1,822,223	133,333
	<u>3,028,095</u>	<u>27,186</u>	<u>537,940</u>	<u>2,517,341</u>	<u>140,596</u>

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

**Debt Service Requirements to Maturity**

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

Fiscal Year June 30	Loan Payable	
	Principal	Interest
2022	\$ 133,333	51,785
2023	133,333	47,864
2024	133,333	33,510
2025	<u>1,422,224</u>	<u>24,199</u>
Total	<u>1,822,223</u>	<u>157,358</u>

**FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS**

**Notes to the Financial Statements  
June 30, 2021**

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

**NET POSITION/FUND BALANCES**

**Net Position Classification**

Net investment in capital assets was comprised of the following as of year-end:

Governmental Activities	
Investment in Capital Assets	\$ 2,921,819
Less Capital Related Debt: Loans Payable	<u>(1,822,223)</u>
Net Investment in Capital Assets	<u>1,099,596</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.

*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.

**FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS**

**Notes to the Financial Statements  
June 30, 2021**

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

**NET POSITION/FUND BALANCES – Continued**

**Net Position Classification – Continued**

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
<b>Fund Balances</b>				
Nonspendable				
Prepays	\$ 50,898	-	2,609	53,507
Working Cash	-	-	190,206	190,206
	<u>50,898</u>	<u>-</u>	<u>192,815</u>	<u>243,713</u>
Restricted				
Audit	-	-	16,177	16,177
Workers Compensation	-	-	51,472	51,472
Public Liability Insurance	-	-	93,463	93,463
Social Security	-	-	44,127	44,127
Special Reserve	-	-	50,000	50,000
	<u>-</u>	<u>-</u>	<u>255,239</u>	<u>255,239</u>
Unassigned	528,013	(174,982)	(135,581)	217,450
Total Fund Balances	<u>578,911</u>	<u>(174,982)</u>	<u>312,473</u>	<u>716,402</u>

**Net Position/Fund Balance Restatements**

Beginning net position/fund balance was restated due to the Library appropriately aligning their fiscal year per capita award with the correct year in which the expenditures were being budgeted. The following is a summary of the net position/fund balance as originally reported and as restated:

Net Position/Fund Balance	As Reported	As Restated	(Decrease)
Governmental Activities	\$ 855,934	817,829	(38,105)
General	660,676	622,571	(38,105)

## **FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS**

### **Notes to the Financial Statements June 30, 2021**

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#### **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.

###### **Financial Impact from 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 Library's operations and financial position cannot be determined.

##### **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](http://www.imrf.org). The benefits, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly.

# FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS

## Notes to the Financial Statements June 30, 2021

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### NOTE 4 – OTHER INFORMATION – Continued

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

##### Illinois Municipal Retirement Fund (IMRF) – Continued

###### 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.

*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, 2021**

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**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, 2020, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	37
Inactive Plan Members Entitled to but not yet Receiving Benefits	13
Active Plan Members	<u>30</u>
Total	<u><u>80</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, 2021, the Library’s annual contribution rate for the year was 16.24% of covered payroll.

*Net Pension Liability.* The Library’s net pension liability was measured as of December 31, 2019. 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, 2020, 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	3.25%
Inflation	2.25%



**FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS**

**Notes to the Financial Statements  
June 30, 2021**

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**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 non-disabled 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:

<u>Asset Class</u>	<u>Target</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed Income	28.00%	1.30%
Domestic Equities	37.00%	5.00%
International Equities	18.00%	6.00%
Real Estate	9.00%	6.20%
Blended	7.00%	2.85% - 6.95%
Cash and Cash Equivalents	1.00%	0.70%

**Discount Rate**

The discount rate used to measure the total pension liability was 7.25%, the same 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.

**FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS**

**Notes to the Financial Statements  
June 30, 2021**

**NOTE 4 – OTHER INFORMATION – Continued**

**EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued**

**Illinois Municipal Retirement Fund (IMRF) – Continued**

**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 net 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	\$ 1,373,419	658,801	91,342

**Changes in the Net Pension Liability**

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2019	\$ 5,316,796	4,307,760	1,009,036
Changes for the year:			
Service Cost	126,118	-	126,118
Interest on the Total Pension Liability	379,229	-	379,229
Difference Between Expected and Actual			
Experience of the Total Pension Liability	126,049	-	126,049
Changes of Assumptions	(74,279)	-	(74,279)
Contributions - Employer	-	183,664	(183,664)
Contributions - Employees	-	55,843	(55,843)
Net Investment Income	-	631,690	(631,690)
Benefit Payments, including Refunds of Employee Contributions	(298,209)	(298,209)	-
Other (Net Transfer)	-	36,155	(36,155)
Net Changes	258,908	609,143	(350,235)
Balances at December 31, 2020	5,575,704	4,916,903	658,801

**FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS**

**Notes to the Financial Statements  
June 30, 2021**

**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, 2021, the Library recognized pension expense of \$111,901. At June 30, 2021, 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	\$ 284,230	(8,361)	275,869
Changes of Assumptions	42,456	(65,722)	(23,266)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	(390,074)	(390,074)
Total Pension Expense to be Recognized in Future Periods	326,686	(464,157)	(137,471)
Pension Contributions Made Subsequent to the Measurement Date	103,859	-	103,859
Total Deferred Amounts Related to Pensions	430,545	(464,157)	(33,612)

\$103,859 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, 2022. 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
2022	\$ 37,087
2023	30,366
2024	(140,885)
2025	(64,039)
2026	-
Thereafter	-
Total	(137,471)

# FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS

## Notes to the Financial Statements June 30, 2021

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### 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 Post-Employment Benefits Other Than Pensions*. Therefore, the Library has not recorded a liability as of June 30, 2021.

## **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, 2021**

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%
2020	154,055	159,393	5,338	1,201,631	13.26%
2021	200,304	200,304	-	1,233,469	16.24%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	23 Years
Asset Valuation Method	5-Year Fair Value, 20% Corridor
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	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.

**FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS**

**Illinois Municipal Retirement Fund**

**Required Supplementary Information**

**Schedule of Changes in the Employer's Net Pension Liability**

**June 30, 2021**

	<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	12/31/19	12/31/20
133,910	138,395	128,543	120,945	121,683	126,118
275,389	298,858	320,046	316,763	353,257	379,229
54,827	24,689	(109,781)	357,253	174,819	126,049
5,218	(16,716)	(134,303)	145,758	-	(74,279)
(151,401)	(153,541)	(194,059)	(294,893)	(289,276)	(298,209)
317,943	291,685	10,446	645,826	360,483	258,908
3,690,413	4,008,356	4,300,041	4,310,487	4,956,313	5,316,796
4,008,356	4,300,041	4,310,487	4,956,313	5,316,796	5,575,704
136,470	135,717	133,368	138,156	130,624	183,664
53,448	56,227	58,474	73,191	52,389	55,843
15,602	219,571	592,299	(219,670)	709,739	631,690
(151,401)	(153,541)	(194,059)	(294,893)	(289,276)	(298,209)
8,632	28,203	(258,656)	180,113	45,823	36,155
62,751	286,177	331,426	(123,103)	649,299	609,143
3,101,210	3,163,961	3,450,138	3,781,564	3,658,461	4,307,760
3,163,961	3,450,138	3,781,564	3,658,461	4,307,760	4,916,903
844,395	849,903	528,923	1,297,852	1,009,036	658,801
78.93%	80.24%	87.73%	73.81%	81.02%	88.18%
1,187,729	1,174,023	1,145,769	1,160,974	1,164,209	1,240,961
71.09%	72.39%	46.16%	111.79%	86.67%	53.09%



**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, 2021**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property	\$ 2,040,201	2,040,201	2,092,411
Intergovernmental			
Personal Property Replacement	29,800	29,800	53,999
Grants and Donations	60,500	60,500	70,713
Fines and Forfeitures	27,500	27,500	2,686
Developer Fees	20,000	20,000	41,826
Reimbursements	2,500	2,500	6,114
Interest	2,500	2,500	421
Miscellaneous	500	500	11,499
Total Revenues	<u>2,183,501</u>	<u>2,183,501</u>	<u>2,279,669</u>
Expenditures			
Culture and Recreation	2,036,162	2,036,162	2,134,213
Debt Service			
Principal Retirement	133,333	133,333	133,333
Interest and Fiscal Charges	55,205	55,205	55,783
Total Expenditures	<u>2,224,700</u>	<u>2,224,700</u>	<u>2,323,329</u>
Net Change in Fund Balance	<u>(41,199)</u>	<u>(41,199)</u>	(43,660)
Fund Balance - Beginning as Restated			<u>622,571</u>
Fund Balance - Ending			<u><u>578,911</u></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, 2021**

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	Budget		Actual
	Original	Final	
Revenues			
Property Taxes	\$ 158,146	158,146	161,096
Expenditures			
Culture and Recreation	-	-	-
Net Change in Fund Balance	<u>158,146</u>	<u>158,146</u>	161,096
Fund Balance - Beginning			<u>(336,078)</u>
Fund Balance - Ending			<u>(174,982)</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

# INDIVIDUAL FUND DESCRIPTIONS

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## GENERAL FUND

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

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## SPECIAL REVENUE FUNDS

Special Revenue Funds are 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 Sites Fund

The Library Building and Sites 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.

# INDIVIDUAL FUND DESCRIPTIONS

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## SPECIAL REVENUE FUNDS - Continued

### Special Reserve Fund

The Special Reserve Fund is used to account for the expansion and improvement of library service by the development of a modern comprehensive library facility through expert studies and /or consultants, purchase of real estate site for buildings, construction of facility or the remodeling, repairing, improving or addition to existing facilities or for the purchase of necessary equipment and materials for or in anticipation of such expanded library facilities or all of these objects.

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### 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.

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**FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS**

**General Fund**

**Schedule of Expenditures - Budget and Actual  
For the Fiscal Year Ended June 30, 2021**

	Budget		Actual
	Original	Final	
<b>Culture and Recreation</b>			
<b>Personnel</b>			
Salaries	\$ 1,357,902	1,357,902	1,301,965
Payroll Taxes	-	-	5,416
Health Insurance	107,010	107,010	96,539
	<u>1,464,912</u>	<u>1,464,912</u>	<u>1,403,920</u>
<b>Library Materials</b>			
Books - Adult	60,000	60,000	53,898
Books - Youth	28,000	28,000	28,500
Books - Young Adult	-	-	4,738
Kits - Youth	500	500	-
Periodicals	6,000	6,000	6,315
Audio - Adult	5,000	5,000	2,578
Audio - Youth	750	750	1,399
Videos - Adult	10,000	10,000	7,218
Videos - Youth	2,000	2,000	854
Video Games - Youth	1,500	1,500	1,509
Electronic Resources	44,000	44,000	57,786
	<u>157,750</u>	<u>157,750</u>	<u>164,795</u>
<b>Library Operations</b>			
Circulation System	40,000	40,000	40,618
Automations	66,000	66,000	29,163
Office & Library Equipment	30,000	30,000	77
Furniture and Fixtures	3,000	3,000	22,776
Office & Library Supplies	9,500	9,500	8,725
Learning Lab Supplies	2,000	2,000	1,928
Technical Processing	10,000	10,000	10,229
Printing	7,500	7,500	3,184
Professional Training	11,000	11,000	4,650
Programming	27,000	27,000	15,074
Telephone	13,000	13,000	14,037
Building Utilities	75,000	75,000	57,092
Building Supplies	11,000	11,000	15,208

**FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS**

**General Fund**

**Schedule of Expenditures - Budget and Actual - Continued  
For the Fiscal Year Ended June 30, 2021**

	Budget		Actual
	Original	Final	
Culture and Recreation - Continued			
Library Operations - Continued			
Maintenance	\$ 90,000	90,000	102,063
Broadband	-	-	3,500
Leased Copiers	-	-	32,106
Transportation	-	-	342
Food and Beverage	-	-	209
Hardware	-	-	26,711
Website	-	-	1,756
Line of Credit Expenditures	-	-	141,875
Miscellaneous	-	-	(1,878)
	<u>395,000</u>	<u>395,000</u>	<u>529,445</u>
Outside Professional Services			
Legal Fees	5,000	5,000	5,226
Professional Services	13,500	13,500	30,758
Tech Support	-	-	69
	<u>18,500</u>	<u>18,500</u>	<u>36,053</u>
Total Library Operations	<u>2,036,162</u>	<u>2,036,162</u>	<u>2,134,213</u>
Debt Service			
Principal Retirement	133,333	133,333	133,333
Interest and Fiscal Charges	55,205	55,205	55,783
Total Debt Service	<u>188,538</u>	<u>188,538</u>	<u>189,116</u>
Total Expenditures	<u>2,224,700</u>	<u>2,224,700</u>	<u>2,323,329</u>

**FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS**

**Nonmajor Governmental Funds**

**Combining Balance Sheet  
June 30, 2021**

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	<u>Illinois Municipal Retirement</u>
<b>ASSETS</b>	
Cash and Investments	\$ -
Receivables - Net of Allowances	
Property Taxes	134,609
Prepays	<u>-</u>
Total Assets	<u><u>134,609</u></u>
<b>LIABILITIES</b>	
Accounts Payable	-
Accrued Payroll and Related Liabilities	22,680
Due to Other Funds	<u>4,612</u>
Total Liabilities	27,292
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Property Taxes	<u>242,898</u>
Total Liabilities and Deferred Inflows of Resources	<u><u>270,190</u></u>
<b>FUND BALANCES</b>	
Nonspendable	-
Restricted	-
Unassigned	<u>(135,581)</u>
Total Fund Balances	<u><u>(135,581)</u></u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u><u>134,609</u></u>



Audit	Special Revenue			Permanent Working Cash	Totals
	Public Liability Insurance	Social Security	Special Reserve		
21,137	159,786	91,950	50,000	190,206	513,079
6,150	6,834	59,446	-	-	207,039
-	2,609	-	-	-	2,609
<u>27,287</u>	<u>169,229</u>	<u>151,396</u>	<u>50,000</u>	<u>190,206</u>	<u>722,727</u>
13	9,355	-	-	-	9,368
-	-	-	-	-	22,680
-	-	-	-	-	4,612
<u>13</u>	<u>9,355</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>36,660</u>
11,097	12,330	107,269	-	-	373,594
<u>11,110</u>	<u>21,685</u>	<u>107,269</u>	<u>-</u>	<u>-</u>	<u>410,254</u>
-	2,609	-	-	190,206	192,815
16,177	144,935	44,127	50,000	-	255,239
-	-	-	-	-	(135,581)
<u>16,177</u>	<u>147,544</u>	<u>44,127</u>	<u>50,000</u>	<u>190,206</u>	<u>312,473</u>
<u>27,287</u>	<u>169,229</u>	<u>151,396</u>	<u>50,000</u>	<u>190,206</u>	<u>722,727</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, 2021**

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	<u>Illinois Municipal Retirement</u>
Revenues	
Taxes	\$ 78,822
Expenditures	
Culture and Recreation	<u>202,010</u>
Net Change in Fund Balances	(123,188)
Fund Balances - Beginning	<u>(12,393)</u>
Fund Balances - Ending	<u><u>(135,581)</u></u>

Audit	Special Revenue			Permanent Working Cash	Totals
	Public Liability Insurance	Social Security	Special Reserve		
10,918	40,295	96,705	-	-	226,740
9,150	20,783	97,301	-	-	329,244
1,768	19,512	(596)	-	-	(102,504)
14,409	128,032	44,723	50,000	190,206	414,977
16,177	147,544	44,127	50,000	190,206	312,473

**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, 2021**

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	Budget		Actual
	Original	Final	
Revenues			
Property Taxes	\$ 128,099	128,099	78,822
Expenditures			
Culture and Recreation			
Illinois Municipal Retirement	224,661	224,661	202,010
Net Change in Fund Balance	<u>(96,562)</u>	<u>(96,562)</u>	(123,188)
Fund Balance - Beginning			<u>(12,393)</u>
Fund Balance - Ending			<u><u>(135,581)</u></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, 2021**

	Budget		Actual
	Original	Final	
Revenues			
Property Taxes	\$ 10,857	10,857	10,918
Expenditures			
Culture and Recreation			
Audit	9,000	9,000	9,150
Net Change in Fund Balance	<u>1,857</u>	<u>1,857</u>	1,768
Fund Balance - Beginning			<u>14,409</u>
Fund Balance - Ending			<u><u>16,177</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, 2021**

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	Budget		Actual
	Original	Final	
Revenues			
Property Taxes	\$ 31,328	31,328	40,295
Expenditures			
Culture and Recreation			
Public Liability Insurance	18,233	18,233	20,783
Net Change in Fund Balance	<u>13,095</u>	<u>13,095</u>	19,512
Fund Balance - Beginning			<u>128,032</u>
Fund Balance - Ending			<u>147,544</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, 2021**

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	Budget		Actual
	Original	Final	
Revenues			
Property Taxes	\$ 98,917	98,917	96,705
Expenditures			
Culture and Recreation			
Social Security	105,576	105,576	97,301
Net Change in Fund Balance	<u>(6,659)</u>	<u>(6,659)</u>	(596)
Fund Balance - Beginning			<u>44,723</u>
Fund Balance - Ending			<u><u>44,127</u></u>

## **SUPPLEMENTAL SCHEDULES**



**FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS**

**Long-Term Debt Requirements**

**Loan Payable of 2020  
June 30, 2021**

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Date of Issue	February 7, 2020
Date of Maturity	February 7, 2025
Authorized Issue	\$2,000,000
Interest Rate	2.90%
Interest Dates	Monthly
Principal Maturity Date	Monthly
Payable at	Old Plank Trail Community Bank

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

Fiscal Year	Principal	Interest	Totals
2022	\$ 133,333	51,785	185,118
2023	133,333	47,864	181,197
2024	133,333	33,510	166,843
2025	1,422,224	24,199	1,446,423
	<u>1,822,223</u>	<u>157,358</u>	<u>1,979,581</u>

**FRANKFORT PUBLIC LIBRARY DISTRICT, ILLINOIS**

**Property Tax Levies and Collections - Last Ten Fiscal Years  
June 30, 2021**

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
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%	1,164,568	2,382,982	99.78%
2020	2019	2,468,394	1,205,279	48.83%	1,274,966	2,480,245	100.48%
2021	2020	2,560,982	1,124,675	43.92%	-	1,124,675	43.92%

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, 2021**

	2018		2019		2020	
	Rate	Amount	Rate	Amount	Rate	Amount
Assessed Valuations:						
Will County		\$1,161,964,120		\$1,196,449,906		\$1,230,081,769
Cook County		11,604,782		11,178,931		15,360,617
		<u>1,173,568,902</u>		<u>1,207,628,837</u>		<u>1,245,442,386</u>
<b>Will County</b>						
General Fund	0.1689	\$ 1,962,557	0.1690	\$ 2,022,000	0.1611	\$ 1,981,662
I.M.R.F. Fund	0.0109	126,654	0.0106	126,824	0.0197	242,326
Social Security Fund	0.0080	92,957	0.0082	98,109	0.0087	107,017
Audit Fund	0.0009	10,458	0.0009	10,768	0.0009	11,071
Liability Insurance Fund	0.0021	24,401	0.0024	28,715	0.0008	9,841
Workmen's Compensation	0.0005	5,810	0.0002	2,393	0.0002	2,460
Building and Sites Fund	0.0122	141,760	0.0131	156,735	0.0127	156,220
Total Will County	<u>0.2035</u>	<u>2,364,597</u>	<u>0.2044</u>	<u>2,445,544</u>	<u>0.2041</u>	<u>2,510,597</u>
<b>Cook County</b>						
General Fund	0.1690	19,601	0.1690	18,893	0.1612	40,865
I.M.R.F. Fund	0.0109	1,265	0.0105	1185	0.0198	4,348
Social Security Fund	0.0079	929	0.0081	917	0.0087	1,520
Audit Fund	0.0009	104	0.0008	101	-	-
Liability Insurance Fund	0.0020	244	0.0024	268	0.0009	2,000
Workmen's Compensation	0.0005	58	-	22	-	-
Building and Sites Fund	0.0122	1,415	0.0130	1464	0.0127	1,652
Total Cook County	<u>0.2034</u>	<u>23,616</u>	<u>0.2038</u>	<u>22,850</u>	<u>0.2033</u>	<u>50,385</u>
Total Tax Extension		<u>2,388,213</u>		<u>2,468,394</u>		<u>2,560,982</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.