

**FRANKFORT FIRE PROTECTION DISTRICT
FRANKFORT, ILLINOIS**



ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Year Ended May 31, 2022

**FRANKFORT FIRE PROTECTION DISTRICT
FRANKFORT, ILLINOIS**

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

For the Year Ended
May 31, 2022

Prepared by Administrative Department

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FRANKFORT, ILLINOIS
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FRANKFORT, ILLINOIS
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INTRODUCTORY SECTION

**FRANKFORT FIRE PROTECTION DISTRICT
FRANKFORT, ILLINOIS**

LIST OF PRINCIPAL OFFICIALS

May 31, 2022

BOARD OF TRUSTEES

Robert Jacobs - President

Donna Vegter - Secretary

Michael Kavanagh - Treasurer

William Hoffmeister – Trustee

Larry Nice - Trustee

BOARD OF COMMISSIONERS

Raymond Garritano - President

Heather Dauber - Secretary

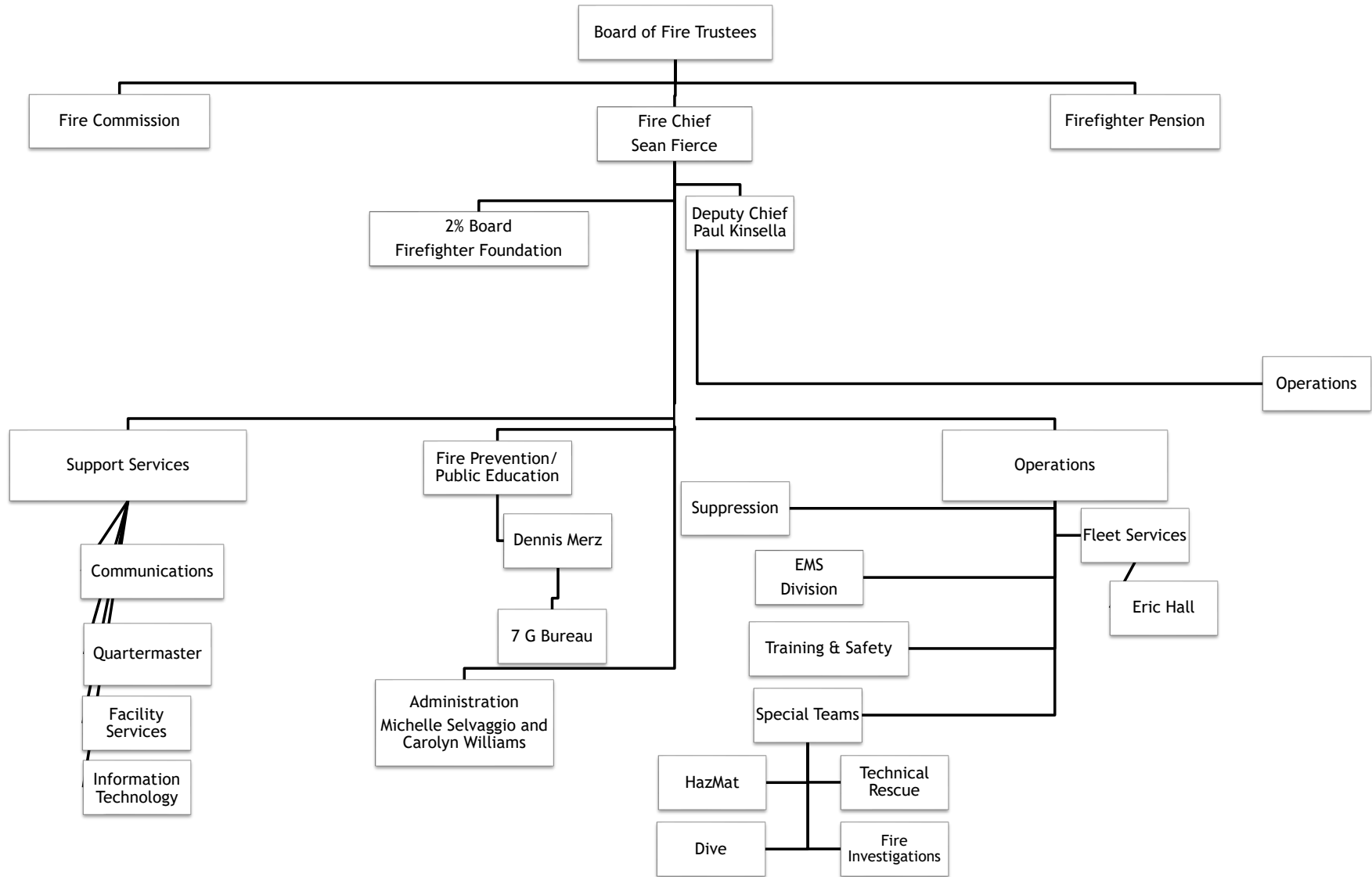
Michael Minogue - Commissioner

MANAGEMENT STAFF

Sean Fierce - Fire Chief

Paul Kinsella - Deputy Chief

Frankfort Fire Protection District Organizational Chart





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Frankfort Fire Protection District
Illinois**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

May 31, 2021

Christopher P. Morill

Executive Director/CEO



Frankfort Fire Protection District

333 West Nebraska Street
Frankfort, IL 60423
EMERGENCY – 911
(p)815.469.1700 (f)815.469.8377

December 16, 2022

Members of the Board of Trustees
Frankfort Fire Protection District
Frankfort, Illinois

We are pleased to present the Annual Comprehensive Financial Report of the Frankfort Fire Protection District (FFPD), Frankfort, Illinois for the fiscal year ended May 31, 2022.

The District is required to issue annually a report of its financial position and activity presented in conformance with generally accepted accounting principles (GAAP). This report is presented using the financial reporting model outlined by the Governmental Accounting Standards Board (GASB). Management assumes full responsibility for the completeness and reliability of all of the information presented in this report and asserts that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

To provide a reasonable basis for making its representations, management has established a comprehensive internal control framework. This framework is designed to provide reasonable assurance that assets are safeguarded against loss from unauthorized use or disposition and that accounting transactions are executed in accordance with management's authorization and properly recorded so that the financial statements can be prepared in conformity with generally accepted accounting principles (GAAP). The objective of the internal control framework is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

State statutes require an annual audit of the financial records and transactions of FFPD by independent certified public accountants selected by the Board of Trustees. The Board of Trustees selected the accounting firm of Sikich LLP. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified or clean opinion that the FFPD's basic financial statements for the fiscal year ended May 31, 2022, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A is also intended to disclose any known significant events or decisions that affect the financial condition of FFPD. MD&A complements this letter of transmittal and should be read in conjunction with it.

DISTRICT PROFILE

The Frankfort Fire Protection District (FFPD) was organized in 1960 under the general laws of the State of Illinois providing for the organization and operation of fire protection districts and is now operating under the provisions of the Fire Protection District Act of the State of Illinois, as amended (70 ILCS 705/0.01 *et seq.*). FFPD is a primarily residential area in Will County. Located approximately thirty-seven miles southwest of Chicago's Central Business District, the FFPD covers a population of approximately 46,000 people and an area of approximately 45 square miles including most of the Village of Frankfort and Frankfort Square; and parts of Green Garden, Frankfort Township, and the Village of Mokena.

FFPD provides a full range of services to its residents. These services include fire suppression services, emergency medical services, underwater rescue and recovery, hazardous material response, fire prevention and public education, special rescue and community events. In addition to general operations, the District exercises oversight of the Firefighters' Pension Fund; therefore these activities are included in the reporting entity.

FFPD operates under an elected Board of Trustees form of government. The Board of Trustees is comprised of five members who are responsible, among other things, for determining policies, passing resolutions and ordinances, adopting the annual budget, and appointing committees. The Fire Chief is appointed by the Board of Trustees and is responsible for the daily operations and management of the District.

The annual budget serves as the foundation for the District's financial planning and control. State law requires that a Fire Protection District adopt a final budget by no later than the close of the fiscal year. The FFPD budget is prepared by fund and function, but the format of the budget provides for a departmental budget with line item supplemental backup. The legal level of budgetary control is the fund level.

A budget to actual comparison is provided in this report for the General Fund. The comparison is presented on page 40 as required supplementary information and a more detailed presentation is on pages 50-53. For governmental funds other than the General Fund, this comparison is presented in the governmental fund subsection of this report beginning on page 54.

ECONOMIC CONDITION AND OUTLOOK

The FFPD had experienced a period of rapid growth and development from 2001 to 2008, and had opened and staffed two new stations in 2009 and 2010. In 2009, new growth dropped because of the economy, and remained low through 2012. It has been increasing slowly since 2013; and we are optimistic that new growth will continue to grow steadily as several new businesses and residences have been added to the District. From 2008 to 2014 the District's assessed value dropped 17%. In 2015 values stabilized, and then increased by 17% from 2016 to 2021. The amount of collected property taxes continues to be close to 100% of the levy.

Our number one priority remains life safety for our citizens and our personnel. We have a high volume of EMS activity and all other areas of our operations are divided between fire/suppression and alarm response, plus public education. In July of 2017, the District was awarded the federal SAFER grant and added 3 additional firefighters to the ranks. This grant ended in 2020.

We believe our economic outlook will continue to be acceptable and will allow us to maintain current core service levels. The District's potential for residential and commercial growth should provide for a growing community in the foreseeable future. The improvement of Route 30 infrastructure will increase the potential for new construction by increasing accessibility to currently undeveloped areas. Current fire station locations should provide for adequate service for the next several years.

LONG-TERM FINANCIAL PLANNING

Large capital expenditures anticipated for the near future are HVAC units for multiple stations, thermal imaging cameras for the vehicles, and firefighting equipment.

The District has financial policies in place to promote fiscal stability. Our purchasing policy regulates spending. Purchases greater than \$1,000 are required to be approved by a Chief Officer and the Fire Chief and purchases greater than \$10,000 must be approved by the Board of Trustees. The investment policy emphasizes safety of principal and maintenance of purchasing power as the foremost objectives, and this concept is reinforced with the requirement that District assets be collateralized for amounts over the FDIC limit. The capitalization policy provides guidelines for the inventory, depreciation, disposal, and maintenance of District assets. It establishes an asset system to track and account for changes in assets. The fund balance policy provides guidelines for the level and use of fund reserves, as well as the use of annual operating surplus. A Vehicle Replacement Fund was created to more clearly segregate operating funds from capital funds for financial statement users.

MAJOR INITIATIVES FOR FISCAL YEAR 2023

Staffing and associated costs will continue to be our largest operating expenditure. District Trustees have prioritized firefighter pension funding and these contributions account for 11% (\$1.7 million) of the 2022-2023 operating budget. Health/life insurance also accounts for a significant portion of budgeted operating expenditures at 11% (\$1.7 million).

The CPI-U for the levy funding 2022-2023 is at 1.4% as compared to the prior year's 2.3%. This allowed for a 3.2% overall increase to the property tax extension, slightly lower than the prior year's 3.9% increase.

Ambulance fees are assessed on an annual basis, and last year were determined to be below the Ground Emergency Medical Transport (GEMT) rate; District Trustees raised the fees effective June 2022. Ambulance revenue increased by \$122,007 for fiscal year 2022. Ambulance fees are expected to increase, with an increase of \$647,68 in the FY23 budget due to increased ambulance revenue from the GEMT program for Medicaid.

At our training center located at station 3, we continue our partnerships with local community colleges. The District's station 3 is a dedicated training site for the University of Illinois Fire Service Institute.

We will continue to maintain our five fire stations by way of general maintenance. We continue to assess building maintenance costs and research ways to improve efficiency and reduce costs.

We continue to research methods of business process improvement. Chief Officers are reviewing current processes and procedures, along with the collection and use of data; and are identifying areas of improvement through the use of database, cloud, and other electronic technology.

The 2007 Fire Protection Notes that were issued to cover construction costs for stations 4 and 5 were refunded at the end of 2015 to obtain a lower interest rate, and were structured to realize upfront cost savings over the next two years. District Trustees have resolved that these savings can only be used in a manner consistent with the use of annual operating surplus as specified in our fund balance policy – left in fund balance to meet the target level, transferred to the pension fund, transferred to the vehicle replacement fund, or used for other capital projects.

As we finish the first quarter of the 2022/2023 budget, plus within the 2024 and 2025 fiscal years, we will continue to keep a watchful eye over the budget, the levy, and all expenses balancing commitments of staffing, pensions, and insurance, while maintaining a solid financial position to cover all operational

expenses. While the District remains mostly dependent on property tax revenue, we have aggressively reviewed user fees in an effort to diversify our revenue sources and spread funding responsibilities to users of service. We remain aware of our taxpayer's burden of overall taxes. Our Board of Trustees is addressing that with a continued conservative approach to spending. The current Board of Trustees is continuing the conservative yet progressive controls of our finances.

Key goals for the year ended May 31, 2023 include but are not limited to:

- Strive for financial stability, while assessing all necessary programs. Discuss goals with administrative staff and prioritize spending accordingly.
- Improve and/or enhance our emergency communications systems by improving the quality and efficiency of data entry and output.
- Continue to implement the conversion of manual paper processes to electronic processes and record storage. Evaluate scheduling, inventory, and work order processes.
- Continue community awareness and outreach.
- Increase 7G personnel usage for fire prevention/public education purposes to include inspections and car seat installations. Have these personnel trained to perform many of the same duties as the full-time Inspector/Public Educator so that these duties can still be performed in his absence, increasing flexibility/accommodation to business and resident requests for service.
- Make information more accessible/convenient to the public through the use of the website and social media. Expand the acceptance of registration and payments via the internet.
- Ensure completion of mandatory OSHA, IDPH, and NFPA trainings.
- Participate in neighboring MABAS 19 department training programs.
- Continue compliance with nationally recognized standards.
- Prioritize health and safety:
 - Increase spending on turnout gear, so that all firefighters have a second set of gear available to them.
 - Increase funding for physicals, so they can be done on a more frequent basis.
 - Ensure all firefighters are properly vaccinated.
- Assess placement and type of equipment in the stations. Review possible changes that would result in cost reduction.
- Review and assess necessary maintenance to aging stations.
- Continue an employee wellness program for employees and their spouses to allow for early detection of health issues, improve overall employee health, prevent injury and sickness, and reduce associated costs.
- Continue review and assessment of the vehicle replacement schedule to adequately and efficiently provide for replacement of ambulances, engines, trucks, administrative, and special vehicles in the most cost effective manner.

Major initiatives for the future include:

- Continue efforts to prevent fires and loss of life and property in the district, with a renewed emphasis on firefighter health, safety, and fitness.

- Fiscal stability will continue to be a concern. All programs and positions will be open to review and subject to changes, based upon finances.
- Strive to improve communications with radios, computers, and wireless internet connectivity within district vehicles.
- Aggressive risk-management based training as well as safety and educational program delivery.
- Work towards lowering our ISO ratings and becoming nationally accredited.
- Hire additional administrative staff to ensure required tasks are completed in a timely manner, and to build redundancy by having multiple staff trained in those tasks.
- Hire additional responders to help maintain adequate service levels.
- Begin funding a capital replacement plan that includes items with an identified life span.
- Invest in education for members, especially for potential leaders of the organization.

AWARDS AND ACKNOWLEDGMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Frankfort Fire Protection District for its annual comprehensive financial report for the fiscal year ended May 31, 2022. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The timely preparation of the audit report was made possible by the efficient and dedicated services of the Administrative Department. We sincerely appreciate and acknowledge the support and direction provided by the accounting firm of Sikich LLP, in preparing the District's report. We would also like to express our appreciation to the Board of Trustees for their leadership and support in planning and conducting the financial operations of the District in a responsible manner.

Respectfully submitted,



Sean Fierce
Fire Chief

FINANCIAL SECTION

1415 West Diehl Road, Suite 400
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630.566.8400

SIKICH.COM

INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Frankfort Fire Protection District
Frankfort, Illinois

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Frankfort Fire Protection District, Frankfort, Illinois (the District) as of and for the year ended May 31, 2022 and the related notes to financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Frankfort Fire Protection District, as of May 31, 2022, 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.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we

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

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context.

We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining and individual fund financial statements and 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 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.

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

Other Information

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

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

Sikich LLP

Naperville, Illinois
December 16, 2022

**GENERAL PURPOSE EXTERNAL
FINANCIAL STATEMENTS**

FRANKFORT FIRE PROTECTION DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS MAY 31, 2022

As management of the Frankfort Fire Protection District (FFPD), we offer readers of our financial statements this narrative overview and analysis of the District's financial activities for the fiscal year ended May 31, 2022. We encourage readers to consider the information presented here in conjunction with additional information provided in the transmittal letter found on pages iv –viii.

Financial Highlights

- The liabilities and deferred inflows of resources of the FFPD exceeded the assets and deferred outflows of resources by \$886,336 at the end of the current fiscal year. Net position consisted of net investment in capital assets in the amount of 7,564,630; an amount restricted for fire equipment of \$39,759; and unrestricted net position (deficit) of (\$8,490,725).
- The District's total net position increased by \$1,274,741 from the prior year. The major factors of the increase in net position are positive changes related to the reporting of the District's Firefighters' Pension net pension liability, deferred inflows and deferred outflows of resources and positive changes related to the reporting of the District's other postemployment benefit (OPEB) liability and the related deferred inflows and outflows of resources.
- As of the close of the current fiscal year, the FFPD's governmental funds showed combined ending fund balances totaling \$3,949,289, a decrease of \$127,197 from the prior fiscal year. The decrease is mainly attributable to the increase in operational expenditures of \$679,769. Of the total ending fund balances, approximately \$1,593,690 (40.4%) is available for spending at the District's discretion (unassigned fund balance).
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$1,593,690 or 11.0% of total General Fund expenditures.
- The District's long-term debt increased by \$1,104,781 (9.3%) during the current fiscal year. This increase can be attributed to the increase in the net pension liability for the Firefighters' Pension.

Overview of the Financial Statements

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

Government-wide Financial Statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the District's finances, in a manner similar to those used by private-sector companies.

The *Statement of Net Position* presents information on all of the District's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference between the two reported as *net position*. The focus is similar to bottom line results for the District and its governmental activities. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

FRANKFORT FIRE PROTECTION DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS MAY 31, 2022

The *Statement of Activities* presents information showing how the net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenditures are reported in this statement for some items that will only result in cash flows that may be recorded in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the District that are principally supported by property taxes and charges for services (governmental activities) from functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the District include general administration, fire/rescue service operations, and fire station and vehicle support services. There are no business-type activities of the District.

The government-wide financial statements can be found on pages 4-5 of this report.

Fund Financial Statements. A *fund* is a grouping of related accounts that the District uses to maintain control over resources that have been segregated for specific activities or objectives. The FFPD, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the District's funds can be divided into two categories: governmental funds and fiduciary funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, 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 District's near-term financial decisions. Both the governmental fund *Balance Sheet* and the governmental fund *Statement of Revenues, Expenditures and Changes in Fund Balances* provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The FFPD maintains three individual governmental funds. Information is presented separately for each major fund on the governmental fund *Balance Sheet* and on the governmental fund *Statement of Revenues, Expenditures and Changes in Fund Balances*. The District's one major fund for the current fiscal year is the General Fund (comprised of the Corporate and Ambulance sub-funds). Data from the other governmental funds is presented separately and located on the governmental fund financial statements. The District's nonmajor funds for the current fiscal year is the Capital Projects Fund and the Foreign Fire Insurance Fund. Individual fund data for this nonmajor governmental fund is provided in the Combining and Individual Fund Financial Statements found on page 54 of this report.

The FFPD adopts an annual appropriated budget for each of the governmental funds. Budgetary comparison statements and schedules have been provided for the governmental funds to demonstrate compliance with the adopted budget.

The basic governmental fund financial statements can be found on pages 6-9 of this report.

FRANKFORT FIRE PROTECTION DISTRICT

**MANAGEMENT’S DISCUSSION AND ANALYSIS
MAY 31, 2022**

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the FFPD’s operations. The District uses a fiduciary fund for its Firefighters’ Pension Fund.

Basic fiduciary fund financial statements can be found on pages 10-11 of this report.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 12-39 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the revenues, expenditures, and changes in fund balance - budget and actual - on a budgetary basis for the General Fund. FFPD’s progress in funding its obligations to provide pension and other postemployment benefits to its employees is also found in this section. Required supplementary information can be found on pages 41-49 of this report.

Combining and individual fund financial statements and schedules can be found on pages 50-53 of this report.

Government-wide Financial Analysis

Net Position. Net position may serve over time as a useful indicator of a government’s financial position. The FFPD’s net position totaled (\$886,336) at the end of the current fiscal year, a 41.0% increase from the prior fiscal year. Following is a summary of the government-wide Statement of Net Position:

Governmental Activities		
	2021	2022
Current and other assets	16,979,580	17,771,884
Capital assets, net	13,062,396	12,509,513
Total Assets	30,041,976	30,281,397
Deferred outflows of resources	8,677,903	8,636,559
Total Assets and Deferred Outflows of Resources	38,719,879	38,917,956
Long term liabilities	11,324,771	13,007,855
Other liabilities	1,198,928	1,089,331
Total Liabilities	12,523,699	14,097,186
Deferred inflows of resources	28,357,257	25,707,106
Total Liabilities and Deferred Inflows of Resources	40,880,956	39,804,292
Net Position:		
Net investment in capital assets	7,629,473	7,564,630
Restricted	56,484	39,759
Unrestricted (deficit)	(9,847,034)	(8,490,725)
Total Net Position	(2,161,077)	(886,336)

FRANKFORT FIRE PROTECTION DISTRICT

**MANAGEMENT’S DISCUSSION AND ANALYSIS
MAY 31, 2022**

A portion of the net position \$39,759 represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position (deficit)* (\$8,490,725) may be used to meet the government’s obligations to citizens and creditors. At the end of the current and prior fiscal years, the FFPD reported a negative balance for unrestricted net position.

Capital assets are used in the operations of the District. These are land, buildings, vehicles and equipment. The District uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the District’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. Capital assets are discussed in greater detail in the section titled, Capital Assets and Debt Administration, found on pages MD&A 6 – MD&A 7 in this analysis.

Changes in Net Position. For the fiscal year ended May 31, 2022, the net position of the FFPD increased by \$1,274,741, an indication that its financial position improved economically during the year. Following is a summary of the government-wide Statement of Activities:

Governmental Activities

	2021	2022
Program revenues:		
Charges for services	2,040,305	2,152,312
Operating grants and contributions	235,358	293,795
Capital grants and contributions	-	-
General revenues:		
Property taxes	11,797,085	12,266,460
Replacement taxes	43,644	95,132
Foreign fire insurance	63,696	71,287
Investment Income	40,967	(128,571)
Miscellaneous	52,386	259
Total revenues	14,273,441	14,750,674
Expenses		
Administration	1,207,193	1,215,254
Operations	9,243,596	10,717,875
Support Services	1,479,190	1,410,115
Interest	119,342	132,689
Total expenses	12,049,321	13,475,933
Change in Net Position	2,224,120	1,274,741
Net Position 6/1	(4,385,197)	(2,161,077)
Net Position (Deficit) 5/31	(2,161,077)	(886,336)

- Program revenues in the amount of \$2,446,107 accounted for 16.6% of total revenues. Charges for services increased by \$112,007 (5.5%) from the prior fiscal year and accounted for 14.6% of total revenues. The charges for services increase was due to an increase from the Ground Emergency Medical Transport (GEMT) program which provides additional federal supplement for Medicaid runs. Grants and contributions increased by \$58,437 from the prior fiscal year and accounted for 2.0% of total revenues. The increase was due to the Federal American Plan Rescue Act funds received during the Fiscal Year.

FRANKFORT FIRE PROTECTION DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS MAY 31, 2022

- General revenues in the amount of \$12,304,567 accounted for 83.4% of total revenues. The largest general revenue, property taxes, increased by \$469,375 (4.0%) over the prior fiscal year due to the consumer price index increase of 2.3% and additional taxes from new construction. Property taxes accounted for 83.2% of total revenues. The tax rate has decreased over the prior year from .8223 to .8174 due to an increase in equalized assessed value (EAV). Other general revenues, which include replacement taxes, foreign fire insurance, investment income, sale of assets and other miscellaneous revenues, accounted for 0.2% of total revenues.
- Total expenses increased by \$1,426,612 (11.8%) from the prior fiscal year. All costs of operating each function are included – salaries, benefits, training, insurance, pension contributions, etc. The majority of expenses are in Operations (79.5%). The majority of the increase in expenses came from increased personnel costs such as salary and health benefits.

Financial Analysis of the District's Funds

Governmental Funds. The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the District's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's new resources available for future operational needs.

As of the end of the current fiscal year, the District's governmental funds reported combined ending fund balances of 3,949,289, a decrease of \$127,197 in comparison with the prior year. The decrease was due to an uptick in personnel costs from increased staffing and health benefits, both in the general fund.

- ***Unassigned fund balance***, which is the portion of fund balance available for funding future needs, totaled \$1,593,690. Unassigned fund balance represents 11.0% of total governmental fund expenditures, while total fund balance represents 40.4% of that same amount.
- ***Restricted and nonspendable fund balances***, which are the portions of fund balance that are *not* available for new spending, totaled \$290,674 (7.4%). Restricted fund balance has external limitations as follows: \$39,759 to fund foreign fire insurance board approved costs. Nonspendable fund balance is limited for intended use as follows: \$250,915 to pay prepaid expenditures.
- ***Assigned fund balances***, which are the portions of fund balance that are constrained for specific purposes, totaled \$2,064,925 (52.2%). Assigned fund balance is constrained for capital projects and for the subsequent fiscal year budget deficit in the General Fund.
- **Major Governmental Funds.** If the assets, liabilities, revenues or expenditures of a governmental fund exceed 10% of the total of all governmental funds, that fund is reported as a major governmental fund in the accompanying fund financial statements. The District reported the following major funds:
- The ***General Fund*** (which consists of the Corporate and Ambulance sub-funds) is the chief operating fund of the District. At the end of the current fiscal year, fund balance totaled \$2,647,906 of which \$1,593,690 (60.2%) was unassigned, \$250,915 (9.5%) was nonspendable for prepaid expenditures, and \$803,301 (30.3%) was assigned for next year's budget. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund

FRANKFORT FIRE PROTECTION DISTRICT

**MANAGEMENT'S DISCUSSION AND ANALYSIS
MAY 31, 2022**

expenditures. General Fund expenditures totaled \$14,517,619 in the current fiscal year. Unassigned fund balance equaled 11.0% of total General Fund expenditures, while total fund balance equaled 18.2% of that same amount. Total fund balance of the District's General Fund *decreased* by \$427,991 during the current fiscal year, primarily due to a transfer out of \$600,000 to the Capital Projects Fund for future fleet and facility needs.

General Fund Budgetary Highlights

The general fund budget as adopted was amended during the year. Actual revenues in the General Fund were \$221,567 more than the budgeted amount, due mainly to the increase in ambulance fees. Total actual expenditures were \$359,265 less than the budgeted expenditures, due mainly to plans for decreased spending made by the District during the fiscal year.

Capital Assets and Debt Administration

Capital assets. The FFPD's investment in capital assets for its governmental activities as of May 31, 2022 amounts to \$12,509,513 (net of accumulated depreciation). This investment in capital assets includes land, buildings, vehicles and equipment. Net capital assets decreased from the prior fiscal year by \$552,883.

Governmental Activities

	2021	2022
Land	\$1,312,752	\$1,312,752
Buildings	8,093,228	7,979,826
Vehicles	2,999,260	2,622,877
Equipment	657,156	594,058
Total	13,062,396	12,509,513

Additional information on the District's capital assets can be found in the notes to financial statements under 1h. Capital Assets on page 16 and 4. Capital Assets detail on pages 21-22.

Long-Term Debt. At the end of the current fiscal year, the FFPD had total notes payable outstanding of \$4,440,000 backed by the full faith and credit of the District. Fire Protection Notes were issued in 2007 for the purpose of building stations 4 and 5. Interest payments on these notes are due July 1 and January 1, with principal payments also due January 1. Refunding Fire Protection Notes were issued in 2015 to partially refund the Series 2007 Fire Protection Notes. Interest payments on these notes are due June 30 and December 30, with principal payments also due December 30. Following is a summary of the long-term debt outstanding:

Governmental Activities

	2022	2021
Notes Payable	3,690,000	4,050,000
Installment Contract	1,254,883	1,382,923
Compensated Absences	428,036	385,475
Net Pension Liability IMRF	-	-
Net Pension Liability Fire	1,992,045	74,367
OPEB Liability	5,642,891	6,010,309
Total	13,007,855	11,903,074

FRANKFORT FIRE PROTECTION DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS MAY 31, 2022

The District's total debt increased by \$1,104,781 during the current fiscal year primarily due to increases in firefighter's net pension liability.

Bonded debt issuances are subject to a legal limitation based on 5.75% of assessed valuation of real and personal property. The Frankfort Fire District's available debt margin at May 31, 2022 was \$89,137,834. The District currently has an Aa3 rating. Additional information on long-term debt obligations can be found in the notes to financial statements under 5. Long-Term Debt, on pages 22-23.

Economic Factors and Next Year's Budget

The District is primarily residential with a small commercial component. The primary revenue source is property taxes, representing approximately 83% of total revenue. The Property Tax Extension Limitation Law allows a taxing district to receive a limited inflationary increase in tax extensions on existing property, plus an additional amount for new construction, and voter-approved rate increases.

Budgeted revenue for 2023 is \$16,006,279. Property taxes increased for existing property by the Consumer Price Index of 1.4%, plus the addition of new construction property, for a total of 3.2%. Other sources of budgeted revenue include fees for ambulance service, other service fees, grant funds, and other miscellaneous sources.

Budgeted operating expenditures for 2023 are \$15,112,652, including salaries and benefits to maintain existing staffing levels; facility expenditures to operate and maintain existing buildings; maintenance expenditures to maintain existing apparatus; insurance expenditures; dispatch expenditures; note payments; and other miscellaneous expenditures. Budgeted capital fund expenditures for 2023 are \$346,770 for the purchase of a firefighting equipment to outfit truck, thermal imaging cameras, portable radios, and HVAC replacement.

Requests for Information

This financial report is designed to provide a general overview of the Frankfort Fire Protection District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Finance, 333 West Nebraska Street, Frankfort, Illinois 60423.

BASIC FINANCIAL STATEMENTS

**FRANKFORT FIRE PROTECTION DISTRICT
FRANKFORT, ILLINOIS**

STATEMENT OF NET POSITION

May 31, 2022

	<u>Governmental Activities</u>
ASSETS	
Cash and investments	\$ 4,797,633
Receivables (net of allowance for uncollectibles)	
Property taxes	11,741,028
Interest	10,723
Accounts	896,641
Prepaid items	250,915
Net pension asset	74,944
Capital assets not being depreciated	1,312,752
Capital assets (net of accumulated depreciation)	<u>11,196,761</u>
Total assets	<u>30,281,397</u>
DEFERRED OUTFLOWS OF RESOURCES	
Pension items - Illinois Municipal Retirement Fund	170,626
Pension items - Firefighters' Pension Fund	<u>8,465,933</u>
Total deferred outflows of resources	<u>8,636,559</u>
Total assets and deferred outflows of resources	<u>38,917,956</u>
LIABILITIES	
Accounts payable	603,514
Accrued payroll	442,613
Accrued interest	43,204
Long-term liabilities	
Due within one year	570,688
Due in more than one year	<u>12,437,167</u>
Total liabilities	<u>14,097,186</u>
DEFERRED INFLOWS OF RESOURCES	
Pension items - Illinois Municipal Retirement Fund	204,307
Pension items - Firefighters' Pension Fund	12,831,275
Deferred revenue	<u>12,671,524</u>
Total deferred inflows of resources	<u>25,707,106</u>
Total liabilities and deferred inflows of resources	<u>39,804,292</u>
NET POSITION (DEFICIT)	
Net investment in capital assets	7,564,630
Restricted for	
Fire equipment	39,759
Unrestricted (deficit)	<u>(8,490,725)</u>
TOTAL NET POSITION (DEFICIT)	<u><u>\$ (886,336)</u></u>

See accompanying notes to financial statements.

**FRANKFORT FIRE PROTECTION DISTRICT
FRANKFORT, ILLINOIS**

STATEMENT OF ACTIVITIES

For the Year Ended May 31, 2022

FUNCTIONS/PROGRAMS	Program Revenues				Net (Expense) Revenue and Change in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
PRIMARY GOVERNMENT					
Governmental Activities					
Administration	\$ 1,215,254	\$ 48,759	\$ 11,919	\$ -	\$ (1,154,576)
Operations	10,717,875	2,039,634	281,876	-	(8,396,365)
Support services	1,410,115	63,919	-	-	(1,346,196)
Interest	132,689	-	-	-	(132,689)
Total governmental activities	13,475,933	2,152,312	293,795	-	(11,029,826)
TOTAL PRIMARY GOVERNMENT	\$ 13,475,933	\$ 2,152,312	\$ 293,795	\$ -	(11,029,826)
	General Revenues				
	Taxes				
	Property				12,266,460
	Foreign fire insurance				71,287
	Intergovernmental				
	Replacement taxes				95,132
	Investment income				(128,571)
	Miscellaneous				259
	Total				12,304,567
	CHANGE IN NET POSITION				1,274,741
	NET POSITION (DEFICIT), JUNE 1				(2,161,077)
	NET POSITION (DEFICIT), MAY 31				\$ (886,336)

See accompanying notes to financial statements.

**FRANKFORT FIRE PROTECTION DISTRICT
FRANKFORT, ILLINOIS**

BALANCE SHEET
GOVERNMENTAL FUNDS

May 31, 2022

	<u>General</u>	<u>Nonmajor Governmental</u>	<u>Total Governmental Funds</u>
ASSETS			
Cash and investments	\$ 3,339,866	\$ 1,457,767	\$ 4,797,633
Receivables			
Property taxes	11,741,028	-	11,741,028
Interest	8,626	2,097	10,723
Accounts	896,641	-	896,641
Prepaid items	250,915	-	250,915
	<hr/>	<hr/>	<hr/>
TOTAL ASSETS	\$ 16,237,076	\$ 1,459,864	\$ 17,696,940
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 445,033	\$ 158,481	\$ 603,514
Accrued payroll	442,613	-	442,613
	<hr/>	<hr/>	<hr/>
Total liabilities	887,646	158,481	1,046,127
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue	12,701,524	-	12,701,524
	<hr/>	<hr/>	<hr/>
Total deferred inflows of resources	12,701,524	-	12,701,524
	<hr/>	<hr/>	<hr/>
Total liabilities and deferred inflows of resources	13,589,170	158,481	13,747,651
FUND BALANCES			
Nonspendable			
Prepaid items	250,915	-	250,915
Restricted			
Fire equipment	-	39,759	39,759
Assigned			
Subsequent year's budget	803,301	-	803,301
Capital projects	-	1,261,624	1,261,624
Unassigned	1,593,690	-	1,593,690
	<hr/>	<hr/>	<hr/>
Total fund balances	2,647,906	1,301,383	3,949,289
	<hr/>	<hr/>	<hr/>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 16,237,076	\$ 1,459,864	\$ 17,696,940

See accompanying notes to financial statements.

**FRANKFORT FIRE PROTECTION DISTRICT
FRANKFORT, ILLINOIS**

RECONCILIATION OF FUND BALANCES OF GOVERNMENTAL FUNDS TO
THE GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION

May 31, 2022

FUND BALANCES OF GOVERNMENTAL FUNDS		\$ 3,949,289
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds		12,509,513
Net pension asset for the Illinois Municipal Retirement Fund is not financial resource and is not reported in governmental funds		74,944
Net pension liability for the Firefighters' Pension Fund is shown as a liability on the statement of net position		(1,992,045)
Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable in governmental funds		30,000
Differences between expected and actual experiences, assumption changes, net differences between projected and actual earnings and contributions subsequent to the measurement date for the Illinois Municipal Retirement Fund are recognized as deferred outflows of resources on the statement of net position		(33,681)
Differences between expected and actual experiences, assumption changes, net differences between projected and actual earnings and contributions subsequent to the measurement date for the Firefighters' Pension Fund are recognized as deferred outflows of resources on the statement of net position		(4,365,342)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds. Also, governmental funds report the effect of premiums and discounts when the debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. Long-term liabilities at year end consist of:		
Notes payable	\$ 3,690,000	
Installment contract	1,254,883	
Compensated absences	428,036	
OPEB liability	5,642,891	
Accrued interest on long-term debt	43,204	(11,059,014)
NET POSITION (DEFICIT) OF GOVERNMENTAL ACTIVITIES		\$ (886,336)

See accompanying notes to financial statements.

**FRANKFORT FIRE PROTECTION DISTRICT
FRANKFORT, ILLINOIS**

**STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS**

For the Year Ended May 31, 2022

	<u>General</u>	<u>Nonmajor Governmental</u>	<u>Total Governmental Funds</u>
REVENUES			
Property taxes	\$ 12,266,460	\$ -	\$ 12,266,460
Personal property replacement taxes	95,132	-	95,132
Charges for services	2,152,312	-	2,152,312
Intergovernmental	281,876	83,206	365,082
Investment income	(106,411)	(22,160)	(128,571)
Miscellaneous	259	-	259
	<hr/>		
Total revenues	14,689,628	61,046	14,750,674
EXPENDITURES			
Current			
Administration	1,351,316	-	1,351,316
Operations	11,932,516	-	11,932,516
Support services	608,843	88,012	696,855
Capital outlay	-	272,240	272,240
Debt service			
Principal retirement	488,040	-	488,040
Interest and fiscal charges	136,904	-	136,904
	<hr/>		
Total expenditures	14,517,619	360,252	14,877,871
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	172,009	(299,206)	(127,197)
OTHER FINANCING SOURCES (USES)			
Transfers in	-	600,000	600,000
Transfers (out)	(600,000)	-	(600,000)
	<hr/>		
Total other financing sources (uses)	(600,000)	600,000	-
NET CHANGE IN FUND BALANCES	(427,991)	300,794	(127,197)
FUND BALANCES, JUNE 1	3,075,897	1,000,589	4,076,486
	<hr/>		
FUND BALANCES, MAY 31	\$ 2,647,906	\$ 1,301,383	\$ 3,949,289
	<hr/> <hr/>		

See accompanying notes to financial statements.

**FRANKFORT FIRE PROTECTION DISTRICT
FRANKFORT, ILLINOIS**

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES TO THE
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES

For the Year Ended May 31, 2022

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ (127,197)
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlay as expenditures; however, they are capitalized and depreciated in the statement of activities	247,766
Revenues recognized in the current year when measurable and available in the fund financial statements were previously recognized on the statement of activities	(5,000)
The change in the net pension asset, deferred inflows and deferred outflows for the Illinois Municipal Retirement Fund is reported only in the statement of activities	80,059
The change in the net pension liability, deferred inflows and deferred outflows for the Firefighters' Pension Fund is reported only in the statement of activities	1,062,650
Changes in the other postemployment benefit liability, deferred inflows and outflows of resources are reported only in the statement of activities	367,418
The repayment of the principal portion long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal outstanding or when incurred in the statement of activities Debt certificates	488,040
The change in accrued interest payable is shown as a decrease of expenses on the statement of activities	4,215
Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds Depreciation	(800,649)
Change in compensated absences payable	(42,561)

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 1,274,741</u>
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See accompanying notes to financial statements.

**FRANKFORT FIRE PROTECTION DISTRICT
FRANKFORT, ILLINOIS**

**STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS**

May 31, 2022

ASSETS	
Cash	\$ 280,583
Investments	
Held in the Illinois Firefighters' Pension Investment Fund	32,507,672
Prepaid items	<u>1,616</u>
Total assets	<u>32,789,871</u>
LIABILITIES	
Accounts payable	<u>4,120</u>
Total liabilities	<u>4,120</u>
NET POSITION RESTRICTED FOR PENSIONS	<u><u>\$ 32,785,751</u></u>

See accompanying notes to financial statements.

**FRANKFORT FIRE PROTECTION DISTRICT
FRANKFORT, ILLINOIS**

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS**

For the Year Ended May 31, 2022

ADDITIONS

Contributions

Employer contributions	\$ 1,699,417
Employee contributions	662,922
Other contributions	<u>6,500</u>

Total contributions 2,368,839

Investment income

Net appreciation (depreciation) in fair value of investments	(2,119,465)
Interest	<u>454,529</u>

Total investment income (1,664,936)
Less investment expense (74,677)

Net investment income (1,739,613)

Total additions 629,226

DEDUCTIONS

Benefits and refunds	469,387
Administrative expenses	<u>36,801</u>

Total deductions 506,188

NET INCREASE 123,038

NET POSITION RESTRICTED FOR PENSIONS

June 1	<u>32,662,713</u>
May 31	<u><u>\$ 32,785,751</u></u>

See accompanying notes to financial statements.

**FRANKFORT FIRE PROTECTION DISTRICT
FRANKFORT, ILLINOIS**

NOTES TO FINANCIAL STATEMENTS

May 31, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Frankfort Fire Protection District, Frankfort Illinois (the District) are in accordance with accounting principles generally accepted in the United States of America as established by the Governmental Accounting Standards Board (GASB). GASB is the accepted standard-setting body for establishing governmental accounting and reporting principles. The following is a summary of the significant accounting policies of the District.

a. Reporting Entity

The District provides fire, rescue, emergency medical services and general administrative services.

As required by the accounting principles generally accepted in the United States of America (GAAP), these financial statements present the District and any component units, entities for which the District is considered to be financially accountable. At May 31, 2021, there is one fiduciary component unit that is required to be included in the financial statements of the District as a pension trust fund. The District is not considered a component unit of any other governmental entity.

Firefighters' Pension Employees Retirement System

The District's firefighters participate in the Firefighters' Pension Employees Retirement System (FPERS). FPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the District's President, one elected pension beneficiary and two elected firefighters' employees constitute the pension board. The District and FPERS participants are obligated to fund all FPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the District is authorized to approve the actuarial assumptions used in the determination of contribution levels. Accordingly, the FPERS is fiscally dependent on the District.

b. Fund Accounting

The District uses funds to report on its financial position and the changes in its financial position. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts. Funds are classified into the following categories: governmental and fiduciary.

FRANKFORT FIRE PROTECTION DISTRICT
FRANKFORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Fund Accounting (Continued)

Governmental funds are used to account for all or most of the District's general activities, including the collection and disbursement of restricted monies (special revenue funds), the funds restricted, committed or assigned for the acquisition or construction of capital assets (capital projects funds) and the funds restricted, committed or assigned for the servicing of long-term debt (debt service funds). The General (Corporate) Fund is used to account for all activities of the government not accounted for in some other fund.

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments. When these assets are held under the terms of a formal trust agreement, a pension trust fund is used.

c. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the District. The effect of material interfund activity has been eliminated from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, if any, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function, segment or program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues 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 shared revenues that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for the governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

The District reports the following major governmental funds:

The General Fund is the District's primary operating fund. It is comprised of two subfunds: The Corporate Fund and the Ambulance Fund. The Corporate Fund accounts for the direct costs of fire suppression and an allocation of administration costs. The Ambulance Fund accounts for the direct costs of emergency medical services and an allocation of administration costs.

FRANKFORT FIRE PROTECTION DISTRICT
FRANKFORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Government-Wide and Fund Financial Statements (Continued)

Additionally, the District reports the Firefighters' Pension Fund as a fiduciary component unit to account for the activities of the Firefighters' Pension Fund.

d. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements and the fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues and additions are recorded when earned and expenses and deductions are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied (i.e., intended to finance). Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period (generally 60 days). The District recognizes property taxes when they become both measurable and available (collected) in the year intended to finance. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as expenditures become due.

Those revenues susceptible to accrual are charges for services and interest on investments.

The District reports unearned revenue and deferred/unavailable revenue on its financial statements. Deferred/unavailable revenues arise when a potential revenue does not meet both the measurable and available criteria for recognition in the current period, under the modified accrual basis of accounting. Unearned revenue arises when a revenue is measurable but not earned under the accrual basis of accounting. Unearned revenues also arise when resources are received by the District before it has a legal claim to them or prior to the provision of services, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the District has a legal claim to the resources, the liability and deferred inflows of resource for unearned and deferred/unavailable revenue are removed from the financial statements and revenue is recognized.

FRANKFORT FIRE PROTECTION DISTRICT
FRANKFORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

e. Deposits and Investments

Investments with a maturity of less than one year when purchased, non-negotiable certificates of deposit and other nonparticipating investments are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased and all investments of the pension trust fund are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Investment income has been allocated to each fund based on investments held by the fund.

f. Receivables and Payables

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e., the current portion of the interfund loans) or “advances to/from other funds” (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds.”

g. Prepaid Expenses/Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenses/items, if any, using the consumption method.

h. Capital Assets

Capital assets are recorded as expenditures at the time of purchase. Capital assets, which include property, plant, equipment and infrastructure assets (e.g., parking lots and similar items), are reported in the applicable governmental columns in the government-wide financial statements. Capital assets, except infrastructure assets, are defined by the District as assets with an initial, individual cost in excess of \$5,000 and an estimated useful life in excess of three years. Infrastructure assets are defined by the District as assets with an initial, individual cost in excess of \$250,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value or service capacity of the asset or materially extend asset lives are not capitalized.

FRANKFORT FIRE PROTECTION DISTRICT
FRANKFORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

h. Capital Assets (Continued)

Major outlays for capital assets and improvements are capitalized as projects are constructed. Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	20-50
Equipment and vehicles	5-10

i. Compensated Absences

It is the District's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. In the fund financial statements, compensated absences are reported as a fund liability for amounts owed to terminated or retired employees. Accumulated unused vacation is recorded in the government-wide financial statements as an expense and liability of those funds as the benefits accrue to employees. Accumulated unused sick leave is recorded in the government-wide financial statements as an expense as the benefits accrue to employees with a minimum of 20 years of service at 30% of their hourly rate (25% for nonsworn personnel). The General Fund has been used in prior years to liquidate the liability for compensated absences.

j. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond and note premiums and discounts are deferred and amortized over the life of the related debt using the effective interest method. Bonds and notes payable are reported net of the applicable bond premium or discount.

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

FRANKFORT FIRE PROTECTION DISTRICT
FRANKFORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

l. Fund Balance/Net Position

In the fund financial statements, governmental funds report nonspendable fund balance for amounts that are either not in spendable form or are legally or contractually required to be maintained intact.

Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for a specific purpose, or externally imposed by outside entities. None of the restricted fund balance resulted from enabling legislation adopted by the District. Committed fund balance is constrained by formal actions of the District's Board of Trustees, which is considered the District's highest level of decision-making authority. Formal actions include ordinances approved by the Board of Trustees. Assigned fund balance represents amounts constrained by the District's intent to use them for a specific purpose. The authority to assign fund balance has been delegated to the District's Fire Chief pursuant to the District's Fund Balance Policy. Any residual fund balance of the General Fund and any deficit fund balances in other governmental funds are reported as unassigned.

The District's flow of funds assumption prescribes that the funds with the highest level of constraint are expended first. If restricted or unrestricted funds are available for spending, the restricted funds are spent first. Additionally, if different levels of unrestricted funds are available for spending, the District considers committed funds to be expended first followed by assigned and then unassigned funds.

In the government-wide financial statements, restricted net positions are legally restricted by outside parties for a specific purpose. Net investment in capital assets, is the book value of capital assets less any outstanding debt that was issued to construct the capital assets.

FRANKFORT FIRE PROTECTION DISTRICT
FRANKFORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

m. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

n. Postponement of Implementation of Certain Authoritative Guidance

In accordance with the provisions of GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*, the District has delayed the implementation of GASB Statement No. 87, *Leases*, to May 31, 2023.

2. RECEIVABLE - TAXES

Property taxes for 2021 attach as an enforceable lien on January 1, 2021, 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 issued on or about May 1, 2022, and are payable in two installments, on or about June 1, 2022 and September 1, 2022. The County collects such taxes and remits them periodically. Because the 2021 levy is intended to finance the fiscal year ending May 31, 2023, it has been offset by deferred/unavailable revenue at May 31, 2022. The 2022 tax levy, which attached as an enforceable lien on property as of January 1, 2022, has not been recorded as a receivable as of May 31, 2022, as the tax has not yet been levied by the District and will not be levied until December 2022 and, therefore, the levy is not measurable at May 31, 2022.

3. DEPOSITS AND INVESTMENTS

a. District Investments

The District and Firefighters' Pension Fund categorize the fair value measurements within the fair value hierarchy established by GAAP. 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; and Level 3 inputs are significant unobservable inputs.

FRANKFORT FIRE PROTECTION DISTRICT
FRANKFORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

3. DEPOSITS AND INVESTMENTS (Continued)

a. District Investments (Continued)

The District's investment policy authorizes the District to invest in all investments allowed by Illinois Compiled Statutes (ILCS). These include deposits/investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States Government or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services and The Illinois Funds (created by the Illinois State Legislature under the control of the State Comptroller that maintains a \$1 per share value which is equal to the participants fair value).

The District's investment policy does limit their deposits to financial institutions that are members of the FDIC system and are capable of posting collateral for amounts in excess of FDIC insurance. Additionally, the District will not invest in any institution in which the District's funds on deposit are in excess of 75% of the institution's capital stock and surplus.

It is the policy of the District to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the District and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objectives of the policy are, in order of priority, safety of principal, liquidity and rate of return.

The District maintains a cash and investment pool that is available for use by all funds, except the pension trust fund. In addition, investments are separately held by several of the District's funds. The deposits and investments of the pension trust funds are held separately from those of other funds.

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the District's deposits may not be returned to it. The District's investment policy requires pledging of collateral held by the custodial bank in the District's name for all bank balances in excess of federal depository insurance with the collateral held by an independent third party acting as the District's agent or in a single institution collateral pool. At May 31, 2022, \$69,763 of District deposits were uninsured and uncollateralized.

FRANKFORT FIRE PROTECTION DISTRICT
FRANKFORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

3. DEPOSITS AND INVESTMENTS (Continued)

a. District Investments (Continued)

Deposits with Financial Institutions (Continued)

The following table presents the investments and maturities of the District's debt securities as of May 31, 2022:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
Negotiable certificates of deposit	\$ 1,583,843	\$ 50,587	\$ 1,533,256	\$ -	\$ -
U.S. Treasury securities	170,457	104,557	65,900	-	-
Municipal bonds	349,962	24,991	324,971	-	-
U.S. agency obligations	618,037	99,563	457,322	61,152	-
TOTAL	\$ 2,722,299	\$ 279,698	\$ 2,381,449	\$ 61,152	\$ -

The District has the following recurring fair value measurements as of May 31, 2022: the U.S. agency obligations, U.S. Treasury obligations, municipal bonds and negotiable certificates of deposit are valued using quoted matrix pricing models (Level 2 inputs).

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the District limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for short and long-term cash flow needs while providing a reasonable rate of return based on the current market.

The District limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in securities issued by the United States Government, and requiring that municipal bonds must be rated as investment grade by one of the two largest rating services at the time of purchase. The Illinois Funds are rated AAA. The U.S. agency securities are rated between AA+ to not rated by Standard and Poor's. The municipal bonds are rated between AAA to not rated by Standard and Poor's. The negotiable certificates of deposit are not rated.

The Illinois Public Treasurers' Investment Pool, known as The Illinois Funds, operates as a qualified external investment pool in accordance with the criteria established in GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, and thus, reports all investments at amortized cost rather than market value. The investment in The Illinois Funds by participants is also reported at amortized cost. The Illinois Funds does not have any limitations or restrictions on participant withdrawals. The Illinois Treasurer's Office issues a separate financial report for The Illinois Funds which may be obtained by contacting the Administrative Office at Illinois Business Center, 400 West Monroe Street, Suite 401, Springfield, Illinois 62704.

FRANKFORT FIRE PROTECTION DISTRICT
FRANKFORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

3. DEPOSITS AND INVESTMENTS (Continued)

a. District Investments (Continued)

Deposits with Financial Institutions (Continued)

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the District will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the District's investment policy requires all investments be held by an agent of the District in the District's name. The Illinois Funds is not subject to custodial credit risk.

Concentration of credit risk is the risk that the District has a high percentage of their investments invested in one type of investment. The District's investment policy requires diversification of the District's investment portfolio to meet specified investment goals but does not set specific ranges.

4. CAPITAL ASSETS

Capital asset activity for the year ended May 31, 2022 was as follows:

	Balances June 1	Increases	Decreases	Balances May 31
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 1,312,752	\$ -	\$ -	\$ 1,312,752
Total capital assets not being depreciated	1,312,752	-	-	1,312,752
Capital assets being depreciated				
Buildings	12,601,942	182,561	-	12,784,503
Vehicles	6,690,177	28,105	-	6,718,282
Equipment	1,588,290	37,100	-	1,625,390
Total capital assets being depreciated	20,880,409	247,766	-	21,128,175
Less accumulated depreciation for				
Buildings	4,508,714	295,963	-	4,804,677
Vehicles	3,690,917	404,488	-	4,095,405
Equipment	931,134	100,198	-	1,031,332
Total accumulated depreciation	9,130,765	800,649	-	9,931,414
Total capital assets being depreciated, net	11,749,644	(552,883)	-	11,196,761
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET	\$ 13,062,396	\$ (552,883)	\$ -	\$ 12,509,513

FRANKFORT FIRE PROTECTION DISTRICT
FRANKFORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. CAPITAL ASSETS (Continued)

Depreciation expense was charged to functions of the primary government as follows:

GOVERNMENTAL ACTIVITIES	
Administration	\$ 23,320
Operations	42,129
Support services	<u>735,200</u>
TOTAL	<u>\$ 800,649</u>

5. LONG-TERM DEBT

a. Notes Payable (Direct Placement)

The District issued \$4,660,000 Refunding Fire Protection Notes (direct placement), Series 2015, dated December 1, 2015, to partially refund the Series 2007 Fire Protection Notes. Principal is due annually each December 30 through December 30, 2030. Interest is payable semiannually each June 30 and December 30 at 2.81%.

b. Installment Contract (Direct Placement)

The District entered into a \$1,382,923 equipment installment contract (direct placement), dated December 29, 2020, to provide funds for the acquisition of capital assets. Principal is due annually each December 29 through December 29, 2030. Interest is payable annually each December 29 at 1.70%.

c. Changes in Long-Term Debt

The following is a summary of changes in long-term debt for the year ended May 31, 2022:

	Balances June 1	Additions	Reductions/ Refunding	Balances May 31	Current Portion	Long-Term Portion
GOVERNMENTAL ACTIVITIES						
Notes payable						
2015 notes (direct placement)	\$ 4,050,000	\$ -	\$ 360,000	\$ 3,690,000	\$ 365,000	\$ 3,325,000
Installment contract (direct placement)	1,382,923	-	128,040	1,254,883	130,216	1,124,667
Compensated absences payable*	385,475	81,109	38,548	428,036	42,804	385,232
Net pension liability - Fire	74,367	1,917,678	-	1,992,045	-	1,992,045
OPEB liability*	<u>6,010,309</u>	<u>-</u>	<u>367,418</u>	<u>5,642,891</u>	<u>32,668</u>	<u>5,610,223</u>
TOTAL GOVERNMENTAL ACTIVITIES	<u>\$ 11,903,074</u>	<u>\$ 1,998,787</u>	<u>\$ 894,006</u>	<u>\$ 13,007,855</u>	<u>\$ 570,688</u>	<u>\$ 12,437,167</u>

*Compensated absences payable, the net pension liability and the OPEB liability have historically been retired by the General Fund.

FRANKFORT FIRE PROTECTION DISTRICT
FRANKFORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

d. Debt Service Requirements to Maturity

The annual debt service requirements to amortize the governmental activities outstanding debt as of May 31, 2022 are as follows:

Fiscal Year Ending May 31,	Notes Payable (Direct Placement)	
	Principal	Interest
2023	\$ 365,000	\$ 103,689
2024	380,000	93,433
2025	385,000	82,754
2026	400,000	71,936
2027	410,000	60,696
2028	420,000	49,175
2029	430,000	37,373
2030	445,000	25,290
2031	455,000	12,786
TOTAL PRINCIPAL AND INTEREST	\$ 3,690,000	\$ 537,132

Fiscal Year Ending May 31,	Installment Contract (Direct Placement)	
	Principal	Interest
2023	\$ 130,216	\$ 21,333
2024	132,430	19,119
2025	134,681	16,868
2026	136,971	14,578
2027	139,300	12,250
2028	141,668	9,882
2029	144,076	7,474
2030	146,525	5,024
2031	149,016	2,533
TOTAL PRINCIPAL AND INTEREST	\$ 1,254,883	\$ 109,061

FRANKFORT FIRE PROTECTION DISTRICT
FRANKFORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. OTHER POSTEMPLOYMENT BENEFITS

a. Plan Description

In addition to providing the pension benefits described in the following note, the District provides other postemployment health care benefits (OPEB) for retired employees through a single-employer defined benefit plan. The benefits, benefit levels, employee contributions and employer contributions are governed by the District and can be amended by the District through its personnel manual and union contract. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The plan does not issue a separate report. The activity of the plan is reported in the District’s governmental activities. The General Fund has been used in prior years to liquidate the liability for the plan.

b. Benefits Provided

The District provides other postemployment health care and life insurance benefits to its retirees. To be eligible for benefits, an employee must qualify for retirement under one of the District’s two retirement plans. A retired employee who wishes to continue coverage shall bear 100% of the premium rate currently in effect for active employees for this coverage. Upon a retiree reaching age 65 years of age, Medicare becomes the primary insurer and the District’s plan becomes secondary.

For certain disabled employees who qualify for health insurance benefits under the Public Safety Employee Benefits Act (PSEBA), the District is required to pay 100% of the cost of basic health insurance for the employee and their dependents for their lifetime.

c. Membership

At May 31, 2021 (most recent data available), membership consisted of:

Inactive employees or beneficiaries currently receiving benefit payments	2
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	<u>70</u>
TOTAL	<u>72</u>

d. Total OPEB Liability

The District’s total OPEB liability of \$5,642,891 was measured as of May 31, 2022 and was determined by an actuarial valuation as of June 1, 2021.

FRANKFORT FIRE PROTECTION DISTRICT
FRANKFORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. OTHER POSTEMPLOYMENT BENEFITS (Continued)

e. Actuarial Assumptions and Other Inputs

The total OPEB liability at May 31, 2022, as determined by an actuarial valuation as of June 1, 2021 actuarial valuation, was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified. The total OPEB liability was rolled forward by the actuary using updated procedures to May 31, 2022, including updating the discount rate at May 31, 2022, as noted below

Actuarial cost method	Entry-age
Actuarial value of assets	N/A
Inflation	2.25%
Salary increases	3.50%
Discount rate	3.16%
Healthcare cost trend rates	7.70% Initial 5.00% Ultimate

The discount rate was based on the Bond Buyer 20-Bond G.O. Index, which is based on an average of certain general obligation municipal bonds maturing in 20 years and having an average rating equivalent of Moody's Aa2 and Standard & Poor's AA.

f. Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
BALANCES AT JUNE 1, 2021	<u>\$ 6,010,309</u>
Changes for the period	
Service cost	279,183
Interest	131,868
Changes of benefit terms	-
Differences between actual and expected experience	-
Assumption changes	(745,801)
Benefit payments	<u>(32,668)</u>
Net changes	<u>(367,418)</u>
BALANCES AT MAY 31, 2022	<u>\$ 5,642,891</u>

Changes in assumptions related to the discount rate, mortality rates, retirement rates, termination rates and disability rates were made since the previous measurement date.

FRANKFORT FIRE PROTECTION DISTRICT
FRANKFORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. OTHER POSTEMPLOYMENT BENEFITS (Continued)

g. Rate Sensitivity

The following is a sensitivity analysis of the total OPEB liability to changes in the discount rate and the healthcare cost trend rate. The table below presents the total OPEB liability of the District calculated using the discount rate of 3.16% as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.16%) or 1 percentage point higher (4.16%) than the current rate:

	1% Decrease (2.16%)	Current Discount Rate (3.16%)	1% Increase (4.16%)
Total OPEB liability	\$ 6,442,497	\$ 5,642,891	\$ 4,960,796

The table below presents the total OPEB liability of the District calculated using the healthcare rate of 5.00%-7.70% as well as what the District's total OPEB liability would be if it were calculated using a healthcare rate that is 1 percentage point lower (4.00%-6.70%) or 1 percentage point higher (6.00%-8.70%) than the current rate:

	1% Decrease (4.00%-6.70%)	Current Healthcare Rate (5.00%-7.70%)	1% Increase (6.00%-8.70%)
Total OPEB liability	\$ 4,791,909	\$ 5,642,891	\$ 6,661,144

h. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended May 31, 2022, the District recognized OPEB expense (income) of \$(367,418).

7. EMPLOYEE RETIREMENT SYSTEMS

The District contributes to two defined benefit pension plans: the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement system and the Firefighters' Pension Plan, which is a single-employer pension plan (collectively called the pension plans). The benefits, benefit levels, employee contributions and employer contributions for all plans are governed by ILCS and can only be amended by the Illinois General Assembly. The Firefighters' Pension Plan does not issue a separate report.

FRANKFORT FIRE PROTECTION DISTRICT
FRANKFORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. EMPLOYEE RETIREMENT SYSTEMS (Continued)

However, IMRF does issue a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. That report can be obtained from IMRF, 2211 York Road, Suite 500, Oak Brook, Illinois 60523 or at www.imrf.org.

The table below is a summary for all pension plans as of and for the year ended May 31, 2022:

	IMRF	Firefighters' Pension	Total
Net pension liability (asset)	\$ (74,944)	\$ 1,992,045	\$ 1,917,101
Deferred outflows of resources	170,626	8,465,933	8,636,559
Deferred inflows of resources	204,307	12,831,275	13,035,582
Pension expense (income)	(51,065)	636,767	585,702

a. Plan Descriptions

Illinois Municipal Retirement Fund

Plan Administration

All employees (other than those covered by the Firefighters' Pension Plan) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members.

The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

Plan Membership

At December 31, 2021 (plan measurement date), IMRF membership consisted of:

Inactive employees or their beneficiaries	
currently receiving benefits	2
Inactive employees entitled to but not yet receiving benefits	1
Active employees	4
	<hr/>
TOTAL	<u>7</u>

FRANKFORT FIRE PROTECTION DISTRICT
FRANKFORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Benefits Provided

All employees (other than those covered by the Firefighters' Pension Plan) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

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 members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute. Participating members are required to contribute 4.50% of their annual salary to IMRF. The District is required to contribute the remaining amounts necessary to fund IMRF as specified by statute.

Contributions

Participating members are required to contribute 4.50% of their annual salary to IMRF. The District is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The required employer contribution rate for the fiscal year ending May 31, 2022 is 9.22% of covered payroll.

Actuarial Assumptions

The District's net pension liability (asset) was measured as of December 31, 2021 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of the same date using the actuarial methods and assumptions listed below.

FRANKFORT FIRE PROTECTION DISTRICT
FRANKFORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Actuarial Assumptions (Continued)

Actuarial valuation date	December 31, 2021
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.25%
Salary increases	2.85% to 13.75%
Interest rate	7.25%
Cost of living adjustments	3.25%
Asset valuation method	Fair value

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

Discount Rate

The discount rate used to measure the total pension liability at December 31, 2021 was 7.25%. 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 the District contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the IMRF's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. The discount rate was unchanged from the prior measurement period.

FRANKFORT FIRE PROTECTION DISTRICT
FRANKFORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Changes in the Net Pension Liability (Asset)

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability (Asset)
BALANCES AT JANUARY 1, 2021	\$ 1,285,287	\$ 1,302,467	\$ (17,180)
Changes for the period			
Service cost	31,182	-	31,182
Interest	92,315	-	92,315
Difference between expected and actual experience	130,691	-	130,691
Changes in assumptions	-	-	-
Employer contributions	-	31,918	(31,918)
Employee contributions	-	13,743	(13,743)
Net investment income	-	226,962	(226,962)
Benefit payments and refunds	(55,131)	(55,131)	-
Other (net transfer)	-	39,329	(39,329)
Net changes	199,057	256,821	(57,764)
BALANCES AT DECEMBER 31, 2021	\$ 1,484,344	\$ 1,559,288	\$ (74,944)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended May 31, 2022, the District recognized pension expense (income) of \$(51,065).

FRANKFORT FIRE PROTECTION DISTRICT
FRANKFORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources (Continued)

At December 31, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 142,777	\$ 10,952
Changes in assumption	17,520	15,358
Net difference between projected and actual earnings on pension plan investments	-	177,997
Contributions made subsequent to the measurement date	10,329	-
	<u>10,329</u>	<u>-</u>
TOTAL	<u><u>\$ 170,626</u></u>	<u><u>\$ 204,307</u></u>

\$10,329 reported as deferred outflows of resources related to pensions resulting from district contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending May 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to IMRF will be recognized in pension expense as follows:

Fiscal Year Ending May 31,	
2023	\$ (10,568)
2024	(36,577)
2025	(12,970)
2026	4,249
2027	11,856
Thereafter	<u>-</u>
TOTAL	<u><u>\$ (44,010)</u></u>

FRANKFORT FIRE PROTECTION DISTRICT
FRANKFORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability (asset) to changes in the discount rate. The table below presents the net pension liability (asset) of the District calculated using the discount rate of 7.25% as well as what the District's net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (6.25%) or 1 percentage point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net pension liability (asset)	\$ 99,360	\$ (74,944)	\$ (214,801)

Firefighters' Pension Plan

The District contributes to the Firefighters' Pension Plan, which is a single-employer pension plan. The benefits, benefit levels, employee contributions and employer contributions for all plans are governed by ILCS and can only be amended by the Illinois General Assembly. The Firefighters' Pension Fund does not issue separate financial statements.

Plan Administration

Fire sworn personnel are covered by the Firefighters' Pension Plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/4-1) and may be amended only by the Illinois Legislature. The District accounts for the plan as a pension trust fund.

The plan is governed by a five-member Board of Trustees. Two members of the Board of Trustees are appointed by the Board President, one member is elected by pension beneficiaries and two members are elected by active firefighters.

FRANKFORT FIRE PROTECTION DISTRICT
FRANKFORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Plan Administration (Continued)

At May 31, 2022, membership consisted of:

Inactive plan members currently receiving benefits	9
Inactive plan members entitled to but not yet receiving benefits	2
Active plan members	<u>65</u>
 TOTAL	 <u><u>76</u></u>

Benefits Provided

The Firefighters' Pension Plan provides retirement benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held at the date of retirement.

The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension, and 3% compounded annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the greater of the average monthly salary obtaining by dividing the total salary during the 48 consecutive months of service within the last 60 months in which the total salary was the highest by the number of months in that period; or the average monthly salary obtained by dividing the total salary of the firefighter during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period.

FRANKFORT FIRE PROTECTION DISTRICT
FRANKFORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Benefits Provided (Continued)

Firefighters' salary for pension purposes is capped at \$106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., ½% for each month under 55). The monthly benefit of a Tier 2 firefighter shall be increased annually at age 60 on the January 1st after the firefighter retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3% or ½ of the change in the Consumer Price Index for the proceeding calendar year.

Contributions

Covered employees are required to contribute 9.455% of their base salary to the Firefighters' Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. Benefits and refunds are recognized when due and payable in accordance with the terms of the Firefighters' Pension Plan. The District is required to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. Effective January 1, 2011, the District has until the year 2040 to fund 90% of the past services costs for the Firefighters' Pension Plan. The District's policy is to calculate the actuarially determined contribution using entry age normal costing method, amortizing 100% of the actuarial accrued liability by 2040 while funding 90% of the actuarial determined contribution. For the year ended May 31, 2022, the District's contribution was 24.25% of covered payroll.

Illinois Firefighters' Pension Investment Fund

The Illinois Firefighters' Pension Investment Fund (IFPIF) is an investment trust fund responsible for the consolidation and fiduciary management of the pension assets of Illinois suburban and downstate firefighter pension funds. IFPIF was created by Public Act 101-0610, and codified within the Illinois Pension Code, becoming effective January 1, 2020, to streamline investments and eliminate unnecessary and redundant administrative costs, thereby ensuring assets are available to fund pension benefits for the beneficiaries of the participating pension funds. Participation in IFPIF by Illinois suburban and downstate firefighter pension funds is mandatory.

FRANKFORT FIRE PROTECTION DISTRICT
FRANKFORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank failure, the Firefighters' Pension Fund's deposits may not be returned to it.

The Firefighters' Pension Fund's investment policy does not require pledging of collateral for its deposits in excess of federal depository insurance. However, all deposits at May 31, 2022 are covered by federal depository insurance.

Investments

Investments of the Plan are combined in a commingled external investment pool and held by IFPIF. A schedule of investment expenses is included in IFPIF's annual report. For additional information on IFPIF's investments, please refer to their annual report as of June 30, 2021. A copy of that report can be obtained from IFPIF at 1919 South Highland Avenue, Building A, Suite 237, Lombard, IL 60148 or at www.ifpif.org.

Fair Value Measurement

The Plan categorizes fair value measurements within the fair value hierarchy established by GAAP. 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; and Level 3 inputs are significant unobservable inputs. The Plan held no investments subject to fair value measurement at May 31, 2022.

Net Asset Value

The net asset value (NAV) of the Plan's pooled investment in IFPIF was \$32,507,672 at May 31, 2022. The pooled investments consist of the investments as noted in the target allocation table available at www.ifpif.org. Investments in IFPIF are valued at IFPIF's share price, which is the price the investment could be sold. There are no unfunded commitments at May 31, 2022. The Plan may redeem shares by giving notice by 5:00 pm central time on the 1st of each month. Requests properly submitted on or before the 1st of each month will be processed for redemption by the 14th of the month. Expedited redemptions may be processed at the sole discretion of IFPIF.

FRANKFORT FIRE PROTECTION DISTRICT
FRANKFORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Investment Policy

IFPIF's current investment policy was adopted by the Board of Trustees on June 17, 2022. IFPIF is authorized to invest in all investments allowed by Illinois Compiled Statutes (ILCS). The IFPIF shall not be subject to any of the limitations applicable to investments of pension fund assets currently held by the transferor pension funds under Sections 1-113.1 through 1-113.12 or Article 4 of the Illinois Pension Code.

Rate of Return

For the year ended May 31, 2022, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was (7.85%). The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT JUNE 1, 2021	\$ 32,737,080	\$ 32,662,713	\$ 74,367
Changes for the period			
Service cost	1,923,542	-	1,923,542
Interest	2,072,760	-	2,072,760
Difference between expected and actual experience	(1,486,199)	-	(1,486,199)
Changes in assumptions	-	-	-
Employer contributions	-	1,699,417	(1,699,417)
Employee contributions	-	662,922	(662,922)
Other contributions	-	6,500	(6,500)
Net investment income	-	(1,739,613)	1,739,613
Benefit payments and refunds	(469,387)	(469,387)	-
Administrative expense	-	(36,801)	36,801
Net changes	2,040,716	123,038	1,917,678
BALANCES AT MAY 31, 2022	\$ 34,777,796	\$ 32,785,751	\$ 1,992,045

FRANKFORT FIRE PROTECTION DISTRICT
FRANKFORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Changes in the Net Pension Liability (Continued)

The funded status of the plan as of May 31, 2022 is 94.27%.

Actuarial Assumptions

The total pension liability above was determined by an actuarial valuation performed as of June 1, 2022 using the following actuarial methods and assumptions.

Actuarial valuation date	June 1, 2022
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.25%
Salary increases	3.50% to 9.39%
Interest rate	6.75%
Cost of living adjustments	3.00% (Tier 1) 2.00% (Tier 2)
Asset valuation method	Fair value

Active mortality follows the Sex Distinct Raw Rates as developed in the PubS-2010(A) Study. These rates are improved generationally using MP-2019 improvement rates.

Discount Rate

The discount rate used to measure the total pension liability at May 31, 2022 is 6.75%. 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 the District contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate.

FRANKFORT FIRE PROTECTION DISTRICT
FRANKFORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Fund (Continued)

Discount Rate (Continued)

Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability (asset) to changes in the discount rate. The table below presents the pension liability (asset) of the Firefighters' Pension Plan calculated using the discount rate of 6.75% as well as what the District's net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (5.75%) or 1 percentage point higher (7.75%) than the current rate:

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Net pension liability (asset)	\$ 8,882,107	\$ 1,992,045	\$ (3,488,621)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended May 31, 2022, the District recognized pension expense of \$636,767.

At May 31, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to the firefighters' pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 1,087,600	\$ 3,892,992
Changes in assumptions	6,772,118	8,938,283
Net difference between projected and actual earnings on pension plan investments	606,215	-
TOTAL	\$ 8,465,933	\$ 12,831,275

FRANKFORT FIRE PROTECTION DISTRICT
FRANKFORT, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Fund (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources (Continued)

Changes in the net pension liability related to the difference in actual and expected experience, or changes in assumptions regarding future events, are recognized in pension expense over the expected remaining service life of all employees (active and retired) in the plan. Differences in projected and actual earnings over the measurement period are recognized over a five-year period.

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the firefighters' pension will be recognized in pension expense as follows:

Fiscal Year Ending May 31,	
2023	\$ (399,301)
2024	(610,542)
2025	(530,941)
2026	352,919
2027	(448,520)
Thereafter	<u>(2,728,957)</u>
TOTAL	<u>\$ (4,365,342)</u>

8. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; employee health insurance and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage in the current fiscal year or the two prior fiscal years.

REQUIRED SUPPLEMENTARY INFORMATION

**FRANKFORT FIRE PROTECTION DISTRICT
FRANKFORT, ILLINOIS**

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended May 31, 2022

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Property taxes	\$ 12,226,213	\$ 12,226,213	\$ 12,266,460	\$ 40,247
Personal property replacement taxes	15,000	15,000	95,132	80,132
Charges for services	2,154,800	2,154,800	2,152,312	(2,488)
Intergovernmental	37,846	37,846	281,876	244,030
Investment income	30,000	29,200	(106,411)	(135,611)
Miscellaneous	5,002	5,002	259	(4,743)
Total revenues	<u>14,468,861</u>	<u>14,468,061</u>	<u>14,689,628</u>	<u>221,567</u>
EXPENDITURES				
Current				
Administration				
Personnel services	901,610	937,840	884,048	(53,792)
Contractual services	255,852	273,301	261,214	(12,087)
Commodities	233,430	250,930	206,054	(44,876)
Operations				
Personnel services	10,688,117	11,181,965	11,078,331	(103,634)
Contractual services	641,733	682,983	618,495	(64,488)
Commodities	240,260	252,460	235,690	(16,770)
Support services				
Personnel services	195,207	181,330	199,809	18,479
Commodities	374,650	438,825	409,034	(29,791)
Debt service				
Principal	495,000	519,750	488,040	(31,710)
Interest	150,000	157,500	136,904	(20,596)
Total expenditures	<u>14,175,859</u>	<u>14,876,884</u>	<u>14,517,619</u>	<u>(359,265)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>293,002</u>	<u>(408,823)</u>	<u>172,009</u>	<u>580,832</u>
OTHER FINANCING SOURCES (USES)				
Transfers (out)	<u>(630,000)</u>	<u>(630,000)</u>	<u>(600,000)</u>	<u>30,000</u>
Total other financing sources (uses)	<u>(630,000)</u>	<u>(630,000)</u>	<u>(600,000)</u>	<u>30,000</u>
NET CHANGE IN FUND BALANCE	<u>\$ (336,998)</u>	<u>\$ (1,038,823)</u>	<u>(427,991)</u>	<u>\$ 610,832</u>
FUND BALANCE, JUNE 1			<u>3,075,897</u>	
FUND BALANCE, MAY 31			<u>\$ 2,647,906</u>	

(See independent auditor's report.)

**FRANKFORT FIRE PROTECTION DISTRICT
FRANKFORT, ILLINOIS**

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

May 31, 2022

1. APPROPRIATIONS

Appropriated amounts used for comparison in this report are obtained from the Annual Budget and Appropriation Ordinance for the District. The appropriated amounts included in the financial statements are the final adopted appropriations, including all amendments. Appropriations are adopted on a modified accrual basis, which is consistent with GAAP. Total fund expenditures may not legally exceed the budgeted amounts at the fund level. Appropriations lapse at year end.

2. BUDGETARY PROCEDURES

The District has a fiscal year beginning June 1. Prior to August 1, the Fire Chief submits to the Board of Trustees a proposed operating budget for the fiscal year commencing the prior June 1. The operating budget includes proposed expenditures and the means of financing them. The budget document is available for public inspection for at least 30 days prior to the Board of Trustees public hearing and the passage of the annual budget and appropriation ordinance. The appropriation ordinance is adopted prior to August 31 of each year. The Fire Chief is authorized to transfer amounts between departments within any fund; however, the Board of Trustees must approve any revisions that alter the total expenditures of any fund. During the year, there was one amendment to the budget and appropriation.

3. EXCESS OF ACTUAL EXPENDITURES OVER BUDGET AND APPROPRIATION IN INDIVIDUAL FUNDS

The following table presents the total expenditures/expenses, appropriation and final budgeted amounts for each budgeted fund in total for any funds with expenditures in excess of either the budgeted or appropriated amount:

Fund	Final Appropriation	Final Budget	Actual
Foreign Fire Insurance	\$ 57,750	\$ 55,000	\$ 88,012

**FRANKFORT FIRE PROTECTION DISTRICT
FRANKFORT, ILLINOIS**

**SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND**

Last Seven Fiscal Years

FISCAL YEAR ENDED MAY 31,	2016	2017	2018	2019	2020	2021	2022
Actuarially determined contribution	\$ 34,139	\$ 37,491	\$ 41,924	\$ 41,550	\$ 25,045	\$ 27,892	\$ 28,994
Contribution in relation to the actuarially determined contribution	34,139	37,491	41,924	41,550	25,045	27,892	28,994
CONTRIBUTION DEFICIENCY (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 296,632	\$ 311,181	\$ 338,011	\$ 287,513	\$ 241,576	\$ 283,010	\$ 314,634
Contributions as a percentage of covered payroll	11.51%	12.05%	12.40%	14.45%	10.37%	9.86%	9.22%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of January 1 of the prior calendar year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 22 years; the asset valuation method was five-year smoothed market; and the significant actuarial assumptions were an investment rate of 7.25% annually, projected salary increases assumption of 3.35% to 14.25% compounded annually and postretirement benefit increases of 3.25% compounded annually.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

**FRANKFORT FIRE PROTECTION DISTRICT
FRANKFORT, ILLINOIS**

SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS
ILLINOIS MUNICIPAL RETIREMENT FUND

Last Seven Calendar Years

MEASUREMENT DATE DECEMBER 31,	2015	2016	2017	2018	2019	2020	2021
TOTAL PENSION LIABILITY							
Service cost	\$ 32,873	\$ 35,855	\$ 36,240	\$ 35,609	\$ 31,102	\$ 27,959	\$ 31,182
Interest	60,912	66,125	71,374	75,895	84,040	87,273	92,315
Changes of benefit terms	-	-	-	-	-	-	-
Differences between expected and actual experience	2,060	(3,446)	16,886	48,788	(17,139)	7,846	130,691
Changes of assumptions	3,558	(7,661)	(30,029)	34,398	-	(1,329)	-
Benefit payments, including refunds of member contributions	(27,200)	(27,872)	(28,521)	(39,210)	(51,196)	(52,487)	(55,131)
Net change in total pension liability	72,203	63,001	65,950	155,480	46,807	69,262	199,057
Total pension liability - beginning	812,584	884,787	947,788	1,013,738	1,169,218	1,216,025	1,285,287
TOTAL PENSION LIABILITY - ENDING	\$ 884,787	\$ 947,788	\$ 1,013,738	\$ 1,169,218	\$ 1,216,025	\$ 1,285,287	\$ 1,484,344
PLAN FIDUCIARY NET POSITION							
Contributions - employer	\$ 6,577	\$ 35,501	\$ 40,216	\$ 51,358	\$ 30,497	\$ 31,026	\$ 31,918
Contributions - member	2,567	13,701	14,594	14,030	11,996	12,774	13,743
Net investment income	3,246	43,805	121,446	(57,583)	187,936	166,825	226,962
Benefit payments, including refunds of member contributions	(27,200)	(27,872)	(28,521)	(39,210)	(51,196)	(52,487)	(55,131)
Other (net transfer)	(16,622)	1,010	(12,658)	161,044	627	6,846	39,329
Net change in plan fiduciary net position	(31,432)	66,145	135,077	129,639	179,860	164,984	256,821
Plan fiduciary net position - beginning	658,194	626,762	692,907	827,984	957,623	1,137,483	1,302,467
PLAN FIDUCIARY NET POSITION - ENDING	\$ 626,762	\$ 692,907	\$ 827,984	\$ 957,623	\$ 1,137,483	\$ 1,302,467	\$ 1,559,288
EMPLOYER'S NET PENSION LIABILITY (ASSET)	\$ 258,025	\$ 254,881	\$ 185,754	\$ 211,595	\$ 78,542	\$ (17,180)	\$ (74,944)

MEASUREMENT DATE DECEMBER 31,	2015	2016	2017	2018	2019	2020	2021
Plan fiduciary net position as a percentage of the total pension liability (asset)	70.84%	73.11%	81.68%	81.90%	93.54%	101.34%	105.05%
Covered payroll	\$ 297,382	\$ 304,469	\$ 324,318	\$ 317,438	\$ 266,580	\$ 283,868	\$ 298,015
Employer's net pension liability (asset) as a percentage of covered payroll	86.77%	83.71%	57.28%	66.66%	29.46%	(6.05%)	(25.15%)

IMRF's measurement date is December 31, 2021; therefore, information above is presented for the calendar year ended December 31, 2021.

In 2015, changes in assumptions related to investment rate of return, retirement age and mortality were made since the prior measurement date.

In 2016, changes in assumptions related to retirement age and mortality were made since the prior measurement date.

In 2017, changes in assumptions related to inflation rates, salary rates and mortality were made since the prior measurement date.

In 2018, changes in assumptions related to the discount rate were made since the prior measurement date.

In 2020, changes in assumptions related to inflation rates, retirement age and mortality were made since the prior measurement date.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

**FRANKFORT FIRE PROTECTION DISTRICT
FRANKFORT, ILLINOIS**

SCHEDULE OF EMPLOYER CONTRIBUTIONS
FIREFIGHTERS' PENSION FUND

Last Eight Fiscal Years

FISCAL YEAR ENED MAY 31,	2015	2016	2017	2018	2019	2020	2021	2022
Actuarially determined contribution	\$ 842,803	\$ 1,201,708	\$ 1,353,482	\$ 1,351,409	\$ 1,427,907	\$ 1,510,054	\$ 1,493,804	\$ 1,802,583
Contribution in relation to the actuarially determined contribution	781,945	929,501	940,392	1,161,287	1,250,807	1,298,005	1,460,130	1,699,417
CONTRIBUTION DEFICIENCY (Excess)	\$ 60,858	\$ 272,207	\$ 413,090	\$ 190,122	\$ 177,100	\$ 212,049	\$ 33,674	\$ 103,166
Covered payroll	\$ 5,276,706	\$ 6,650,474	\$ 5,472,935	\$ 5,944,994	\$ 6,248,334	\$ 6,326,269	\$ 6,865,568	\$ 7,008,773
Contributions as a percentage of covered payroll	14.82%	13.98%	17.18%	19.53%	20.02%	20.52%	21.27%	24.25%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of June 1 of the prior fiscal years. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the actuarial determined contribution is calculated by amortizing 100% of the actuarial accrued liability; the amortization method was level percent of pay, closed and the amortization period was 16 years; the asset valuation method was market value; and the significant actuarial assumptions were an investment rate of return of 6.75% annually, projected salary increase assumption of 3.50% - 16.54% plus 2.25% for inflation compounded annually and postretirement benefit increases of 3.00% compounded annually.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

**FRANKFORT FIRE PROTECTION DISTRICT
FRANKFORT, ILLINOIS**

SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS
FIREFIGHTERS' PENSION FUND

Last Eight Fiscal Years

MEASUREMENT DATE MAY 31,	2015	2016	2017	2018	2019	2020	2021	2022
TOTAL PENSION LIABILITY								
Service cost	\$ 1,413,242	\$ 1,471,080	\$ 1,876,239	\$ 1,788,788	\$ 1,913,931	\$ 2,189,887	\$ 1,843,438	\$ 1,923,542
Interest	978,186	1,098,223	1,224,017	1,625,560	1,703,902	1,873,575	1,613,597	2,072,760
Changes of benefit terms	-	-	-	-	-	289,677	-	-
Differences between expected and actual experience	-	226,084	(184,003)	178,881	(999,411)	1,064,521	(1,987,197)	(1,486,199)
Changes of assumptions	-	1,146,869	2,443,654	(2,055,534)	2,008,694	3,952,524	(8,938,528)	-
Benefit payments, including refunds of member contributions	(96,947)	(135,687)	(138,932)	(200,999)	(391,295)	(312,587)	(286,494)	(469,387)
Net change in total pension liability	2,294,481	3,806,569	5,220,975	1,336,696	4,235,821	9,057,597	(7,755,184)	2,040,716
Total pension liability - beginning	14,540,125	16,834,606	20,641,175	25,862,150	27,198,846	31,434,667	40,492,264	32,737,080
TOTAL PENSION LIABILITY - ENDING	\$ 16,834,606	\$ 20,641,175	\$ 25,862,150	\$ 27,198,846	\$ 31,434,667	\$ 40,492,264	\$ 32,737,080	\$ 34,777,796
PLAN FIDUCIARY NET POSITION								
Contributions - employer	\$ 781,945	\$ 929,501	\$ 940,392	\$ 1,161,287	\$ 1,250,807	\$ 1,298,005	\$ 1,460,130	\$ 1,699,417
Contributions - member	478,811	502,083	515,212	546,878	597,913	595,162	621,472	662,922
Contributions - other	38,403	12,891	50	-	-	16,526	6,500	6,500
Net investment income	721,366	111,204	1,421,953	1,473,645	314,955	1,890,422	6,150,042	(1,739,613)
Benefit payments, including refunds of member contributions	(96,947)	(135,687)	(138,932)	(200,999)	(391,295)	(312,587)	(286,494)	(469,387)
Administrative expense	(59,410)	(30,790)	(23,341)	(25,389)	(30,140)	(62,453)	(56,548)	(36,801)
Net change in plan fiduciary net position	1,864,168	1,389,202	2,715,334	2,955,422	1,742,240	3,425,075	7,895,102	123,038
Plan fiduciary net position - beginning	10,676,170	12,540,338	13,929,540	16,644,874	19,600,296	21,342,536	24,767,611	32,662,713
PLAN FIDUCIARY NET POSITION - ENDING	\$ 12,540,338	\$ 13,929,540	\$ 16,644,874	\$ 19,600,296	\$ 21,342,536	\$ 24,767,611	\$ 32,662,713	\$ 32,785,751
EMPLOYER'S NET PENSION LIABILITY	\$ 4,294,268	\$ 6,711,635	\$ 9,217,276	\$ 7,598,550	\$ 10,092,131	\$ 15,724,653	\$ 74,367	\$ 1,992,045

MEASUREMENT DATE MAY 31,	2015	2016	2017	2018	2019	2020	2021	2022
Plan fiduciary net position as a percentage of the total pension liability	74.49%	67.48%	64.36%	72.06%	67.89%	61.17%	99.77%	94.27%
Covered payroll	\$ 5,276,706	\$ 6,650,474	\$ 5,472,935	\$ 5,944,994	\$ 6,248,334	\$ 6,326,269	\$ 6,865,568	\$ 7,008,773
Employer's net pension liability as a percentage of covered payroll	81.38%	100.92%	168.42%	127.81%	161.52%	248.56%	1.08%	28.42%

In 2021, assumptions were changed related to the discount rate and projected individual pay increases since the previous measurement date.

In 2020, assumptions were changed related to the discount rate, projected individual pay increases, projected total payroll increases, inflation rate (CPI-U), mortality rates, mortality improvement rates, retirement rates, termination rates, disability rates and marital assumptions. There were also changes in benefit terms related to Tier II benefits.

2016-2019: changes in assumptions related to discount rate were made since the previous measurement date.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

**FRANKFORT FIRE PROTECTION DISTRICT
FRANKFORT, ILLINOIS**

**SCHEDULE OF INVESTMENT RETURNS
FIREFIGHTERS' PENSION FUND**

Last Eight Fiscal Years

FISCAL YEAR ENDED MAY 31,	2015	2016	2017	2018	2019	2020	2021	2022
Annual money-weighted rate of return, net of investment expense	6.35%	0.82%	9.65%	8.39%	1.52%	8.52%	23.87%	(7.85%)

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

**FRANKFORT FIRE PROTECTION DISTRICT
FRANKFORT, ILLINOIS**

SCHEDULE OF CHANGES IN THE EMPLOYER'S
TOTAL OPEB LIABILITY AND RELATED RATIOS
OTHER POSTEMPLOYMENT BENEFIT PLAN

Last Four Fiscal Years

MEASUREMENT DATE MAY 31,	2019	2020	2021	2022
TOTAL OPEB LIABILITY				
Service cost	\$ 225,963	\$ 244,131	\$ 282,409	\$ 279,183
Interest	141,242	149,163	139,849	131,868
Changes of benefit terms	-	-	(205,432)	-
Differences between actual and expected experience	-	995,733	(1,156,878)	-
Changes of assumptions	159,256	890,920	501,700	(745,801)
Benefit payments, including refunds of member contributions	(12,904)	(36,149)	(51,715)	(32,668)
Net change in total OPEB liability	513,557	2,243,798	(490,067)	(367,418)
Total OPEB liability - beginning	3,743,021	4,256,578	6,500,376	6,010,309
TOTAL OPEB LIABILITY - ENDING	<u>\$ 4,256,578</u>	<u>\$ 6,500,376</u>	<u>\$ 6,010,309</u>	<u>\$ 5,642,891</u>
Covered-employee payroll	\$ 6,200,087	\$ 6,791,637	\$ 7,135,053	\$ 7,292,024
Employer's total OPEB liability as a percentage of covered-employee payroll	68.65%	95.71%	84.24%	77.38%

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

In 2022, changes in assumptions related to the discount rate, mortality rates, retirement rates, termination rates and disability rates were made since the previous measurement date.

In 2021, changes in assumptions related to the discount rate were made since the previous measurement date. In addition, there were changes in benefit terms due to the addition of an explicit subsidy associated with the Public Safety Employee Benefits Act (PSEBA).

In 2020, changes in assumptions related to the discount rate, inflation rate, total payroll increases, mortality rates, mortality improvement rates, termination rates and disability rates were made since the previous measurement date.

In 2019, changes in assumptions related to the discount rate were made since the previous measurement date.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

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

MAJOR GOVERNMENTAL FUNDS

**FRANKFORT FIRE PROTECTION DISTRICT
FRANKFORT, ILLINOIS**

**COMBINING BALANCE SHEET BY SUBFUND
GENERAL FUND**

For the Year Ended May 31, 2022

	Corporate	Ambulance	Totals
ASSETS			
Cash and investments	\$ 3,163,813	\$ 176,053	\$ 3,339,866
Receivables			
Property taxes	6,521,997	5,219,031	11,741,028
Interest	4,313	4,313	8,626
Accounts	73,107	823,534	896,641
Prepaid items	123,947	126,968	250,915
TOTAL ASSETS	\$ 9,887,177	\$ 6,349,899	\$ 16,237,076
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 32,319	\$ 412,714	\$ 445,033
Accrued payroll	229,113	213,500	442,613
Total liabilities	261,432	626,214	887,646
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue	7,471,993	5,229,531	12,701,524
Total deferred inflows of resources	7,471,993	5,229,531	12,701,524
FUND BALANCES			
Nonspendable			
Prepaid items	123,947	126,968	250,915
Assigned			
Subsequent year's budget	803,301	-	803,301
Unassigned	1,226,504	367,186	1,593,690
Total fund balances	2,153,752	494,154	2,647,906
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 9,887,177	\$ 6,349,899	\$ 16,237,076

(See independent auditor's report.)

**FRANKFORT FIRE PROTECTION DISTRICT
FRANKFORT, ILLINOIS**

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES BY SUBFUND
GENERAL FUND

For the Year Ended May 31, 2022

	<u>Corporate</u>	<u>Ambulance</u>	<u>Total</u>
REVENUES			
Property taxes	\$ 7,125,248	\$ 5,141,212	\$ 12,266,460
Personal property replacement taxes	47,566	47,566	95,132
Charges for services	136,778	2,015,534	2,152,312
Intergovernmental	130,418	151,458	281,876
Investment income	(53,293)	(53,118)	(106,411)
Miscellaneous	257	2	259
	<hr/>		
Total revenues	7,386,974	7,302,654	14,689,628
EXPENDITURES			
Current			
Administration			
Personnel services	442,411	441,637	884,048
Contractual services	130,607	130,607	261,214
Commodities	103,028	103,026	206,054
	<hr/>		
Total administration	676,046	675,270	1,351,316
Operations			
Personnel services	5,045,328	6,033,003	11,078,331
Contractual services	286,070	332,425	618,495
Commodities	98,128	137,562	235,690
	<hr/>		
Total operations	5,429,526	6,502,990	11,932,516
Support services			
Personnel services	131,665	68,144	199,809
Commodities	207,294	201,740	409,034
	<hr/>		
Total support services	338,959	269,884	608,843
Debt service			
Principal	244,020	244,020	488,040
Interest	68,452	68,452	136,904
	<hr/>		
Total debt service	312,472	312,472	624,944
	<hr/>		
Total expenditures	6,757,003	7,760,616	14,517,619
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES			
	629,971	(457,962)	172,009
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(600,000)	-	(600,000)
	<hr/>		
Total other financing sources (uses)	(600,000)	-	(600,000)
NET CHANGE IN FUND BALANCES			
	29,971	(457,962)	(427,991)
FUND BALANCES, JUNE 1			
	2,123,781	952,116	3,075,897
FUND BALANCES, MAY 31			
	<u>\$ 2,153,752</u>	<u>\$ 494,154</u>	<u>\$ 2,647,906</u>

(See independent auditor's report.)

**FRANKFORT FIRE PROTECTION DISTRICT
FRANKFORT, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
CORPORATE SUBFUND

For the Year Ended May 31, 2022

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Property taxes	\$ 7,041,598	\$ 7,041,598	\$ 7,125,248	\$ 83,650
Personal property replacement taxes	7,500	7,500	47,566	40,066
Charges for services	145,800	145,800	136,778	(9,022)
Intergovernmental	17,781	17,781	130,418	112,637
Investment income	15,000	14,200	(53,293)	(67,493)
Miscellaneous	2,501	2,501	257	(2,244)
Total revenues	7,230,180	7,229,380	7,386,974	157,594
EXPENDITURES				
Current				
Administrative				
Personnel services	446,005	481,249	442,411	(38,838)
Contractual services	127,926	138,588	130,607	(7,981)
Commodities	116,715	127,165	103,028	(24,137)
Operations				
Personnel services	4,796,572	5,020,997	5,045,328	24,331
Contractual services	296,695	320,595	286,070	(34,525)
Commodities	118,430	126,455	98,128	(28,327)
Support services				
Personnel services	131,585	117,708	131,665	13,957
Commodities	193,750	245,371	207,294	(38,077)
Debt service				
Principal	247,500	259,875	244,020	(15,855)
Interest	75,000	78,750	68,452	(10,298)
Total expenditures	6,550,178	6,916,753	6,757,003	(159,750)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	680,002	312,627	629,971	317,344
OTHER FINANCING SOURCES (USES)				
Transfers (out)	(600,000)	(630,000)	(600,000)	30,000
Total other financing sources (uses)	(600,000)	(630,000)	(600,000)	30,000
NET CHANGE IN FUND BALANCE	<u>\$ 80,002</u>	<u>\$ (317,373)</u>	29,971	<u>\$ 347,344</u>
FUND BALANCE, JUNE 1			<u>2,123,781</u>	
FUND BALANCE, MAY 31			<u>\$ 2,153,752</u>	

(See independent auditor's report.)

**FRANKFORT FIRE PROTECTION DISTRICT
FRANKFORT, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
AMBULANCE SUBFUND

For the Year Ended May 31, 2022

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Property taxes	\$ 5,184,615	\$ 5,184,615	\$ 5,141,212	\$ (43,403)
Personal property replacement taxes	7,500	7,500	47,566	40,066
Charges for services	2,009,000	2,009,000	2,015,534	6,534
Intergovernmental	20,065	20,065	151,458	131,393
Investment income	15,000	15,000	(53,118)	(68,118)
Miscellaneous	2,501	2,501	2	(2,499)
Total revenues	7,238,681	7,238,681	7,302,654	63,973
EXPENDITURES				
Current				
Administrative				
Personnel services	455,605	456,591	441,637	(14,954)
Contractual services	127,926	134,713	130,607	(4,106)
Commodities	116,715	123,765	103,026	(20,739)
Operations				
Personnel services	5,891,545	6,160,968	6,033,003	(127,965)
Contractual services	345,038	362,388	332,425	(29,963)
Commodities	121,830	126,005	137,562	11,557
Support services				
Personnel services	63,622	63,622	68,144	4,522
Commodities	180,900	193,454	201,740	8,286
Debt service				
Principal	247,500	259,875	244,020	(15,855)
Interest	75,000	78,750	68,452	(10,298)
Total expenditures	7,625,681	7,960,131	7,760,616	(199,515)
NET CHANGE IN FUND BALANCE	\$ (387,000)	\$ (721,450)	(457,962)	\$ 263,488
FUND BALANCE, JUNE 1			952,116	
FUND BALANCE, MAY 31			\$ 494,154	

(See independent auditor's report.)

NONMAJOR GOVERNMENTAL FUNDS

The Capital Projects Fund accounts for the resources used to manage the purchase of vehicles for the District's fleet as well as other capital items. Funding is provided by transfers from the General Fund.

Foreign Fire Insurance Fund - used to account for revenues from the assessment of the foreign fire tax remitted directly to this fund, which maintains a separate bank account. Its own Board of Trustees controls the expenditures from this fund. Those expenditures, however, are to be used for the benefit of the District.

**FRANKFORT FIRE PROTECTION DISTRICT
FRANKFORT, ILLINOIS**

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

May 31, 2022

	Capital Projects	Special Revenue Foreign Fire Insurance	Total Nonmajor Governmental
ASSETS			
Cash and investments	\$ 1,418,008	\$ 39,759	\$ 1,457,767
Receivables			
Interest	2,097	-	2,097
TOTAL ASSETS	\$ 1,420,105	\$ 39,759	\$ 1,459,864
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 158,481	\$ -	\$ 158,481
Total liabilities	158,481	-	158,481
FUND BALANCES			
Restricted			
Foreign fire insurance	-	39,759	39,759
Assigned			
Capital Projects	1,261,624	-	1,261,624
Total fund balances	1,261,624	39,759	1,301,383
TOTAL LIABILITIES AND FUND BALANCES	\$ 1,420,105	\$ 39,759	\$ 1,459,864

(See independent auditor's report.)

**FRANKFORT FIRE PROTECTION DISTRICT
FRANKFORT, ILLINOIS**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS

For the Year Ended May 31, 2022

	Capital Projects	Special Revenue Foreign Fire Insurance	Total Nonmajor Governmental
REVENUES			
Intergovernmental	\$ 11,919	\$ 71,287	\$ 83,206
Investment income	(22,160)	-	(22,160)
Total revenues	<u>(10,241)</u>	<u>71,287</u>	<u>61,046</u>
EXPENDITURES			
Current			
Support services			
Commodities	-	88,012	88,012
Capital outlay	272,240	-	272,240
Total expenditures	<u>272,240</u>	<u>88,012</u>	<u>360,252</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(282,481)</u>	<u>(16,725)</u>	<u>(299,206)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	600,000	-	600,000
Total other financing sources (uses)	<u>600,000</u>	<u>-</u>	<u>600,000</u>
NET CHANGE IN FUND BALANCES	317,519	(16,725)	300,794
FUND BALANCES, JUNE 1	<u>944,105</u>	<u>56,484</u>	<u>1,000,589</u>
FUND BALANCES, MAY 31	<u><u>\$ 1,261,624</u></u>	<u><u>\$ 39,759</u></u>	<u><u>\$ 1,301,383</u></u>

(See independent auditor's report.)

**FRANKFORT FIRE PROTECTION DISTRICT
FRANKFORT, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
CAPITAL PROJECTS FUND

For the Year Ended May 31, 2022

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 11,919	\$ 11,919
Investment income	15,000	15,000	(22,160)	(37,160)
Total revenues	15,000	15,000	(10,241)	(37,160)
EXPENDITURES				
Capital outlay	308,000	323,400	272,240	(51,160)
Total expenditures	308,000	323,400	272,240	(51,160)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(293,000)	(308,400)	(282,481)	14,000
OTHER FINANCING SOURCES (USES)				
Transfers in	600,000	600,000	600,000	-
Total other financing sources (uses)	600,000	600,000	600,000	-
NET CHANGE IN FUND BALANCE	\$ 307,000	\$ 291,600	317,519	\$ 14,000
FUND BALANCE, JUNE 1			944,105	
FUND BALANCE, MAY 31			\$ 1,261,624	

(See independent auditor's report.)

**FRANKFORT FIRE PROTECTION DISTRICT
FRANKFORT, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOREIGN FIRE INSURANCE FUND

For the Year Ended May 31, 2022

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Intergovernmental				
Foreign fire insurance tax	\$ 55,000	\$ 55,000	\$ 71,287	\$ 16,287
Total revenues	55,000	55,000	71,287	16,287
EXPENDITURES				
Current				
Support services				
Commodities	55,000	55,000	88,012	33,012
Total expenditures	55,000	55,000	88,012	33,012
NET CHANGE IN FUND BALANCE	\$ -	\$ -	(16,725)	\$ (16,725)
FUND BALANCE, JUNE 1			56,484	
FUND BALANCE, MAY 31			\$ 39,759	

(See independent auditor's report.)

STATISTICAL SECTION

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

<u>Contents</u>	<u>Page(s)</u>
Financial Trends These schedules contain trend information to help the reader understand how the District's financial performance and well-being have been changed over time.	58-63
Revenue Capacity These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	64-67
Debt Capacity These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	68-70
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	71-72
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	73-75

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

**FRANKFORT FIRE PROTECTION DISTRICT
FRANKFORT, ILLINOIS**

NET POSITION BY COMPONENT

Last Ten Fiscal Years

Fiscal Year	2013	2014	2015	2016*	2017	2018	2019*	2020	2021	2022
GOVERNMENTAL ACTIVITIES										
Net investment in capital assets	\$ 9,526,738	\$ 9,015,653	\$ 9,274,913	\$ 9,312,820	\$ 9,498,979	\$ 8,279,133	\$ 8,118,449	\$ 7,970,809	\$ 7,629,473	\$ 7,564,630
Restricted										
Foreign fire insurance	17,665	9,270	30,856	12,016	33,061	41,740	29,083	28,587	56,484	39,759
Unrestricted (deficit)	5,529,237	4,708,344	3,971,042	(2,803,513)	(4,641,735)	(4,848,294)	(8,233,369)	(12,384,593)	(9,847,034)	(8,490,725)
TOTAL GOVERNMENTAL ACTIVITIES	\$ 15,073,640	\$ 13,733,267	\$ 13,276,811	\$ 6,521,323	\$ 4,890,305	\$ 3,472,579	\$ (85,837)	\$ (4,385,197)	\$ (2,161,077)	\$ (886,336)

*The District implemented GASB Statement No. 68 for the fiscal year ended May 31, 2016 and GASB Statement No. 75 for the fiscal year ended May 31, 2019.

Data Source

Audited Financial Statements

**FRANKFORT FIRE PROTECTION DISTRICT
FRANKFORT, ILLINOIS**

CHANGE IN NET POSITION

Last Ten Fiscal Years

Fiscal Year	2013	2014	2015	2016*	2017	2018	2019*	2020	2021	2022
EXPENSES										
Governmental activities										
Administration	\$ 1,049,596	\$ 1,117,708	\$ 1,070,413	\$ 1,222,865	\$ 1,297,353	\$ 1,410,148	\$ 1,304,593	\$ 1,824,441	\$ 1,207,193	\$ 1,215,254
Operations	7,978,455	8,542,025	8,875,319	9,831,015	10,635,487	10,927,115	11,765,186	14,550,863	9,243,596	10,717,875
Support services	1,205,743	1,861,940	1,185,751	1,182,318	1,162,567	1,185,046	1,268,330	1,291,651	1,479,190	1,410,115
Interest expense	289,432	276,080	255,107	264,657	143,378	133,956	128,964	126,312	119,342	132,689
TOTAL PRIMARY GOVERNMENT EXPENSES	\$ 10,523,226	\$ 11,797,753	\$ 11,386,590	\$ 12,500,855	\$ 13,238,785	\$ 13,656,265	\$ 14,467,073	\$ 17,793,267	\$ 12,049,321	\$ 13,475,933
PROGRAM REVENUES										
Governmental activities										
Charges for services										
Administration	\$ 42,379	\$ 41,910	\$ 74,567	\$ 54,528	\$ 48,319	\$ 40,731	\$ 40,308	\$ 41,287	\$ 55,866	\$ 48,759
Operations	671,628	623,023	820,212	820,123	1,022,101	1,139,201	1,525,500	1,392,963	1,914,122	2,039,634
Support services	-	5,666	7,591	216	990	690	4,150	79,135	70,317	63,919
Operating grants and contributions										
Administration	-	-	-	-	-	-	-	-	-	11,919
Operations	22,515	-	-	-	-	-	-	-	235,358	281,876
Support services	10,841	-	18,214	-	-	-	-	-	-	-
Capital grants and contributions	19,374	102,790	49,892	22,733	45,742	125,447	256,525	306,718	-	-
TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES	\$ 766,737	\$ 773,389	\$ 970,476	\$ 897,600	\$ 1,117,152	\$ 1,306,069	\$ 1,826,483	\$ 1,820,103	\$ 2,275,663	\$ 2,446,107
TOTAL PRIMARY GOVERNMENT NET REVENUE (EXPENSE)	\$ (9,756,489)	\$ (11,024,364)	\$ (10,416,114)	\$ (11,603,255)	\$ (12,121,633)	\$ (12,350,196)	\$ (12,640,590)	\$ (15,973,164)	\$ (9,773,658)	\$ (11,029,826)

Fiscal Year	2013	2014	2015	2016*	2017	2018	2019*	2020	2021	2022
GENERAL REVENUES AND OTHER										
CHANGES IN NET POSITION										
Governmental activities										
Taxes										
Property	\$ 9,204,575	\$ 9,561,197	\$ 9,861,386	\$ 10,156,368	\$ 10,370,642	\$ 10,687,789	\$ 11,065,234	\$ 11,410,156	\$ 11,797,085	\$ 12,266,460
Replacement	30,955	32,441	33,956	31,261	34,726	29,056	31,434	34,408	43,644	95,132
Intergovernmental										
Foreign fire insurance	41,411	37,889	45,146	45,093	45,362	49,218	50,559	57,626	63,696	71,287
Investment income	16,748	15,344	17,831	37,178	27,231	34,791	142,804	170,430	40,967	(128,571)
Gain on sale of capital assets	-	-	-	28,577	3,000	109,506	-	-	-	-
Miscellaneous	11,920	37,120	1,339	1,782	9,654	22,110	37,431	1,184	52,386	259
Total governmental activities	9,305,609	9,683,991	9,959,658	10,300,259	10,490,615	10,932,470	11,327,462	11,673,804	11,997,778	12,304,567
TOTAL PRIMARY GOVERNMENT	\$ 9,305,609	\$ 9,683,991	\$ 9,959,658	\$ 10,300,259	\$ 10,490,615	\$ 10,932,470	\$ 11,327,462	\$ 11,673,804	\$ 11,997,778	\$ 12,304,567
TOTAL PRIMARY GOVERNMENT										
CHANGE IN NET POSITION	\$ (450,880)	\$ (1,340,373)	\$ (456,456)	\$ (1,302,996)	\$ (1,631,018)	\$ (1,417,726)	\$ (1,313,128)	\$ (4,299,360)	\$ 2,224,120	\$ 1,274,741

*The District implemented GASB Statement No. 68 for the fiscal year ended May 31, 2016 and GASB Statement No. 75 for the fiscal year ended May 31, 2019.

Data Source

Audited Financial Statements

**FRANKFORT FIRE PROTECTION DISTRICT
FRANKFORT, ILLINOIS**

FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2013	2014	2015	2016	2017	2018	2019*	2020	2021	2022
GENERAL FUND										
Nonspendable	\$ 104,380	\$ 47,394	\$ 53,674	\$ 31,108	\$ 68,059	\$ 55,710	\$ 41,229	\$ 51,979	\$ 88,742	\$ 250,915
Committed										
Vehicle replacement	-	2,375,000	-	-	-	-	-	-	-	-
Assigned										
Capital	730,000	65,000	-	-	-	-	-	-	-	-
Subsequent year's budget	-	348,003	465,144	282,200	250,000	182,075	-	-	855,271	803,301
Unassigned	3,988,419	1,388,254	1,618,681	1,789,146	1,803,816	1,871,375	2,224,325	2,510,421	2,131,884	1,593,690
TOTAL GENERAL FUND	\$ 4,822,799	\$ 4,223,651	\$ 2,137,499	\$ 2,102,454	\$ 2,121,875	\$ 2,109,160	\$ 2,265,554	\$ 2,562,400	\$ 3,075,897	\$ 2,647,906
ALL OTHER GOVERNMENTAL FUNDS										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 410,178	\$ -	\$ -	\$ -	\$ -
Restricted										
Foreign fire insurance	17,665	9,270	30,856	12,016	33,061	41,740	29,083	28,587	56,484	39,759
Assigned										
Capital projects	-	-	1,659,345	1,206,353	622,022	1,117,222	1,275,158	1,169,541	944,105	1,261,624
TOTAL ALL OTHER GOVERNMENTAL FUNDS	\$ 17,665	\$ 9,270	\$ 1,690,201	\$ 1,218,369	\$ 655,083	\$ 1,569,140	\$ 1,304,241	\$ 1,198,128	\$ 1,000,589	\$ 1,301,383

*General Fund fund balance had amounts reclassified from assigned to unassigned.

Data Source

Audited Financial Statements

**FRANKFORT FIRE PROTECTION DISTRICT
FRANKFORT, ILLINOIS**

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
REVENUES										
Property taxes	\$ 9,204,575	\$ 9,561,197	\$ 9,861,386	\$ 10,156,367	\$ 10,370,643	\$ 10,687,788	\$ 11,065,234	\$ 11,410,156	\$ 11,797,085	\$ 12,266,460
Personal property replacement taxes	30,955	32,441	33,956	31,261	34,726	29,056	31,434	34,408	43,644	95,132
Charges for services	714,007	670,599	902,370	874,867	1,071,409	1,180,624	1,569,959	1,507,742	2,040,305	2,152,312
Intergovernmental	94,141	140,679	113,252	67,827	91,104	174,664	307,083	369,986	299,054	365,082
Investment income	16,748	15,344	17,831	37,178	27,231	34,791	142,804	170,431	40,967	(128,571)
Miscellaneous	11,920	42,120	6,339	6,782	14,654	27,110	42,431	6,184	57,386	259
Total revenues	10,072,346	10,462,380	10,935,134	11,174,282	11,609,767	12,134,033	13,158,945	13,498,907	14,278,441	14,750,674
EXPENDITURES										
Current										
Administration	1,014,360	1,090,111	972,441	1,041,077	1,276,467	1,303,744	1,301,396	1,456,205	1,374,055	1,351,316
Operations	7,790,500	8,284,174	8,598,154	9,104,662	9,310,610	9,877,170	10,500,102	10,638,730	11,252,747	11,932,516
Support services	517,719	503,493	475,607	463,640	455,450	474,595	623,079	511,081	576,489	696,855
Capital outlay	118,424	721,118	275,021	1,046,264	763,811	184,708	539,691	549,432	1,675,537	272,240
Debt service										
Principal retirement*	280,070	317,820	752,981	4,755,000	195,000	205,000	35,000	170,000	350,000	488,040
Interest and fiscal charges	294,926	282,257	269,651	234,716	155,294	137,224	129,374	128,302	123,440	136,904
Issuance costs	-	-	-	57,900	-	-	-	-	-	-
Total expenditures	10,015,999	11,198,973	11,343,855	16,703,259	12,156,632	12,182,441	13,128,642	13,453,750	15,352,268	14,877,871
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	56,347	(736,593)	(408,721)	(5,528,977)	(546,865)	(48,408)	30,303	45,157	(1,073,827)	(127,197)

Fiscal Year	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
OTHER FINANCING SOURCES (USES)										
Transfers in	\$ -	\$ -	\$ 2,375,000	\$ 100,000	\$ 50,000	\$ 30,000	\$ 200,000	\$ -	\$ -	\$ 600,000
Transfers (out)	-	-	(2,375,000)	(100,000)	(50,000)	(30,000)	(200,000)	-	-	(600,000)
Insurance recoveries	-	-	-	-	-	640,000	-	-	-	-
Issuance of refunding notes	-	-	-	362,100	-	-	-	-	-	-
Proceeds from sale of capital assets	88,123	129,050	3,500	4,660,000	3,000	309,750	-	6,768	6,862	-
Installment contract issued	-	-	-	-	-	-	-	-	1,382,923	-
Total other financing sources (uses)	88,123	129,050	3,500	5,022,100	3,000	949,750	-	6,768	1,389,785	-
NET CHANGE IN FUND BALANCES	\$ 144,470	\$ (607,543)	\$ (405,221)	\$ (506,877)	\$ (543,865)	\$ 901,342	\$ 30,303	\$ 51,925	\$ 315,958	\$ (127,197)
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	5.81%	5.73%	9.23%	31.89%	3.07%	2.85%	2.85%	2.30%	3.42%	4.27%

*The 2007 Fire Protection Notes were refunded during fiscal year 2016 through a current refunding.

Data Source

Audited Financial Statements

**FRANKFORT FIRE PROTECTION DISTRICT
FRANKFORT, ILLINOIS**

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Levy Years

Levy Year	Residential Property	Commercial Property	Industrial Property	Railroad Property	Farm Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Estimated Actual Taxable Value
2012	\$ 1,098,523,224	\$ 143,753,177	\$ 49,638,376	\$ 592,065	\$ 25,831,728	\$ 1,318,338,570	\$ 0.7272	\$ 3,955,015,710	33.333%
2013	1,044,783,328	139,417,899	49,385,574	1,305,949	24,507,405	1,259,400,155	0.7840	3,778,200,465	33.333%
2014	1,035,089,464	136,362,691	48,746,762	1,529,257	24,617,317	1,246,345,491	0.8157	3,739,036,473	33.333%
2015	1,055,774,223	132,849,934	48,328,013	1,844,249	24,879,434	1,263,675,853	0.8224	3,791,027,559	33.333%
2016	1,106,540,261	140,089,314	48,294,213	2,037,353	26,080,805	1,323,041,946	0.8078	3,969,125,838	33.333%
2017	1,153,444,822	141,189,637	47,361,395	1,682,788	27,069,611	1,370,748,253	0.8084	4,112,244,759	33.333%
2018	1,189,704,420	142,564,745	47,296,521	1,771,752	27,580,988	1,408,918,426	0.8084	4,226,755,278	33.333%
2019	1,227,920,351	141,269,811	47,726,850	1,785,509	29,803,940	1,448,506,461	0.8155	4,345,519,383	33.333%
2020	1,268,273,754	144,016,200	48,311,316	1,763,924	30,728,285	1,493,093,479	0.8223	4,479,280,437	33.333%
2021	1,323,751,854	143,613,569	49,759,346	1,583,471	31,514,966	1,550,223,206	0.8174	4,650,669,618	33.333%

Note: Property in the District is reassessed each three years. Property is assessed at 33% of actual value. Property tax rates are per \$100 of assessed valuation.

Data Source

Office of the Will County Clerk

**FRANKFORT FIRE PROTECTION DISTRICT
FRANKFORT, ILLINOIS**

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS

Last Ten Levy Years

Tax Levy Year	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
DISTRICT DIRECT RATES										
Corporate	0.3840	0.3620	0.3764	0.3773	0.3642	0.3580	0.3545	0.3537	0.3613	0.3639
Ambulance	0.2897	0.3620	0.3763	0.3773	0.3643	0.3579	0.3545	0.3537	0.3446	0.3339
Tort liability	0.0001	0.0001	0.0001	0.0001	0.0001	0.0001	0.0001	0.0001	0.0001	0.0001
Firefighters pension	0.0531	0.0596	0.0626	0.0674	0.0696	0.0835	0.0934	0.0984	0.1070	0.1099
Illinois Municipal Retirement	0.0001	0.0001	0.0001	0.0001	0.0001	0.0001	0.0001	0.0001	0.0001	0.0001
Social Security	0.0001	0.0001	0.0001	0.0001	0.0019	0.0015	0.0011	0.0012	0.0011	0.0013
Medicare	N/A	N/A	N/A	N/A	0.0075	0.0072	0.0070	0.0082	0.0080	0.0081
Audit	0.0001	0.0001	0.0001	0.0001	0.0001	0.0001	0.0001	0.0001	0.0001	0.0001
Total direct rates	0.7272	0.7840	0.8157	0.8224	0.8078	0.8084	0.8108	0.8155	0.8223	0.8174
OVERLAPPING RATES										
Forest Preserve	0.1859	0.1970	0.1977	0.1937	0.1944	0.1895	0.1504	0.1462	0.1443	0.1339
Frankfort Township	0.0896	0.0960	0.0998	0.0998	0.0962	0.0951	0.0926	0.0931	0.0934	0.0904
Frankfort Township Road	0.1228	0.0205	0.1167	0.1138	0.1097	0.1083	0.1061	0.1015	0.1054	0.1039
School District 157-C	3.7572	3.9318	4.0179	4.0362	3.9139	3.8339	3.6675	3.5394	3.5494	3.5315
High School Dist 210	1.9190	2.0650	2.1394	2.1594	2.1189	2.1207	2.1292	2.1550	2.1911	2.1986
Comm College 525	0.2768	0.2955	0.3066	0.3065	0.3099	0.2994	0.2924	0.2938	0.2891	0.2848
Village of Frankfort	0.4267	0.4309	0.4380	0.4444	0.4405	0.4315	0.4281	0.4279	0.4189	0.4168
Frankfort Park District	0.2089	0.2215	0.2286	0.2302	0.2268	0.2263	0.2274	0.2284	0.2278	0.2254
Frankfort Public Library	0.1843	0.1988	0.2049	0.2067	0.2033	0.2025	0.2035	0.2044	0.2041	0.2033
Will County	0.5696	0.5994	0.6210	0.6140	0.6121	0.5986	0.5927	0.5842	0.5788	0.5761

Note: Due in overlapping jurisdictions, not all district residents are assessed taxes from all of the above governments.

N/A - Information not available

Data Sources

Office of the Will County Clerk and Local Government Agencies

**FRANKFORT FIRE PROTECTION DISTRICT
FRANKFORT, ILLINOIS**

PRINCIPAL PROPERTY TAXPAYERS

Current Year and Nine Years Ago

Taxpayer	2022			2013		
	Taxable Assessed Value	Rank	Percentage of Total District Taxable Assessed Valuation	Taxable Assessed Value	Rank	Percentage of Total District Taxable Assessed Valuation
Pactiv Corp	\$ 4,954,600	1	0.32%	\$ 5,076,821	2	0.39%
Frankfort Crossing LLC	3,727,734	2	0.24%		N/A	N/A
CAB Holdings Inc.	2,967,989	3	0.19%	3,156,654	7	0.24%
Inland Prairie Crossings LLC	2,522,441	4	0.16%	2,661,545	9	N/A
Butera Center Management Inc.	2,394,800	5	0.15%	2,688,700	8	0.20%
Charm III LLC-Home Depot USA	1,776,714	6	0.11%	4,832,944	3	0.37%
Realty Income IL Properties 2	1,587,558	7	0.10%		N/A	N/A
Kohl's Illinois Inc.	1,543,360	8	0.10%		N/A	N/A
Performance Management	1,316,667	9	0.08%		N/A	N/A
Crown Centre Frankfort LLC	1,314,740	10	0.08%		N/A	N/A
Frankfort Prairie LLC		N/A	N/A	5,612,871	1	0.43%
Chicago Title Land Trust Co.		N/A	N/A	4,724,960	4	0.36%
BRE Throne Frankfort Xing LLC		N/A	N/A	4,400,000	5	0.33%
Harris NA		N/A	N/A	3,378,018	6	0.26%
Speedway LLC		N/A	N/A	2,115,989	10	0.16%
	<u>\$ 24,106,603</u>		<u>1.53%</u>	<u>\$ 38,648,502</u>		<u>2.74%</u>

N/A - Information not available

Note: Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers contain multiple parcels, and it is possible that some parcels and their valuations have been overlooked. This schedule provides basic information about the District's most significant revenue payers and highlights the degree to which the District is dependent on a small number of payers.

Data Source

Will County

**FRANKFORT FIRE PROTECTION DISTRICT
FRANKFORT, ILLINOIS**

PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Levy Years

Levy Year	Tax Levied	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	\$ 9,586,958	\$ 9,560,816	99.73%	\$ -	\$ 9,560,816	99.73%
2013	9,873,697	9,856,457	99.83%	-	9,856,457	99.83%
2014	10,166,440	10,151,461	99.85%	-	10,151,461	99.85%
2015	10,392,470	10,370,013	99.78%	-	10,370,013	99.78%
2016	10,687,533	10,681,095	99.94%	-	10,681,095	99.94%
2017	11,081,129	11,065,234	99.86%	-	11,065,234	99.86%
2018	11,423,511	11,410,156	99.88%	-	11,410,156	99.88%
2019	11,994,000	11,797,085	98.36%	-	11,797,085	98.36%
2020	12,403,198	12,266,460	98.90%	-	12,266,460	98.90%
2021	12,890,500	N/A	N/A	N/A	N/A	N/A

N/A - Information not available

Note: Property in the District is reassessed every four years. Property is assessed at 33% of actual value. Funds are collected in subsequent years of the taxes levied: the 2019 levy funds the fiscal year ended May 31, 2021.

Data Sources

Office of the Will County Clerk and internal financial records

**FRANKFORT FIRE PROTECTION DISTRICT
FRANKFORT, ILLINOIS**

RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years

Fiscal Year Ended	Governmental Activities			Total of EAV	Percentage of Total Income	Per Capita*
	Fire Protection Notes	Capital Leases	Primary Government			
2013	\$ 5,525,000	\$ 925,872	\$ 6,450,872	0.47%	0.39%	\$ 140.85
2014	5,405,000	765,801	6,170,801	0.47%	0.38%	134.74
2015	5,255,000	597,980	5,852,980	0.46%	0.36%	127.80
2016	5,100,000	-	5,100,000	0.41%	0.30%	111.36
2017	5,005,000	-	5,005,000	0.40%	0.30%	109.28
2018	4,810,000	-	4,810,000	0.36%	0.27%	105.02
2019	4,605,000	-	4,605,000	0.34%	0.48%	229.37
2020	4,400,000	-	4,400,000	0.30%	0.44%	217.71
2021	4,050,000	1,382,923	5,432,923	0.36%	0.50%	263.34
2022	3,690,000	1,254,883	4,944,883	0.32%	0.46%	235.11

Note: Details of the District's outstanding debt can be found in the notes to financial statements.

*See the schedule of Demographic and Economic Information on page 71 for personal income and population data.

**FRANKFORT FIRE PROTECTION DISTRICT
FRANKFORT, ILLINOIS**

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

May 31, 2022

Governmental Unit	Gross Debt	Percentage Debt Applicable to the District (1)	District Share of Debt
Frankfort Fire Protection District	\$ 4,944,883	100.00%	\$ 4,944,883
Will County	391,141,885	4.45%	17,386,257
Will County Forest Preserve District	80,805,000	4.45%	3,591,782
Frankfort Park District	1,715,000	99.16%	1,700,628
Frankfort Square Park District	1,559,209	19.94%	310,875
Mokena Community Park District	5,798,000	1.27%	73,693
Frankfort SD #157-C	11,505,000	92.82%	10,679,171
Summit Hill School District #161	36,776,972	12.62%	4,640,518
Lincoln Way HSD #210	130,205,366	22.79%	29,675,105
Crete-Monee SD #201-U	61,313,251	0.06%	35,562
Peotone SD #207-U	9,235,000	2.03%	187,286
Prairie State Community College	26,288,301	0.01%	3,155
Joliet Community College	55,305,000	4.52%	2,501,998
Total overlapping debt	811,647,984		70,786,030
TOTAL DIRECT AND OVERLAPPING DEBT	\$ 816,592,867		\$ 75,730,913

(1) Determined by applying the ratio of assessed value of the specific district to that portion which is in the District.

Data Sources

Will County Clerk's Office and Local Government Agencies

**FRANKFORT FIRE PROTECTION DISTRICT
FRANKFORT, ILLINOIS**

LEGAL DEBT MARGIN INFORMATION

Last Ten Fiscal Years

Fiscal Year	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Legal debt margin	\$ 75,804,468	\$ 72,415,509	\$ 71,664,866	\$ 72,661,362	\$ 76,074,912	\$ 78,818,025	\$ 81,012,809	\$ 83,289,122	\$ 85,852,875	\$ 89,137,834
Total debt applicable to limit	-	-	-	-	-	-	-	-	-	-
LEGAL DEBT MARGIN	\$ 75,804,468	\$ 72,415,509	\$ 71,664,866	\$ 72,661,362	\$ 76,074,912	\$ 78,818,025	\$ 81,012,809	\$ 83,289,122	\$ 85,852,875	\$ 89,137,834
TOTAL DEBT APPLICABLE TO THE LIMIT AS A PERCENTAGE OF DEBT LIMIT	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Legal debt margin calculation for fiscal 2022

Assessed value	\$ 1,550,223,206
Legal debt margin	<u>5.75%</u>
Debt limit	89,137,834
Debt applicable to limit	<u>-</u>
LEGAL DEBT MARGIN	<u>\$ 89,137,834</u>

**FRANKFORT FIRE PROTECTION DISTRICT
FRANKFORT, ILLINOIS**

DEMOGRAPHIC AND ECONOMIC INFORMATION

Last Ten Fiscal Years

Fiscal Year	Population	Per Capita Personal Income	Total Personal Income	Median Age	Unemployment Rate
2013	18,302	\$ 44,172	\$ 808,435,944	37.5	9.70%
2014	18,628	44,172	822,836,016	39.9	7.80%
2015	18,850	43,756	824,800,600	40.7	6.10%
2016	19,101	41,832	799,033,032	40.8	6.40%
2017	19,373	45,029	872,346,817	41.3	4.40%
2018	19,644	46,905	921,401,820	43.3	3.40%
2019	20,077	47,731	958,295,287	42.1	4.50%
2020	20,210	49,858	1,007,630,180	42.0	17.40%
2021	20,631	52,438	1,081,848,000	42.1	7.10%
2022	21,032	51,278	1,078,479,000	41.9	4.10%

N/A - information not available

Data Sources

U.S. Census Bureau, www.city-data.com, www.schoolsdata.com - National Center for Education Statistics, U.S. Department of Education

**FRANKFORT FIRE PROTECTION DISTRICT
FRANKFORT, ILLINOIS**

PRINCIPAL EMPLOYERS

Current Year and Nine Years Ago

Employer	2022		Employer	2013	
	Number of Employees	% of Total District Population		Number of Employees	% of Total District Population
Retail Trade	1,538	7.31%	N/A	N/A	N/A
Administrative and Waste Management Services	1,319	6.27%	N/A	N/A	N/A
Accommodation and Food Services	1,062	5.05%	N/A	N/A	N/A
Construction	874	4.16%	N/A	N/A	N/A
Manufacturing	826	3.93%	N/A	N/A	N/A
Health Care and Social Assistance	767	3.65%	N/A	N/A	N/A
Other Services	505	2.40%	N/A	N/A	N/A
Professional, Scientific, and Technical Services	395	1.88%	N/A	N/A	N/A
Finance and Insurance	327	1.55%	N/A	N/A	N/A
Wholesale Trade	309	1.47%	N/A	N/A	N/A
TOTAL	7,922	37.67%		N/A	N/A

*Most relevant information available

N/A - Information not available

Schedule contains most employers, but is not necessarily all inclusive.

Data Source

Workforce Investment Board of Will County and Fire Protection Note reports.

**FRANKFORT FIRE PROTECTION DISTRICT
FRANKFORT, ILLINOIS**

FULL-TIME EQUIVALENT EMPLOYEES

Last Ten Fiscal Years

Fiscal Year	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
FUNCTION/PROGRAM										
Administration	7.4	6.4	6.1	6.1	7.1	7.0	7.0	8.0	6.0	6.0
Operations	56.6	53.1	54.0	55.0	54.0	57.0	57.0	58.0	63.0	63.0
Support services	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
GRAND TOTAL	65.0	60.5	61.1	62.1	62.1	65.0	65.0	67.0	70.0	70.0

Data Source

District internal financial records

**FRANKFORT FIRE PROTECTION DISTRICT
FRANKFORT, ILLINOIS**

OPERATING INDICATORS

Last Ten Fiscal Years

Fiscal Year	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
OPERATIONS										
Fires	122	91	87	85	121	142	137	123	124	117
Overpressure rupture, explosion, overheat	1	1	-	2	-	-	1	1	2	3
Rescue and emergency medical service	1,805	1,879	1,851	2,035	2,239	2,423	2,461	2,538	2,533	2,948
Hazardous condition	97	101	97	92	75	112	84	121	160	98
Service calls	517	601	594	604	567	650	586	647	564	601
Good intent calls	46	58	128	153	340	319	412	400	527	502
False alarm and false calls	717	771	775	756	777	729	829	864	832	913
Other	7	2	4	5	5	9	9	9	4	1
System or detector malfunction	398	357	403	442	409	401	501	520	629	603
Unintentional system/detector operation	312	412	368	309	363	319	319	335	199	310
Severe weather and natural disaster	4	-	1	3	3	-	1	1	-	2
Special incidents	1	4	1	1	-	-	-	-	-	-
Total calls	3,310	3,506	3,534	3,731	4,122	4,375	4,511	4,695	4,742	5,184

Note: Data is from the calendar year ended within that fiscal year. All data is presented by Incident Type, which is the type of incident that is found when firefighters arrive at the scene.

Data Source

District internal records

**FRANKFORT FIRE PROTECTION DISTRICT
FRANKFORT, ILLINOIS**

CAPITAL ASSET STATISTICS

Last Ten Fiscal Years

Fiscal Year	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
SUPPORT SERVICES										
Fire stations	5	5	5	5	5	5	5	5	5	5
Ladder trucks	2	2	2	2	1	1	1	1	1	2
Engines	5	5	5	4	5	5	5	5	5	5
Special vehicles	7	7	7	7	7	7	7	8	8	8
Ambulances	5	5	4	5	5	5	6	6	6	6
Administration vehicles	8	8	10	10	10	11	11	13	13	13

Data Source

District internal records