



## **FRANKFORT TOWNSHIP, ILLINOIS**

ANNUAL FINANCIAL REPORT

**For the Year Ended March 31, 2025**

**SIKICH.COM**

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## **INTRODUCTORY SECTION**



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Nick George, Supervisor ♦ Nella Piccolin, Clerk  
Trustees ♦ Tom Kennedy ♦ Jessica Kot ♦ Hillary Kurzawa ♦ Dave Smith

August 27, 2025

### LETTER OF TRANSMITTAL

#### 2024-2025 BUDGET REVENUE PROJECTS FOR FRANKFORT TOWNSHIP

**2025 GOALS:** Frankfort Township continued to meet the needs of the community while maintaining a balanced budget.

**2025 REVENUE:** Frankfort Township's revenue continues to remain stable as we move forward.

**TOWNSHIP:** Frankfort Township continues to perform preventative maintenance on our properties including; building, equipment and grounds.

**SENIOR HOUSING:** Frankfort Township continues to maintain and up-grade our Senior Housing complexes to the highest level and standards. Upon tenant vacancy, Autumn Valley units are undergoing modest interior renovations. A new roof was installed at the Landings Point property. We continue to maintain all building and elevator inspections.

**SENIOR PROGRAMS:** Frankfort Township continues to support and expand senior nutrition programs. As well as introduced wellness & exercise programs, entertainment opportunities and a variety of educational courses. It is the intention to continue to introduce and enhance our senior programming.

**MOSQUITO ABATEMENT:** Frankfort Township provides mosquito and abatement control for larvae and adults as part of public health initiatives. The Environmental Mosquito Management Program treatments are based on mosquito population in Unincorporated Frankfort for the year. We provide information and links for public health and safety on our website.

**CEMETERY:** Frankfort Township Cemetery is the oldest operating historical cemetery registered in Will County.

**TRANSPORTATION:** The PACE Program is for Frankfort Township residents including seniors, and residents with permanent disabilities. Frankfort Township partners with the Access Will County's Will Ride program for program administration.

**ASSESSOR'S OFFICE:** Meets with constituents addressing assessment concerns and situations. Continues to educate constituents about the assessment process and works to further reduce appeals at the Board of Review.

In 2025, there were 184 Soft Appeals, 281 Board of Review Appeals, and 43 Property Tax Appeal Board Appeals.

**HIGHWAY MAINTENANCE, CAPITAL AND EQUIPMENT:** Frankfort Township supports and maintains approximately 140 lane miles of roads. Sidewalk and curb removal and replacement are done as needed, as well as maintenance of ditches and culverts, with snow removal on roads done in the winter. We continue to maintain road signs and our equipment and vehicles. Continued maintenance of parkway trees including trimming, removing when necessary, and replacements. Roadside mowing is performed seasonally. Our branch pickup, leaf pickup and street sweeping programs will continue as well.

**FOOD PANTRY:** Frankfort Township continues to develop reciprocal relationships with other assistance agencies and community organizations which result in additional donations. The food pantry is supported by food contributions and monetary donations.

Plans for a new Food Pantry building are being developed and will be located on the Administrative Complex property. The new facility will allow the Township to better serve those in our community experiencing food scarcity

The volunteers donate hundreds of man hours per week to help keep the Frankfort Township Food Pantry organized and running smoothly.

As of July 31, 2025, the Frankfort Township Food Pantry assisted 449 families which included 83 new families (9913 individual clients). Of those 9913 individuals, 241 are 0-18 years; 71 are 19-24 years; 62 are 25-35 years; 97 are 36-50 years; 82 are 51-59 years and 414 are 60 years and older.

**PARTNERING INITIATIVES:**

Frankfort Township partners with the Low Vision Product Road Show hosted by The Chicago Lighthouse to continue supporting those with visual impairments in the community.

Frankfort Township is exploring a partnership with St. Vincent de Paul to replace the shuttered Marley Fish emergency assistance program. Frankfort Township is actively seeking a replacement organization that provides emergency help for utility shut off notices, eviction notices and rent.

Will County Center for Community Concerns' LIHEAP program assists our referrals of Will County low-income eligible household pay for winter energy services.

Our senior nutrition program for Meals on Wheels to Frankfort seniors is offered by Community Nutrition Network as well as congregated dining café, here at the township.

Frankfort Township also partners with the Access Will County's Will-Ride Program to assist Frankfort Township residents with destinations up to 11 miles outside of our township service area.

Frankfort Township Charities has gained success in securing donators to support the Frankfort Township Food Pantry along with other needed assistance to the residents. FTC will focus on fund raising efforts for the new food pantry building construction.

Frankfort Township will continue as a site for Will County Green to hold bi-monthly electronic recycling events at Frankfort Township. This is a free event for the residents.

Frankfort Township continues to partner with Will County Workforce Division to host Job Fairs at the Frankfort Township for those residents seeking employment.

Frankfort Township held free Income Tax Assistance by AARP.

**FY2025/2026 GOALS:**

**TOWNSHIP:** The Township will continue making modest improvements to all properties as needed. The Event Centre will continue being utilized by the Frankfort Township Senior Programs, as they continue to grow. Frankfort Township will continue the Senior Nutrition Program by providing meals during senior activities.

**SENIOR HOUSING:** Frankfort Township will continue to provide affordable senior housing to meet the needs to those in our community. We continue to maintain and up-grade units and grounds. Frankfort Township owns and maintains 36 units of affordable housing; (24, 1-bedroom units and 12, 2-bedroom units).

**SENIOR PROGRAMS:** Frankfort Township will continue to seek new opportunities to expand our senior programs held at the Frankfort Township Senior Center. Target areas are exercise, entertainment and education.

**MOSQUITO ABATEMENT:** Frankfort Township provides additional resources for the abatement program in the unincorporated areas of the township. We do this in an effort to minimize the threat of mosquito borne diseases that potentially affect public health.

**CEMETERY:** Frankfort Township owns and maintains their cemetery which is an historical site. Progress to enhance the township cemetery continues. We plan on removing some very old, larger trees that are overgrown. We are researching the purchase and installation of a columbarium for the internment of cremated remains.

**TRANSPORTATION:** Frankfort Township will continue to partner with the Access Will County program to provide public transportation within the Frankfort Township for seniors, and disabled residents at an affordable rate.

**ASSESSOR'S OFFICE:** Will educate constituents about the assessment process. Work to further reduce appeals at the Board of Review.

**HIGHWAY MAINTENANCE, CAPITAL DEVELOPMENT:** Frankfort Township Road District will continue maintenance of approximately 140 lane miles of roads as well as maintenance of sidewalks, curbs, ditches and culverts, and snow removal during the winter. We will maintain road signs, our equipment and vehicles, the parkway trees, and roadside mowing when needed. Our branch pickup and leaf pickup programs will continue as well.

**FOOD PANTRY:** Frankfort Township will continue meeting the needs of the community and will continue to partner with local grocers/businesses for supplementing the food pantry for our client residents.

**GENERAL ASSISTANCE:** Frankfort Township meets the needs of qualified applicants. We continue to educate the General Assistance workers to keep them up on the latest laws and trends.

**PARTNERING INITIATIVES:** Frankfort Township will continue to host the Chicago Lighthouse Low Vision Show twice yearly for the community.

Frankfort Township continues the Meals on Wheels Program, hosted by Community Nutrition Network to meet the needs of the Frankfort homebound residents.

Frankfort Township continues to be a senior nutrition site.

Frankfort Township will continue to utilize the LIHEP program sponsored by Will County Center for Community Concerns to assist Will County low-income eligible household pay for winter energy services.

Frankfort Township will continue to coordinate transportation with Access Will County's Will-Ride Program to meet transportation needs in Frankfort Township.

Frankfort Township Charities will continue to partner with non-for-profit organizations for contributions to help aid the Frankfort Township food pantry the needs of those less fortunate.

Frankfort Township will continue to partner with Will County Green for electronic recycling bi-monthly.

Frankfort Township will continue to partner Will County Workforce Division to host Job Fairs.

Frankfort Township will continue to partner with AARP for free income tax return assistance.

Frankfort Township will continue to seek out participating opportunities and  
reaching within the community.

Respectfully submitted,

  
Nick George  
Frankfort Township Supervisor

- V -

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## **FINANCIAL SECTION**

1415 West Diehl Road, Suite 400  
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## INDEPENDENT AUDITOR'S REPORT

The Honorable Supervisor  
Members of the Board of Trustees  
Frankfort Township, Illinois

### Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Frankfort Township, Illinois (the Township), as of and for the year ended March 31, 2025, and the related notes to financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Frankfort Township, Illinois as of March 31, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (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 Township 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.

### Emphasis of Matter

As part of our audit for the March 31, 2025 financial statements, we also audited the adjustments as described in Footnote 12 that were applied to restated the March 31, 2024 financial statements. In our opinion, such adjustments are appropriate and have been properly applied.

### 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 Township'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 GAAS 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 Township'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 Township'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 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.

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. Our opinion on the basic financial statements is not affected by this missing information.

### *Supplementary Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township'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 section and supplemental data 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 CPA LLC*

Naperville, Illinois

August 15, 2025

**GENERAL PURPOSE EXTERNAL  
FINANCIAL STATEMENTS**

## **BASIC FINANCIAL STATEMENTS**

**FRANKFORT TOWNSHIP, ILLINOIS**

**STATEMENT OF NET POSITION**

March 31, 2025

	<b>Primary Government</b>		
	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>ASSETS</b>			
Cash and Investments	\$ 2,804,721	\$ 1,241,055	\$ 4,045,776
Accounts Receivable	32,273	-	32,273
Property Tax Receivable	5,633,425	-	5,633,425
Lease Receivable	1,323,533	-	1,323,533
Other Receivable	9,000	-	9,000
Accrued Interest Receivable	5,668	-	5,668
Prepays	23,785	-	23,785
Other Assets (Gift Cards)	112,292	-	112,292
Capital Assets			
Not Being Depreciated	531,125	1,100,000	1,631,125
Depreciated, Net of Accumulated Depreciation	9,409,854	1,214,580	10,624,434
Total Assets	<u>19,885,676</u>	<u>3,555,635</u>	<u>23,441,311</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension Items - IMRF	347,538	-	347,538
Total Deferred Outflows of Resources	<u>347,538</u>	<u>-</u>	<u>347,538</u>
Total Assets and Deferred Outflows of Resources	<u>20,233,214</u>	<u>3,555,635</u>	<u>23,788,849</u>
<b>LIABILITIES</b>			
Accounts Payable	121,405	3,862	125,267
Accrued Payroll	78,761	-	78,761
Deposits	51,977	16,436	68,413
Unearned Revenue	-	5,270	5,270
Noncurrent Liabilities			
Due Within One Year	21,220	-	21,220
Due in More Than One Year	553,157	-	553,157
Total Liabilities	<u>826,520</u>	<u>25,568</u>	<u>852,088</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Pension Items - IMRF	102,270	-	102,270
Deferred Property Tax Revenue	5,633,425	-	5,633,425
Deferred Inflows - Leases	1,208,227	-	1,208,227
Total Deferred Inflows of Resources	<u>6,943,922</u>	<u>-</u>	<u>6,943,922</u>
Total Liabilities and Deferred Inflows of Resources	<u>7,770,442</u>	<u>25,568</u>	<u>7,796,010</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	9,940,979	2,314,580	12,255,559
Restricted for			
Audit	187,061	-	187,061
Cemetery	12,007	-	12,007
Road and Bridge	907,312	-	907,312
IMRF	35,416	-	35,416
Highway Equipment	33,487	-	33,487
Unrestricted	<u>1,346,510</u>	<u>1,215,487</u>	<u>2,561,997</u>
<b>TOTAL NET POSITION</b>	<b><u>\$ 12,462,772</u></b>	<b><u>\$ 3,530,067</u></b>	<b><u>\$ 15,992,839</u></b>

See accompanying notes to financial statements.

**FRANKFORT TOWNSHIP, ILLINOIS**

**STATEMENT OF ACTIVITIES**

For the Year Ended March 31, 2025

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<b>FUNCTIONS/PROGRAMS</b> <b>PRIMARY GOVERNMENT</b>	<b>Program Revenues</b>			
	<b>Expenses</b>	<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>
Governmental Activities				
General Government	\$ 2,346,294	\$ 192,091	-	\$ -
Highways and Streets	3,136,394	167,067	-	-
General Assistance	14,873	-	-	-
Interest	1,533	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total Governmental Activities	5,499,094	359,158	-	-
Business-Type Activities				
Senior Housing	210,214	434,870	-	77,840
	<hr/>	<hr/>	<hr/>	<hr/>
Total Business-Type Activities	210,214	434,870	-	77,840
<b>TOTAL PRIMARY GOVERNMENT</b>	<b>\$ 5,709,308</b>	<b>\$ 794,028</b>	<b>\$ -</b>	<b>\$ 77,840</b>
	<hr/>	<hr/>	<hr/>	<hr/>

<b>Net (Expense) Revenue and Change in Net Position</b>			
<b>Primary Government</b>			
	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
	\$ (2,154,203)	\$ -	\$ (2,154,203)
	(2,969,327)	-	(2,969,327)
	(14,873)	-	(14,873)
	(1,533)	-	(1,533)
	<hr/>	<hr/>	<hr/>
	(5,139,936)	-	(5,139,936)
	<hr/>	<hr/>	<hr/>
	-	302,496	302,496
	<hr/>	<hr/>	<hr/>
	-	302,496	302,496
	<hr/>	<hr/>	<hr/>
	(5,139,936)	302,496	(4,837,440)
	<hr/>	<hr/>	<hr/>

General Revenues

Taxes			
Property Taxes	5,490,043	-	5,490,043
Intergovernmental (Unrestricted)			
Personal Property Replacement Tax	157,267	-	157,267
American Rescue Plan Act	50,998	-	50,998
Investment Income	142,645	20,549	163,194
Miscellaneous	152,059	-	152,059
<hr/>	<hr/>	<hr/>	<hr/>
Total	5,993,012	20,549	6,013,561
<hr/>	<hr/>	<hr/>	<hr/>
CHANGE IN NET POSITION	853,076	323,045	1,176,121
<hr/>	<hr/>	<hr/>	<hr/>
NET POSITION, APRIL 1, AS REPORTED	11,546,380	3,207,022	14,753,402
<hr/>	<hr/>	<hr/>	<hr/>
Error Correction	63,316	-	63,316
<hr/>	<hr/>	<hr/>	<hr/>
NET POSITION, APRIL 1, AS RESTATED	11,609,696	3,207,022	14,816,718
<hr/>	<hr/>	<hr/>	<hr/>
<b>NET POSITION, MARCH 31</b>	<b>\$ 12,462,772</b>	<b>\$ 3,530,067</b>	<b>\$ 15,992,839</b>
<hr/>	<hr/>	<hr/>	<hr/>

See accompanying notes to financial statements.

**FRANKFORT TOWNSHIP, ILLINOIS**

**BALANCE SHEET  
GOVERNMENTAL FUNDS**

March 31, 2025

	<b>General (Town)</b>	<b>Road District</b>	<b>Other Road District</b>	<b>Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>ASSETS</b>					
Cash and Investments	\$ 1,618,897	\$ 965,727	\$ 79,568	\$ 140,529	\$ 2,804,721
Accounts Receivable	-	32,273	-	-	32,273
Property Tax Receivable	2,469,149	2,406,481	757,795	-	5,633,425
Lease Receivable	1,323,533	-	-	-	1,323,533
Other Receivable	9,000	-	-	-	9,000
Due to from Other Funds	-	28,152	-	-	28,152
Accrued Interest	5,668	-	-	-	5,668
Prepays	10,661	13,124	-	-	23,785
Other Assets (Gift Cards)	112,292	-	-	-	112,292
<b>TOTAL ASSETS</b>	<b>\$ 5,549,200</b>	<b">\$ 3,445,757</b">	<b">\$ 837,363</b">	<b>\$ 140,529</b>	<b>\$ 9,972,849</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Accounts Payable	\$ 53,017	\$ 66,546	\$ 1,842	\$ -	\$ 121,405
Accrued Payroll	47,443	31,318	-	-	78,761
Deposits	17,877	34,100	-	-	51,977
Due to Other Funds	-	-	28,152	-	28,152
Total Liabilities	118,337	131,964	29,994	-	280,295
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable Property Tax Revenue	2,469,149	2,406,481	757,795	-	5,633,425
Deferred Inflows - Leases	1,208,227	-	-	-	1,208,227
Total Deferred Inflows of Resources	3,677,376	2,406,481	757,795	-	6,841,652
Total Liabilities and Deferred Inflows of Resources	3,795,713	2,538,445	787,789	-	7,121,947
<b>FUND BALANCES</b>					
Nonspendable for					
Prepays	10,661	-	-	-	10,661
Restricted for					
Audit	178,237	-	8,824	-	187,061
Cemetery	12,007	-	-	-	12,007
Road and Bridge	-	907,312	-	-	907,312
IMRF	-	-	35,416	-	35,416
Highway Equipment	-	-	33,487	-	33,487
Assigned for					
General Assistance	-	-	-	140,529	140,529
Subsequent years budget	901,532	-	-	-	901,532
Unassigned (Deficit)	651,050	-	(28,153)	-	622,897
Total Fund Balances	1,753,487	907,312	49,574	140,529	2,850,902
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 5,549,200</b>	<b>\$ 3,445,757</b>	<b>\$ 837,363</b>	<b>\$ 140,529</b>	<b>\$ 9,972,849</b>

See accompanying notes to financial statements.

## FRANKFORT TOWNSHIP, ILLINOIS

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

March 31, 2025

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<b>FUND BALANCES OF GOVERNMENTAL FUNDS</b>	<b>\$ 2,850,902</b>
<p>Amounts reported for governmental activities in the statement of net position are different because:</p>	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds	9,940,979
Deferred outflows of resources related to the Township's participation in IMRF are not financial resources and, therefore, are not reported in the governmental funds	347,538
Deferred inflows of resources related to the Township's participation in IMRF are not financial resources and, therefore, are not reported in the governmental funds	(102,270)
Net pension liability is reported on the statement of net position	(468,278)
Long-term liabilities, are not due and payable in the current period and, therefore, are not reported in the governmental funds	
Compensated absences payable	<u>(106,099)</u>
<b>NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<b><u>\$ 12,462,772</u></b>

See accompanying notes to financial statements.

**FRANKFORT TOWNSHIP, ILLINOIS**

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

For the Year Ended March 31, 2025

	<b>General (Town)</b>	<b>Road District</b>	<b>Other Road District</b>	<b>Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>REVENUES</b>					
Property Taxes	\$ 2,454,674	\$ 2,539,237	\$ 496,132	\$ -	\$ 5,490,043
Personal Property Replacement Tax	73,401	83,866	-	-	157,267
Intergovernmental	-	50,998	-	-	50,998
Charges for Services	14,201	167,067	-	-	181,268
Rental Income	177,890	-	-	-	177,890
Donations	121,300	-	-	-	121,300
Investment Income	107,553	24,143	2,182	8,767	142,645
Miscellaneous	27,981	2,778	-	-	30,759
<b>Total Revenues</b>	<b>2,977,000</b>	<b>2,868,089</b>	<b>498,314</b>	<b>8,767</b>	<b>6,352,170</b>
<b>EXPENDITURES</b>					
Current					
General Government	1,941,933	-	-	-	1,941,933
Highways and Streets	-	2,572,652	158,249	-	2,730,901
General Assistance	-	-	-	14,873	14,873
Capital Outlay	194,323	-	199,696	-	394,019
Debt Service					
Principal	395,000	-	-	-	395,000
Interest	10,073	-	-	-	10,073
<b>Total Expenditures</b>	<b>2,541,329</b>	<b>2,572,652</b>	<b>357,945</b>	<b>14,873</b>	<b>5,486,799</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>435,671</b>	<b>295,437</b>	<b>140,369</b>	<b>(6,106)</b>	<b>865,371</b>
<b>FUND BALANCE, APRIL 1, AS REPORTED</b>	<b>1,254,500</b>	<b>611,875</b>	<b>(90,795)</b>	<b>146,635</b>	<b>1,922,215</b>
Error Correction	63,316	-	-	-	63,316
<b>FUND BALANCE, APRIL 1, (DEFICIT) AS RESTATED</b>	<b>1,317,816</b>	<b>611,875</b>	<b>(90,795)</b>	<b>146,635</b>	<b>1,985,531</b>
<b>FUND BALANCES, MARCH 31</b>	<b>\$ 1,753,487</b>	<b>\$ 907,312</b>	<b>\$ 49,574</b>	<b>\$ 140,529</b>	<b>\$ 2,850,902</b>

See accompanying notes to financial statements.

**FRANKFORT TOWNSHIP, 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 March 31, 2025

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<b>NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS</b>	<b>\$ 865,371</b>
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	670,221
Proceeds from the disposal of capital assets is reported in the governmental funds, but gain or loss on the disposal of capital assets is calculated and reported in the statement of activities	(199,805)
The change in certain liabilities are reported as expenses on the statement of activities	
Compensated absences	(15,149)
Accrued interest	5,036
The repayment of the principal portion of long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal outstanding in the statement of activities	395,000
Governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities	3,504
The change in pension related deferred outflows is reported as an expense on the statement of activities	(68,004)
The change in pension related deferred inflows is reported as an expense on the statement of activities	106,198
The change in the net pension liability (asset) is reported as an expense on the statement of activities	(269,317)
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 of capital assets	(639,979)
<b>CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<b>\$ 853,076</b>

See accompanying notes to financial statements.

FRANKFORT TOWNSHIP, ILLINOIS

STATEMENT OF NET POSITION  
PROPRIETARY FUNDS

March 31, 2025

	<u>Business-Type Activities - Enterprise Fund Senior Housing</u>
<b>CURRENT ASSETS</b>	
Cash and Investments	\$ 1,241,055
Due from Other Funds	-
	<u>1,241,055</u>
Total Current Assets	<u>1,241,055</u>
<b>NONCURRENT ASSETS</b>	
Capital Assets	1,100,000
Nondepreciable	3,239,137
Depreciable	<u>(2,024,557)</u>
Accumulated Depreciation	<u>2,314,580</u>
	<u>2,314,580</u>
Total Noncurrent Assets	<u>2,314,580</u>
	<u>3,555,635</u>
Total Assets	<u>3,555,635</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
None	-
	<u>-</u>
Total Deferred Outflows of Resources	<u>-</u>
	<u>3,555,635</u>
Total Assets and Deferred Outflows of Resources	<u>3,555,635</u>
<b>CURRENT LIABILITIES</b>	
Accounts Payable	3,862
Deposits	16,436
Unearned Revenue	<u>5,270</u>
	<u>25,568</u>
Total Current Liabilities	<u>25,568</u>
<b>NONCURRENT LIABILITIES</b>	
None	-
	<u>-</u>
Total Liabilities	<u>25,568</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
None	-
	<u>-</u>
Total Deferred Inflows of Resources	<u>-</u>
	<u>25,568</u>
Total Liabilities and Deferred Inflows of Resources	<u>25,568</u>
<b>NET POSITION</b>	
Investment in Capital Assets	2,314,580
Unrestricted	<u>1,215,487</u>
	<u>3,530,067</u>
<b>TOTAL NET POSITION</b>	<u>\$ 3,530,067</u>

See accompanying notes to financial statements.

# FRANKFORT TOWNSHIP, ILLINOIS

## STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION PROPRIETARY FUNDS

For the Year Ended March 31, 2025

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	<b>Business-Type Activities - <u>Enterprise Fund</u> <u>Senior Housing</u></b>
<b>OPERATING REVENUES</b>	
Rent	<u>\$ 434,870</u>
Total Operating Revenues	<u>434,870</u>
<b>OPERATING EXPENSES</b>	
Contractual Services	126,333
Commodities	8,380
Capital Outlay	17,733
Depreciation	<u>67,126</u>
Total Operating Expenses	<u>219,572</u>
<b>OPERATING INCOME</b>	<u>215,298</u>
<b>NON-OPERATING REVENUE</b>	
Investment Income	20,549
Miscellaneous Income	<u>9,358</u>
Total Non-Operating Revenue	<u>29,907</u>
<b>INCOME BEFORE CAPITAL GRANTS AND CONTRIBUTIONS</b>	245,205
<b>CAPITAL GRANTS AND CONTRIBUTIONS</b>	<u>77,840</u>
<b>CHANGE IN NET POSITION</b>	323,045
<b>NET POSITION, APRIL 1</b>	<u>3,207,022</u>
<b>NET POSITION, MARCH 31</b>	<u>\$ 3,530,067</u>

See accompanying notes to financial statements.

**FRANKFORT TOWNSHIP, ILLINOIS**

**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**

For the Year Ended March 31, 2025

	<b>Business-Type Activities - Enterprise Fund Senior Housing</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Receipts from Customers and Users	\$ 437,135
Payments to Suppliers	<u>(147,901)</u>
Net Cash from Operating Activities	<u>289,234</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	
Interfund Activity	127,219
Miscellaneous Income	<u>9,358</u>
Net Cash from Noncapital Financing Activities	<u>136,577</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
Purchase of Capital Assets	(284,757)
Grants	<u>77,840</u>
Net Cash from Capital and Related Financing Activities	<u>(206,917)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Investment Income	<u>20,549</u>
Net Cash from Investing Activities	<u>20,549</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	
	239,443
CASH AND CASH EQUIVALENTS, APRIL 1	<u>1,001,612</u>
<b>CASH AND CASH EQUIVALENTS, MARCH 31</b>	<b><u>\$ 1,241,055</u></b>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Operating Income	\$ 215,298
Adjustments to Reconcile Operating Income to Net Cash from Operating Activities	67,126
Depreciation	3,213
Changes in Assets and Liabilities	1,332
Accounts Payable	<u>2,265</u>
Deposits	<u>2,265</u>
Unearned Revenue	<u>2,265</u>
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b><u>\$ 289,234</u></b>

See accompanying notes to financial statements.

# FRANKFORT TOWNSHIP, ILLINOIS

## NOTES TO FINANCIAL STATEMENTS

March 31, 2025

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Frankfort Township, Illinois (the Township) operates under the Township Act (60 ILCS) and the Revenue Code (35 ILCS) of the Illinois Compiled Statutes (ILCS). The Township provides the following services as authorized by its charter: road and bridge construction and maintenance; senior housing services; resident transportation; general assistance; property tax related matters; and general administrative services.

The financial statements of the Township have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to governmental units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Township's accounting policies are described below.

#### A. Reporting Entity

The financial reporting entity consists of the primary government, as well as its component units, which are legally separate organizations for which the elected officials of the primary government are financially accountable. Financial accountability is defined as:

- 1) Appointment of a voting majority of the component unit's board and either (a) the ability to impose will by the primary government or (b) the possibility that the component unit will provide a financial benefit to, or impose a financial burden on the primary government; or
- 2) Fiscal dependency on the primary government.

The Township has a separately elected Board of Trustees, the power to levy taxes, the authorization to expend funds, the responsibility to designate management, the ability to prepare and modify the annual budget and the authority to issue debt. Therefore, the Township is not included as a component unit of any other entity.

#### B. Basis of Presentation - Fund Accounting

The accounts of the Township are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity,

**FRANKFORT TOWNSHIP, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**B. Basis of Presentation - Fund Accounting (Continued)**

revenues and expenditures or expenses as appropriate. Government resources are allocated to and accounted for in individual funds based on the purposes for which they are to be spent and the means by which spending activities are controlled. Funds are classified into the following categories: governmental and proprietary.

Governmental funds are used to account for all or most of the Township's general activities, including the collection and disbursement of committed, restricted or assigned monies (special revenue funds), the acquisition or construction of capital assets (capital projects funds) and the servicing of general long-term debt (debt service funds). The General (Town) Fund is used to account for all activities of the Township not accounted for in some other fund. The Township has no capital projects or debt service funds.

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the Township (internal service funds).

**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 activities of the Township. The effect of material interfund activity has been eliminated from these statements. Interfund services provided and used are not eliminated on these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, 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 contributions 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 governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

**FRANKFORT TOWNSHIP, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**C. Government-Wide and Fund Financial Statements (Continued)**

The Township reports the following major governmental funds:

The General (Town) Fund accounts for the resources traditionally associated with the Township's operations that are not accounted for in another fund.

The Road District Fund is used to account for the Township's resources and costs of providing street, sidewalk, curb and bridge repairs, snow removal and winter road salting.

The Other Road District Fund accounts for the restricted revenues including property taxes and the related expenditures needed to finance road district, Audit, Equipment and Building, Insurance, IMRF and Social Security services.

The Township reports the following major proprietary fund:

The Senior Housing Fund accounts for the activities of the Township senior apartment living options for qualifying Township senior citizens.

**D. Measurement Focus and Basis of Accounting**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses 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. Operating revenues/expenses include all revenues/expenses directly related to providing enterprise fund services. Incidental revenues/expenses are reported as non-operating.

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 recorded when susceptible to accrual (i.e., 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. The Township considers revenues to be available if they are collected within 60 days of the end of the current fiscal year. Expenditures are recorded when the related fund liability is incurred.

**FRANKFORT TOWNSHIP, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Measurement Focus Basis of Accounting (Continued)**

Charges for services and miscellaneous revenues (except investment earnings) are recorded as revenues when received in cash because they are generally not measurable until actually received. Investment income is susceptible to accrual and is recognized as revenues of the current period since recognition criteria indicated above are met.

In applying the susceptible to accrual concept to intergovernmental revenues (i.e., federal and state grants), the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of these revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the Township; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditure and are generally revocable only for failure to comply with prescribed eligibility requirements, such as equal employment opportunity. These resources are reflected as revenues at the time of receipt or earlier if they meet the availability criterion.

The Township reports deferred/unavailable/unearned revenue on its financial statements. Deferred/unavailable/unearned revenues arise when potential revenue does not meet both the measurable and available or earned criteria for recognition in the current period. Unearned revenues also arise when resources are received by the Township 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 Township has a legal claim to the resources, the liability or deferred inflow of resources for deferred/unavailable/unearned revenue is removed from the financial statements and revenue is recognized.

**E. Cash and Investments**

The Township's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with maturities of three months or less from the date of acquisition.

Investments with a maturity of one year or less when purchased and all non-negotiable certificates of deposit are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased, if any, are reported at fair value.

**FRANKFORT TOWNSHIP, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**F. Receivables**

Receivables consist primarily of property taxes, intergovernmental and other miscellaneous amounts due to the Township.

**G. Compensated Absences**

Accumulated unpaid vacation, sick pay and other employee benefit amounts for governmental fund types are accrued in these funds as a current liability to the extent that employees have retired or terminated at year end but have not been paid.

In the government-wide financial statements and the proprietary funds financial statements accumulated unpaid vacation, sick pay and other employee benefit amounts are recorded as earned by employees. The Township evaluated the adoption of GASB Statement 101, *Compensated absences*, and determined there is no impact as all unused paid time off (PTO) at the Township is eligible to be paid out at employee termination and is currently accrued.

**H. Capital Assets**

Capital assets, which include property, plant and equipment are reported in the applicable governmental activities columns in the government-wide financial statements. Capital assets are defined by the Township as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. 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 of the asset or materially extend asset lives are not capitalized.

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

Assets	Years
Buildings and Improvements	15-40
Improvements Other than Buildings	5-40
Infrastructure	15-50
Transportation Equipment	5-10
Machinery and Equipment	5-50

**FRANKFORT TOWNSHIP, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**I. Long-Term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities and proprietary fund financial statements.

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

**J. 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 legally or contractually required to be maintained intact. Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose, or externally imposed by outside entities. Committed fund balance, if any, is constrained by formal actions of the Township's Board of Trustees, which is considered the Township's highest level of decision-making authority. Formal actions include ordinances approved by the Township Board of Trustees. Assigned fund balance represents amounts constrained by the Township's intent to use them for a specific purpose. The authority to assign fund balance has been delegated to the Township's manager through the fund balance policy adopted by the Township Board of Trustees. Any residual fund balance of the General (Town) Fund is reported as unassigned. Deficit fund balances in other governmental funds are also reported as unassigned.

The Township'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 Township considers committed funds to be expended first followed by assigned and then unassigned funds.

In the government-wide financial statements, restricted net position is legally restricted by outside parties for a specific purpose. Net investment in capital assets represents the book value of capital assets, less any long-term debt principal outstanding issued to construct or acquire the capital assets.

**FRANKFORT TOWNSHIP, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**K. Prepaid Items/Expenses**

Payments made to vendors for services that will benefit periods beyond the date of this report are recorded as prepaid items/expenses using the consumptions method.

**L. 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 future period(s) and so will not be recognized as an outflow of resources (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 future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

**M. Use of Estimates**

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, 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.

**2. CASH AND INVESTMENTS**

**A. Permitted Deposits and Investments**

ILCS and the Township's investment policy authorizes the Township to make deposits/invest in interest-bearing savings accounts, certificates of deposit and time deposits of any bank as defined by the Illinois Banking Act, obligations of the U.S. Treasury and U.S. agencies, certain short-term corporate obligations and certain money market mutual funds, including The Illinois Funds. The primary objectives of the Investment policy are safety, diversity of investments, liquidity and yield.

**FRANKFORT TOWNSHIP, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**2. CASH AND INVESTMENTS (Continued)**

**A. Permitted Deposits and Investments (Continued)**

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 fair 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.

The Township categorizes its 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 Township did not have any investments subject to fair value measurement as of March 31, 2025. The certificate of deposit held by the Township has a maturity of less than one year and reported at amortized cost.

**B. Deposits with Financial Institutions**

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Township's deposits may not be returned to it. The Township's investment policy does not specifically address custodial credit risk. As of March 31, 2025, the Township had no uninsured and uncollateralized deposits as of March 31, 2025.

**C. Investments**

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of investments. The Township's investment policy does not specifically address concentration of interest rate risk. As of March 31, 2025, the Township did not have any investments subject to interest rate risk.

Credit risk is the risk that the issuer of a debt security will not pay its par value upon maturity. The Township's investment policy does not specifically address credit risk. The certificate of deposit is not rated. The Illinois Funds are rated AAA.

**FRANKFORT TOWNSHIP, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**2. CASH AND INVESTMENTS (Continued)**

**C. Investments (Continued)**

Concentration of credit risk is the risk of loss attributed to the magnitude of the Township's investment in a single issuer. In accordance with the Township's investment policy, the Township limits its exposure to concentration of credit risk by diversifying its investment portfolio.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Township will not be able to recover the value of its investments that are in possession of an outside party. The Township's investment policy does not specifically address custodial credit risk. The Illinois Funds are subject to custodial credit risk for investments.

**3. PROPERTY TAXES**

The Township's property tax is levied each calendar year on all taxable real property located in the Township. For governmental funds, property taxes received in the period intended to finance and collected within 60 days subsequent to year end are recorded as revenue.

The County Assessor is responsible for assessment of all taxable real property within Cook County (the County), except for certain railroad property, which is assessed directly by the state. The County Assessor is responsible for assessment of all taxable real property. Reassessments occur based on market conditions. The County Clerk computes the annual tax for each parcel of real property and prepares tax books used by the County Collector as the basis for issuing tax bills to all taxpayers in the County.

Property taxes are collected by the County Collector and are submitted to the County Treasurer, who remits to the units their respective shares of the collections. Taxes levied in one year become due and payable in two installments on or about March 1 and August 1 during the following year. Taxes must be levied by the last Tuesday in December of the levy year and the levy becomes an enforceable lien against the property as of January 1 of the levy year.

The entire 2024 property tax levy is recorded as a receivable and unavailable/deferred as of March 31, 2025, as it is intended to finance the subsequent fiscal year. The 2025 tax levy has not been recorded as a receivable at March 31, 2025. The tax has attached as a lien on property as of January 1, 2025; however, the tax will not be levied until December 2025 and, accordingly, is not measurable at March 31, 2025.

**FRANKFORT TOWNSHIP, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**4. CAPITAL ASSETS**

Capital asset activity for the year ended March 31, 2025, was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
<b>GOVERNMENTAL ACTIVITIES</b>				
Capital Assets Not Being Depreciated				
Land	\$ 531,125	\$ -	\$ -	\$ 531,125
Total Capital Assets Not Being Depreciated	<u>531,125</u>	<u>-</u>	<u>-</u>	<u>531,125</u>
Capital Assets Being Depreciated				
Buildings	9,616,903	-	-	9,616,903
Improvements	934,135	171,482	-	1,105,617
Transportation Equipment	2,314,672	24,988	-	2,339,660
Furniture's and Fixtures	257,976	-	-	257,976
Infrastructure	2,603,504	-	-	2,603,504
Machinery and Equipment	2,949,256	473,751	334,071	2,949,256
Total Capital Assets Being Depreciated	<u>18,676,446</u>	<u>670,221</u>	<u>334,071</u>	<u>19,012,596</u>
Less Accumulated Depreciation				
Buildings	3,510,775	239,948	-	3,750,723
Improvements	541,329	49,869	-	591,198
Transportation Equipment	1,461,274	126,058	-	1,587,332
Furniture's and Fixtures	256,823	1,153	-	257,976
Infrastructure	1,154,360	66,390	-	1,220,750
Machinery and Equipment	2,172,468	156,561	134,266	2,194,763
Total Accumulated Depreciation	<u>9,097,029</u>	<u>639,979</u>	<u>134,266</u>	<u>9,602,742</u>
Total Capital Assets Being Depreciated, Net	<u>9,579,417</u>	<u>30,242</u>	<u>199,805</u>	<u>9,409,854</u>
<b>GOVERNMENTAL ACTIVITIES</b>				
<b>CAPITAL ASSETS, NET</b>	<b>\$ 10,110,542</b>	<b>\$ 30,242</b>	<b>\$ 199,805</b>	<b>\$ 9,940,979</b>

**FRANKFORT TOWNSHIP, ILLINOIS**  
 NOTES TO FINANCIAL STATEMENTS (Continued)

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**4. CAPITAL ASSETS (Continued)**

	Beginning Balances	Increases	Decreases	Ending Balances
<b>BUSINESS-TYPE ACTIVITIES</b>				
Capital Assets Not Being Depreciated				
Land	\$ 1,100,000	\$ -	\$ -	\$ 1,100,000
Total Capital Assets Not Being Depreciated	1,100,000	-	-	1,100,000
Capital Assets Being Depreciated				
Buildings	2,175,213	-	-	2,175,213
Improvements	779,167	284,757	-	1,063,924
Total Capital Assets Being Depreciated	2,954,380	284,757	-	3,239,137
Less Accumulated Depreciation				
Buildings	1,394,857	39,380	-	1,434,237
Improvements	562,574	27,746	-	590,320
Total Accumulated Depreciation	1,957,431	67,126	-	2,024,557
Total Capital Assets Being Depreciated, Net	996,949	217,631	-	1,214,580
<b>BUSINESS-TYPE ACTIVITIES</b>				
<b>CAPITAL ASSETS, NET</b>	<b>\$ 2,096,949</b>	<b>\$ 217,631</b>	<b>\$ -</b>	<b>\$ 2,314,580</b>
Depreciation expense was charged to functions/programs of the primary government as follows:				
<b>GOVERNMENTAL ACTIVITIES</b>				
General Government			\$ 221,978	
Highways and Streets			418,001	
<b>TOTAL GOVERNMENTAL ACTIVITIES</b>			<b>\$ 639,979</b>	
<b>BUSINESS-TYPE ACTIVITIES</b>				
Senior Housing			\$ 67,126	

**FRANKFORT TOWNSHIP, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**5. LONG-TERM DEBT**

**A. Changes in Long-Term Liabilities**

During the fiscal year the following changes occurred in liabilities reported in the governmental activities:

	Beginning Balances	Additions	Retirement	Ending Balances	Current Portion
General Obligation Bonds (Direct Placement)	\$ 395,000	\$ -	\$ 395,000	\$ -	\$ -
Unamortized Bond Premium	3,504	-	3,504	-	-
Net Pension Liability*	198,961	269,317	-	468,278	-
Compensated Absences**	90,950	15,149	-	106,099	21,220
<b>TOTAL</b>	<b>\$ 688,415</b>	<b>\$ 284,466</b>	<b>\$ 398,504</b>	<b>\$ 574,377</b>	<b>\$ 21,220</b>

\*The General Fund resources are used to liquidate the net pension liability.

\*\*The amount displayed as additions or reductions represents the net change in the liability.

**General Obligation Bonds (Direct Placement)**

On May 31, 2016, the Township refinanced the General Obligation Bond issue with a \$4,350,000 bond issue, with interest ranging from 1.20% to 2.55%. The bonds were issued directly to a bank. The bonds are paid annually with interest paid semi-annually and retain the same principal payment schedule as the original issue. The bonds matured on January 1, 2025.

**6. DEFINED BENEFIT PENSION PLAN**

The Township contributes to one defined benefit pension plan, the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement system. The benefits, benefit levels, employee contributions and employer contributions for the plan is governed by ILCS and can only be amended by the Illinois General Assembly. IMRF issues 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](http://www.imrf.org).

**FRANKFORT TOWNSHIP, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**6. DEFINED BENEFIT PENSION PLAN (Continued)**

Illinois Municipal Retirement Fund

*Plan Administration*

All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members.

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

*Plan Membership*

At December 31, 2024, IMRF membership consisted of:

Inactive Employees or their Beneficiaries	
Currently Receiving Benefits	45
Inactive Employees Entitled to but not yet	
Receiving Benefits	14
Active Employees	27
 TOTAL	 86

*Benefits Provided*

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.

**FRANKFORT TOWNSHIP, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**6. DEFINED BENEFIT PENSION PLAN (Continued)**

Illinois Municipal Retirement Fund (Continued)

*Contributions*

Participating members are required to contribute 4.50% of their annual salary to IMRF. The Township is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution rate for the fiscal year ended March 31, 2025, was 6.24% of covered payroll.

*Actuarial Assumptions*

The Township's net pension liability was measured as of December 31, 2024 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 following actuarial methods and assumptions.

Actuarial Valuation Date	December 31, 2024
Actuarial Cost Method	Entry-Age Normal
Assumptions	
Inflation	2.25%
Salary Increases	2.85% to 13.75%
Interest Rate	7.25%
Cost of Living Adjustment	2.75%
Asset Valuation Method	Fair Value

For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 108.00%) and Female (adjusted 106.40%) tables and future mortality improvements projected using scale MP-2021. 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-2021. 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-2021.

**FRANKFORT TOWNSHIP, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**6. DEFINED BENEFIT PENSION PLAN (Continued)**

Illinois Municipal Retirement Fund (Continued)

*Discount Rate*

The discount rate used to measure the total pension liability at December 31, 2024, 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 Township 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.

*Long-Term Expected Rate of Return*

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

Asset Class	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
Domestic Equity	33.50%	4.35%
International Equity	18.00%	5.40%
Fixed Income	24.50%	5.20%
Real Estate	10.50%	6.40%
Alternative Investments	12.50%	4.85% to 6.25%
Cash Equivalents	1.00%	3.60%
Total	<u>100.00%</u>	

**FRANKFORT TOWNSHIP, ILLINOIS**  
 NOTES TO FINANCIAL STATEMENTS (Continued)

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**6. DEFINED BENEFIT PENSION PLAN (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)
<b>BALANCES AT JANUARY 1, 2024</b>	<u>\$ 7,679,813</u>	<u>\$ 7,480,852</u>	<u>\$ 198,961</u>
Changes for the Period			
Service Cost	129,513	-	129,513
Interest	543,315	-	543,315
Difference Between Expected and Actual Experience	267,707	-	267,707
Changes in Assumptions	-	-	-
Employer Contributions	-	93,775	(93,775)
Employee Contributions	-	67,410	(67,410)
Net Investment Income	-	751,237	(751,237)
Benefit Payments and Refunds	(501,136)	(501,136)	-
Other (Net Transfer)	-	(241,204)	241,204
Net Changes	<u>439,399</u>	<u>170,082</u>	<u>269,317</u>
<b>BALANCES AT DECEMBER 31, 2024</b>	<u>\$ 8,119,212</u>	<u>\$ 7,650,934</u>	<u>\$ 468,278</u>

There were changes in assumptions related to mortality rates compared to the previous valuation.

**FRANKFORT TOWNSHIP, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**6. DEFINED BENEFIT PENSION PLAN (Continued)**

Illinois Municipal Retirement Fund (Continued)

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

For the year ended March 31, 2025, the Township recognized pension expense of \$361,777. At March 31, 2025, the Township 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	\$ 171,998	\$ 99,766
Changes in Assumption	-	2,504
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	151,041	-
Contributions Made After Measurement Date	24,499	-
 TOTAL	 \$ 347,538	 \$ 102,270

\$24,499 reported as deferred outflows of pensions result from Township contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending March 31, 2026. 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  
March 31,

2026	\$ 75,417
2027	295,066
2028	(103,724)
2029	(45,990)
Thereafter	-
 TOTAL	 \$ 220,769

**FRANKFORT TOWNSHIP, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**6. DEFINED BENEFIT PENSION PLAN (Continued)**

Illinois Municipal Retirement Fund (Continued)

*Discount Rate Sensitivity*

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the Township calculated using the discount rate of 7.25% as well as what the Township's net pension liability 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)	\$ 1,222,865	\$ 468,278	\$ (151,960)

**7. RISK MANAGEMENT**

The Township is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; illnesses of employees; and natural disasters. In response to this exposure, the Township has purchased insurance through traditional policies. Settled risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

**8. OTHER POSTEMPLOYMENT BENEFITS**

**Plan Description**

In addition to providing the pension benefits described, the Township provides postemployment health care benefits (OPEB) for retired employees through a single-employer defined benefit plan (the Plan). The benefits, benefit levels, employee contributions and employer contributions are governed by the Township and can be amended by the Township through its personnel manual. 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 Township's total OPEB liability as of March 31, 2025, is immaterial; and, therefore, not recorded by the Township.

**9. CONTINGENT LIABILITIES**

Amounts received and receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time; although, the Township expects such amounts, if any, to be immaterial.

**FRANKFORT TOWNSHIP, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**10. INDIVIDUAL FUND DISCLOSURES**

Individual fund amounts due to other funds were as follows:

Receivable Fund	Payable Fund	Amount
Road Fund	Other Road District	\$ 28,152
<b>TOTAL</b>		<b>\$ 28,152</b>

The purposes of significant interfund balances are as follows:

- The balances between the Road Fund and the Other Road District Fund were for short-term interfund loans. Repayment is expected within one year.

**11. LESSOR DISCLOSURES**

The Township entered a lease agreement in March 2007 to lease space on a cell tower for the placement of internet equipment. Payments ranging from \$908 to \$1,220 are due to the Township in monthly installments, through May 2032. The lease agreement is noncancelable and maintains an interest rate of 2.97%.

The Township entered a lease agreement in March 2006 to lease space on a cell tower for the placement of cellular communications equipment. Payments ranging from \$2,808 to \$3,557 are due to the Township in monthly installments, through March 2031. The lease agreement is noncancelable and maintains an interest rate of 2.90%.

The Township entered a lease agreement in November 1998 to lease space on a cell tower for the placement of cellular communications equipment. Payments ranging from \$2,702 to \$5,827 are due to the Township in monthly installments, through May 2049. The lease agreement is noncancelable and maintains an interest rate of 3.49%.

The Township entered a lease agreement in February 2015 to lease space on a cell tower for the placement of cellular communications equipment. Payments ranging from \$1,230 to \$2,033 are due to the Township in monthly installments, through January 2040. The lease agreement is noncancelable and maintains an interest rate of 3.25%.

During the year, the Township recognized lease revenue of \$87,820 and interest revenue of \$48,452 related to leases.

**FRANKFORT TOWNSHIP, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**12. ERROR CORRECTION**

For the year ended March 31, 2025, the Township made error corrections related to recording gift card assets, which resulted in a restatement to beginning fund balance and net position.

	<u>Governmental Activities</u>
BEGINNING NET POSITION, AS PREVIOUSLY REPORTED	<u>\$ 11,546,380</u>
Error Correction - Gift Cards	<u>63,316</u>
Total Net Restatement	<u>63,316</u>
BEGINNING NET POSITION, AS RESTATED	<u>\$ 11,609,696</u>
	<u>Town Fund</u>
BEGINNING FUND BALANCE, AS PREVIOUSLY REPORTED	<u>\$ 1,254,500</u>
Error Correction - Gift Cards	<u>63,316</u>
Total Net Restatement	<u>63,316</u>
BEGINNING FUND BALANCE, AS RESTATED	<u>\$ 1,317,816</u>

**REQUIRED SUPPLEMENTARY INFORMATION**

**FRANKFORT TOWNSHIP, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
GENERAL (TOWN) FUND**

For the Year Ended March 31, 2025

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	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<b>REVENUES</b>			
Property Taxes	\$ 2,449,265	\$ 2,454,674	\$ 5,409
Personal Property Replacement Tax	126,000	73,401	(52,599)
Charges for Services	12,000	14,201	2,201
Rental Income	170,000	177,890	7,890
Donations	50,000	121,300	71,300
Investment Income	25,000	107,553	82,553
Miscellaneous	27,000	27,981	981
 Total Revenues	 2,859,265	 2,977,000	 117,735
 <b>EXPENDITURES</b>			
General Government			
Administration			
Personnel	1,051,641	961,149	(90,492)
Contractual Services	594,500	406,884	(187,616)
Commodities	131,000	61,785	(69,215)
Other Expenditures	81,000	53,475	(27,525)
 Total Administration	 1,858,141	 1,483,293	 (374,848)
Assessor			
Personnel	302,275	304,924	2,649
Contractual Services	31,000	35,753	4,753
Commodities	2,150	1,048	(1,102)
Other Expenditures	2,000	-	(2,000)
 Total Assessor	 337,425	 341,725	 4,300
Cemetery			
Commodities	50,900	1,459	(49,441)

(This statement is continued on the following page.)

**FRANKFORT TOWNSHIP, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Continued)**  
**GENERAL (TOWN) FUND**

For the Year Ended March 31, 2025

---

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<b>EXPENDITURES (Continued)</b>			
General Government (Continued)			
Food Pantry	\$ 44,250	\$ 46,876	\$ 2,626
Commodities	1,500	9,887	8,387
Other Expenditures			
Total Food Pantry	<u>45,750</u>	<u>56,763</u>	<u>11,013</u>
Youth and Senior Department			
Contractual Services	14,000	6,291	(7,709)
Commodities	45,000	20,350	(24,650)
Other Expenditures	500	178	(322)
Total Youth and Senior Department	<u>59,500</u>	<u>26,819</u>	<u>(32,681)</u>
Audit			
Contractual Services	204,288	31,874	(172,414)
Total General Government	<u>2,556,004</u>	<u>1,941,933</u>	<u>(614,071)</u>
Capital Outlay	787,943	194,323	(593,620)
Debt Service			
Principal	395,000	395,000	-
Interest	10,073	10,073	-
Total Debt Service	<u>405,073</u>	<u>405,073</u>	<u>-</u>
Total Expenditures	<u>3,749,020</u>	<u>2,541,329</u>	<u>(1,207,691)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (889,755)</u>	<u>435,671</u>	<u>\$ 1,325,426</u>
FUND BALANCE, APRIL 1, AS REPORTED		<u>1,254,500</u>	
Error Correction		63,316	
FUND BALANCE, APRIL 1, AS RESTATED		<u>1,317,816</u>	
<b>FUND BALANCE, MARCH 31</b>		<u>\$ 1,753,487</u>	

(See independent auditor's report.)

**FRANKFORT TOWNSHIP, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
ROAD DISTRICT FUND**

For the Year Ended March 31, 2025

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	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance Over (Under)</b>
<b>REVENUES</b>			
Property Taxes	\$ 2,535,189	\$ 2,539,237	\$ 4,048
Personal Property Replacement Tax	35,000	83,866	48,866
Intergovernmental	500,000	50,998	(449,002)
Charges for Services	10,000	167,067	157,067
Investment Income	5,000	24,143	19,143
Miscellaneous Income	-	2,778	2,778
 Total Revenues	 3,085,189	 2,868,089	 (217,100)
<b>EXPENDITURES</b>			
Highways and Streets			
Personnel	1,009,950	795,604	(214,346)
Contractual Services	1,779,350	1,410,394	(368,956)
Commodities	345,000	348,174	3,174
Other Expenditures	35,000	18,480	(16,520)
 Total Expenditures	 3,169,300	 2,572,652	 (596,648)
 NET CHANGE IN FUND BALANCE	 <u>\$ (84,111)</u>	 295,437	 <u>\$ 379,548</u>
 FUND BALANCE, APRIL 1		 611,875	
 <b>FUND BALANCE, MARCH 31</b>	 <u>\$ 907,312</u>		

(See independent auditor's report.)

**FRANKFORT TOWNSHIP, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
OTHER ROAD DISTRICT FUND**

For the Year Ended March 31, 2025

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	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance Over (Under)</b>
<b>REVENUES</b>			
Property Taxes	\$ 497,015	\$ 496,132	\$ (883)
Investment Income	-	2,182	2,182
 Total Revenues	 497,015	 498,314	 1,299
<b>EXPENDITURES</b>			
Current			
Highways and Streets			
Personnel	212,290	111,444	(100,846)
Contractual Services	77,600	46,805	(30,795)
Capital Outlay	326,600	199,696	(126,904)
 Total Expenditures	 616,490	 357,945	 (258,545)
 NET CHANGE IN FUND BALANCE	 <u>\$ (119,475)</u>	 140,369	 <u>\$ 259,844</u>
 FUND BALANCE (DEFICIT), APRIL 1		 <u>(90,795)</u>	
 <b>FUND BALANCE, MARCH 31</b>	 <u>\$ 49,574</u>		

(See independent auditor's report.)

FRANKFORT TOWNSHIP, ILLINOIS

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

Last Ten Calendar Years

MEASUREMENT DATE DECEMBER 31,	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>TOTAL PENSION LIABILITY</b>										
Service Cost	\$ 160,127	\$ 163,589	\$ 149,326	\$ 135,051	\$ 143,380	\$ 140,779	\$ 137,083	\$ 146,225	\$ 132,909	\$ 129,513
Interest	438,628	445,719	477,628	472,120	481,473	491,948	508,801	528,590	551,554	543,315
Changes of Benefit Terms	-	-	-	-	-	-	-	-	-	-
Differences Between Expected and Actual Experience	(267,336)	115,851	(122,309)	(70,931)	(112,247)	8,447	2,699	75,598	(306,962)	267,707
Changes of Assumptions*	(7,091)	(22,397)	(223,862)	173,744	-	(40,386)	-	-	(7,704)	-
Benefit Payments, Including Refunds of Member Contributions	(217,392)	(260,626)	(327,461)	(366,699)	(369,437)	(364,226)	(368,729)	(391,682)	(462,342)	(501,136)
Net Change in Total Pension Liability	106,936	442,136	(46,678)	343,285	143,169	236,562	279,854	358,731	(92,545)	439,399
Total Pension Liability - Beginning	5,908,363	6,015,299	6,457,435	6,410,757	6,754,042	6,897,211	7,133,773	7,413,627	7,772,358	7,679,813
<b>TOTAL PENSION LIABILITY - ENDING</b>										
PLAN FIDUCIARY NET POSITION	\$ 6,015,299	\$ 6,457,435	\$ 6,410,757	\$ 6,754,042	\$ 6,897,211	\$ 7,133,773	\$ 7,413,627	\$ 7,772,358	\$ 7,679,813	\$ 8,119,212
Contributions - Employer	\$ 176,496	\$ 187,726	\$ 151,950	\$ 183,297	\$ 144,833	\$ 150,996	\$ 158,975	\$ 135,059	\$ 98,997	\$ 93,775
Contributions - Member	61,905	62,544	62,482	63,583	59,008	57,977	64,855	66,935	61,874	67,410
Net Investment Income	26,467	335,228	915,585	(350,676)	1,081,879	929,231	1,227,982	(1,030,916)	789,136	751,237
Benefit Payments, Including Refunds of Member Contributions	(217,392)	(260,626)	(327,461)	(366,699)	(369,437)	(364,226)	(368,729)	(391,682)	(462,342)	(501,136)
Administrative Expense	(232,975)	(251,810)	(84,874)	172,798	(97,430)	58,690	(61,218)	70,523	(120,570)	(241,204)
Net Change in Plan Fiduciary Net Position	(185,499)	73,062	717,682	(297,697)	818,853	832,668	1,021,865	(1,150,081)	367,095	170,082
Plan Fiduciary Net Position - Beginning	5,282,904	5,097,405	5,170,467	5,888,149	5,590,452	6,409,305	7,241,973	8,263,838	7,113,757	7,480,852
<b>PLAN FIDUCIARY NET POSITION - ENDING</b>										
EMPLOYER'S NET PENSION LIABILITY (ASSET)	\$ 917,894	\$ 1,286,968	\$ 522,608	\$ 1,163,590	\$ 487,906	\$ (108,200)	\$ (850,211)	\$ 658,601	\$ 198,961	\$ 468,278

MEASUREMENT DATE DECEMBER 31,	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	84.74%	80.07%	91.85%	82.77%	92.93%	101.52%	111.47%	91.53%	97.41%	94.23%
Covered Payroll	\$ 1,375,660	\$ 1,378,760	\$ 1,323,620	\$ 1,292,577	\$ 1,313,691	\$ 1,288,362	\$ 1,404,482	\$ 1,487,436	\$ 1,374,959	\$ 1,498,003
Employer's Net Pension Liability as a Percentage of Covered Payroll	66.72%	93.34%	39.48%	90.02%	37.14%	(8.40%)	(60.54%)	44.28%	14.47%	31.26%

\*Changes in assumptions disclosed below:

There was a change in assumptions for mortality rates in 2023.

There was a change in assumptions related to price inflation, salary increases, retirement age and mortality rates in 2017 and 2020.

There was a change in assumptions related to the discount rate in 2015, 2016 and 2018.

There was a change in assumptions for the retirement age and mortality rates in 2014.

FRANKFORT TOWNSHIP, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS  
ILLINOIS MUNICIPAL RETIREMENT FUND

Last Ten Fiscal Years

FISCAL YEAR ENDED MARCH 31,	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Actuarially Determined Contribution	\$ 176,497	\$ 168,898	\$ 151,952	\$ 177,212	\$ 145,163	\$ 150,996	\$ 154,985	\$ 130,654	\$ 97,201	\$ 92,945
Contributions in Relation to the Actuarially Determined Contribution	176,496	187,726	151,950	183,297	144,833	150,996	154,985	130,654	97,201	92,945
<b>CONTRIBUTION DEFICIENCY (Excess)</b>	<b>\$ 1</b>	<b>\$ (18,828)</b>	<b>\$ 2</b>	<b>\$ (6,085)</b>	<b>\$ 330</b>	<b>\$ -</b>				
Covered Payroll	\$ 1,375,660	\$ 1,378,760	\$ 1,323,620	\$ 1,292,577	\$ 1,313,691	\$ 1,288,362	\$ 1,407,332	\$ 1,435,491	\$ 1,451,016	\$ 1,488,532
Contributions as a Percentage of Covered Payroll	12.83%	13.62%	11.48%	14.18%	11.02%	11.72%	11.01%	9.10%	6.70%	6.24%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of January 1 of the prior fiscal 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 20 years; the asset valuation method was at five-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.25% annually, projected salary increases assumption of 2.75% to 13.75% compounded annually and postretirement benefit increases of 2.75% compounded annually.

(See independent auditor's report.)

## FRANKFORT TOWNSHIP, ILLINOIS

### NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

March 31, 2025

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#### **BUDGETS AND BUDGETARY ACCOUNTING**

The Township follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The Township Supervisor submits to the Board of Trustees a proposed operating budget for the fiscal year. The operating budget includes proposed expenditures and the means of financing them for all general, special revenue funds and enterprise funds.
2. Public hearings are conducted to obtain taxpayer comments.
3. The budget is legally enacted through passage of an ordinance.
4. The budget may be amended by the Board of Trustees through the same process used to adopt the original budget.
5. Expenditures may not legally exceed budgeted appropriations at the fund level. All annual appropriations lapse at fiscal year end.

Township budgets are prepared on a basis of accounting consistent with GAAP, except for the Senior Housing Fund Budget.

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

## **NONMAJOR GOVERNMENTAL FUNDS**

**FRANKFORT TOWNSHIP, ILLINOIS**

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

For the Year Ended March 31, 2025

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	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance Over (Under)</b>
<b>REVENUES</b>			
Investment Income	\$ 10,000	\$ 8,767	\$ (1,233)
Total Revenues	<u>10,000</u>	<u>8,767</u>	<u>(1,233)</u>
<b>EXPENDITURES</b>			
General Assistance			
Administration			
Contractual Services	9,600	1,165	(8,435)
Commodities	600	-	(600)
Other Expenditures	400	-	(400)
Home Relief			
Contractual Services	109,544	-	(109,544)
Commodities	35,000	13,708	(21,292)
Total Expenditures	<u>155,144</u>	<u>14,873</u>	<u>(140,271)</u>
NET CHANGE IN FUND BALANCE	<u><u>\$ (145,144)</u></u>	<u><u>\$ (6,106)</u></u>	<u><u>\$ 139,038</u></u>
FUND BALANCE, APRIL 1		<u>146,635</u>	
<b>FUND BALANCE, MARCH 31</b>	<b><u><u>\$ 140,529</u></u></b>		

(See independent auditor's report.)

**PROPRIETARY FUND**

**FRANKFORT TOWNSHIP, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN NET POSITION - BUDGET AND ACTUAL  
SENIOR HOUSING FUND - BUDGETARY BASIS**

For the Year Ended March 31, 2025

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	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance Over (Under)</b>
<b>OPERATING REVENUES</b>			
Rent	\$ 425,000	\$ 434,870	\$ 9,870
Total Operating Revenues	<u>425,000</u>	<u>434,870</u>	<u>9,870</u>
<b>OPERATING EXPENSES</b>			
Contractual Services	143,000	126,333	(16,667)
Commodities	25,000	8,380	(16,620)
Capital Outlay	1,546,831	302,490	(1,244,341)
Other Expenditures	35,000	-	(35,000)
Total Operating Expenses	<u>1,749,831</u>	<u>437,203</u>	<u>(1,312,628)</u>
OPERATING INCOME (LOSS)	<u>(1,324,831)</u>	<u>(2,333)</u>	<u>1,322,498</u>
<b>NON-OPERATING REVENUES</b>			
Investment Income	1,000	20,549	19,549
Miscellaneous Income	-	9,358	9,358
Total Non-Operating Revenues	<u>1,000</u>	<u>29,907</u>	<u>28,907</u>
INCOME (LOSS) BEFORE CAPITAL GRANTS AND CONTRIBUTIONS	<u>(1,323,831)</u>	<u>27,574</u>	<u>1,351,405</u>
<b>CAPITAL GRANTS AND CONTRIBUTIONS</b>	<u>200,000</u>	<u>77,840</u>	<u>(122,160)</u>
NET INCOME (LOSS) - BUDGETARY BASIS	<u><u>\$ (1,123,831)</u></u>	<u><u>105,414</u></u>	<u><u>\$ 1,229,245</u></u>
<b>ADJUSTMENTS TO GAAP BASIS</b>			
Capital assets capitalized	284,757		
Depreciation	(67,126)		
Total Adjustments to GAAP Basis	<u>217,631</u>		
CHANGE IN NET POSITION	<u>323,045</u>		
NET POSITION, APRIL 1	<u>3,207,022</u>		
<b>NET POSITION, MARCH 31</b>	<b><u>\$ 3,530,067</u></b>		

(See independent auditor's report.)

**SUPPLEMENTAL DATA**

**FRANKFORT TOWNSHIP, ILLINOIS**

**SCHEDULE OF PROPERTY TAX VALUATIONS, RATES,  
EXTENSIONS AND COLLECTIONS**

Last Five Levy Years

<b>LEVY YEAR</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
<b>EQUALIZED ASSESSED VALUATION</b>	<b>\$ 2,422,359,713</b>	<b>\$ 2,508,735,257</b>	<b>\$ 2,685,361,362</b>	<b>\$ 2,856,408,366</b>	<b>\$ 3,157,479,740</b>
<b>TAX LEVY AS EXTENDED</b>					
Town Fund					
Corporate	\$ 2,218,881	\$ 2,225,248	\$ 2,314,781	\$ 2,413,665	\$ 2,465,991
Audit	43,602	42,648	42,966	45,703	3,157
Road Funds					
Road and Bridge	3,907,266	4,011,467	4,318,061	4,441,715	4,189,976
Equipment and Building	450,559	451,572	252,424	325,631	552,559
Social Security	46,025	45,157	40,280	42,846	47,362
Liability Insurance	31,491	30,105	51,022	71,410	72,622
IMRF	60,559	60,210	40,280	45,703	72,622
Audit	9,689	10,035	10,741	11,426	12,630
<b>TOTAL TAX LEVY AS EXTENDED</b>	<b>\$ 6,768,072</b>	<b>\$ 6,876,442</b>	<b>\$ 7,070,555</b>	<b>\$ 7,398,099</b>	<b>\$ 7,416,919</b>
<b>TAX RATES BY SUBFUND</b>					
Town Fund					
Corporate	0.0916	0.0887	0.0862	0.0845	0.0781
Audit	0.0018	0.0017	0.0016	0.0016	0.0001
Road Funds					
Road and Bridge	0.1613	0.1599	0.1608	0.1555	0.1327
Equipment and Building	0.0186	0.0180	0.0094	0.0114	0.0175
Social Security	0.0019	0.0018	0.0015	0.0015	0.0015
Liability Insurance	0.0013	0.0012	0.0019	0.0025	0.0023
IMRF	0.0025	0.0024	0.0015	0.0016	0.0023
Audit	0.0004	0.0004	0.0004	0.0004	0.0004
<b>TOTAL TAX RATE BY SUBFUND</b>	<b>0.2794</b>	<b>0.2741</b>	<b>0.2633</b>	<b>0.2590</b>	<b>0.2349</b>

(See independent auditor's report.)