

# **ANNUAL COMPREHENSIVE FINANCIAL REPORT**



**Village Of Franklin Park, Illinois  
FISCAL YEAR ENDED APRIL 30, 2021**



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**VILLAGE OF FRANKLIN PARK  
DAVID A. GONZALEZ, COMPTROLLER**

October 18, 2022

To the Mayor, Village Board and Citizens of Franklin Park:

The Annual Comprehensive Financial Report of the Village of Franklin Park, Illinois for the year ended April 30, 2021, is hereby submitted as mandated by both local ordinances and state statutes. These ordinances and statutes require that the Village annually issue a report on its financial position and activity presented in conformance with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with generally accepted auditing standards by an independent firm of certified public accountants.

This report consists of management's representations concerning the finances of the Village of Franklin Park. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report.

To provide a reasonable basis for making these representations, management of the Village of Franklin Park has established a comprehensive internal control framework that is designed to protect the government's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the Village's financial statements in conformance with GAAP. Because the cost of internal controls should not outweigh their benefits, the Village's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As duly authorized representatives of management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Village of Franklin Park's financial statements have been audited by Plante & Moran PLLC, an independent licensed certified public accounting firm. The goal of the independent audit is to provide reasonable assurance that the financial statements of the Village of Franklin Park for the fiscal year ended April 30, 2021 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon audit, that there was a reasonable basis for rendering an unmodified opinion that the Village's financial statements for the fiscal year ended April 30, 2021, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

Management's Discussion and Analysis (MD&A) immediately follows the auditor's opinion and provides a narrative overview and analysis of the Village's basic financial statements and complements this letter of transmittal. Thus, this letter of transmittal and MD&A should be read and considered together.

## VILLAGE GOVERNMENT PROFILE

### General Description

The Village of Franklin Park, incorporated in 1892, is located in western Cook County, approximately 15 miles northwest of Chicago's Loop. The Village is bordered on the north by the Village of Schiller Park, and Chicago - O'Hare International Airport; on the east by the Village of River Grove and several Cook County Forest Preserve facilities; on the south by the Village of Melrose Park, the City of Northlake and portions of unincorporated Leyden Township; and to the west by the Village of Bensenville.

### Form of Government

The Village operates under a mayor/village board form of government in which the village president, or mayor, presides over a six-member board of trustees. The mayor and board of trustees determine the compensation of all village officers and employees, levy taxes, license businesses, appropriate funds, borrow money, and otherwise make all decisions relating to the finances and general affairs of the Village.

The mayor is also the chief executive officer of the Village and possesses the power to appoint officers, and to veto ordinances, resolutions and any expenditure. The village clerk is the administrative official responsible for daily operations in the Village Hall. The mayor, clerk and trustees are all elected at large to four-year terms.

### Village Services

The Village provides the following services: public safety (consisting of police, fire and emergency medical transportation), highways and streets, sanitation, health and social services, public improvement, planning and zoning, and general administrative services. Police protection is provided by the Village's police department. Paramedic and fire protection is provided by the Village's fire department. The Village currently employs approximately 170 full-time employees.

The Village owns and operates its water distribution and sanitary sewer collection system. Lake Michigan water is purchased from Chicago, while sanitary sewerage disposal service is provided by the Metropolitan Water Reclamation District of Greater Chicago. School facilities are provided by school district Nos. 81, 83, 84, 84½ and Community High School District No. 212. The Village is also served by Triton Community College District No. 504.

### Budgeting

The annual appropriation ordinance is the legal document under which Village resources are generated and expended. This document is based on an annual budget, which is developed at the department level, reviewed by administration and then becomes the subject of public hearings by the full board and/or its finance committee. Once the budget has been developed, the appropriation ordinance is derived from it and voted upon by the board in open session. It is the budget, however, that Village administration uses as its principal management tool and standard by which to measure financial performance.

## ECONOMIC AND FINANCIAL NEXUS

### Economic Base

Because of its proximity to Chicago – O'Hare International Airport and the presence of one of the nation's largest rail freight yards, the Village has long been an important industrial center; traditionally ranked the third or fourth largest in Illinois. Indeed, over the past ten years, industrial property has accounted for an average 54.0% of the Village's equalized assessed value (EAV): When combined with commercial and railroad property, the three classes have averaged 66.5% of the Village's EAV over the same period.

### Economic Condition

As an essentially blue-collar community, the Village is subjected to the more or less natural ups and downs of the national, regional and local economies. The recent Covid-19 pandemic has also caused a lot of uncertainty.

Specifically, the unemployment rate which was at 3.7% in CY19, rose to 9.3% as of the end of 2020, and fell to 4.7% by the end of 2021.

There continue to be signs of improvement. The Village experienced an increase in assessed value from the 2019 levy to the 2020 levy of 8.3% as more projects were completed in FY20. Additionally, the Village's one percent non-home rule sales tax (all proceeds of which are dedicated to road repair), produced \$1.9 million in FY21, an increase from the \$1.5 million it produced in the previous four fiscal years.

### Village Finances

In FY21 the Village's general fund balance grew by \$1.3 million. This is attributed to increases in property tax revenue of \$533,000, income tax revenue of \$578,000, and charges for services of \$370,000. The General fund remains strong and stable at 37.9% of general fund expenditures. The Enterprise Funds increased in net position by \$2.3 million in FY21.

Despite these positive signs, there remains considerable challenges.

Infrastructure replacement and renewal, a nationally significant issue, continues to require a strong commitment, and will remain a challenge for the foreseeable future. Fortunately, Village management has shown its commitment by providing both plans and dedicated funding sources.

- The FY 2020 increase of water and sewer rates had continued to help the fund's net position and is projected to continue to provide sufficient cash flow to sustain a capital replacement program.
- The FY 2015 referendum-approved one percent non-home rule sales tax has generated \$1.9 million in FY21 and an average of \$1.5 million annually during the past four fiscal years and is fully dedicated to fund road renewal and replacement.

Having made a very good beginning at these infrastructure issues, pension funding remains a challenge, consuming an ever-increasing share of Village resources. The Village will continue to search for ways to manage the increasing required pension contributions.

Standard & Poor's awarded the Village's general obligation its first ever investment grade rating ("BBB") in 2011 and then upgraded its GO rating two categories in November 2012 (to "A-") and then to "A+" in August 2014, where it remains today.

### THE FUTURE

With the recent Covid-19 pandemic, the Village's financial health is uncertain. The economic recovery over the past few years has recently made a downturn due to the pandemic, and the future impact is unknown. The Village will monitor their finances due to the expected revenue losses.

The Village appears to be at the forefront, at least with respect to its local peers, in rationally addressing its infrastructure needs. Indeed, infrastructure renewal is and will be the major focus of Village management for some time to come.

In sum, those responsible for the Village's direction believe the new paradigm for municipal government of doing *more* with less. Accordingly, Village administration and the board of trustees are focused not only on cost saving measures, but also on the proper and appropriate role of Village government with an eye toward distilling services down to an optimal array.

#### AWARDS & ACKNOWLEDGEMENTS

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village of Franklin Park for its comprehensive annual financial report (CAFR) for the fiscal year ended April 30, 2020. In order to receive this prestigious award, the Village had to publish an easily readable and efficiently organized CAFR that satisfied both generally accepted accounting principles and applicable legal requirements.

Our 2021 ACFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another award.

The preparation of this report would not have been possible without the efficient and dedicated service of the entire finance department. We also want to express appreciation to the Village President, Village Trustees, and all Department Heads for their support and encouragement in maintaining the highest standards of professionalism in the financial operations of the Village.

Respectfully submitted,

A handwritten signature in black ink that reads "D.A. Gonzalez". The signature is written in a cursive, flowing style.

David A. Gonzalez  
Village Comptroller



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Village of Franklin Park  
Illinois**

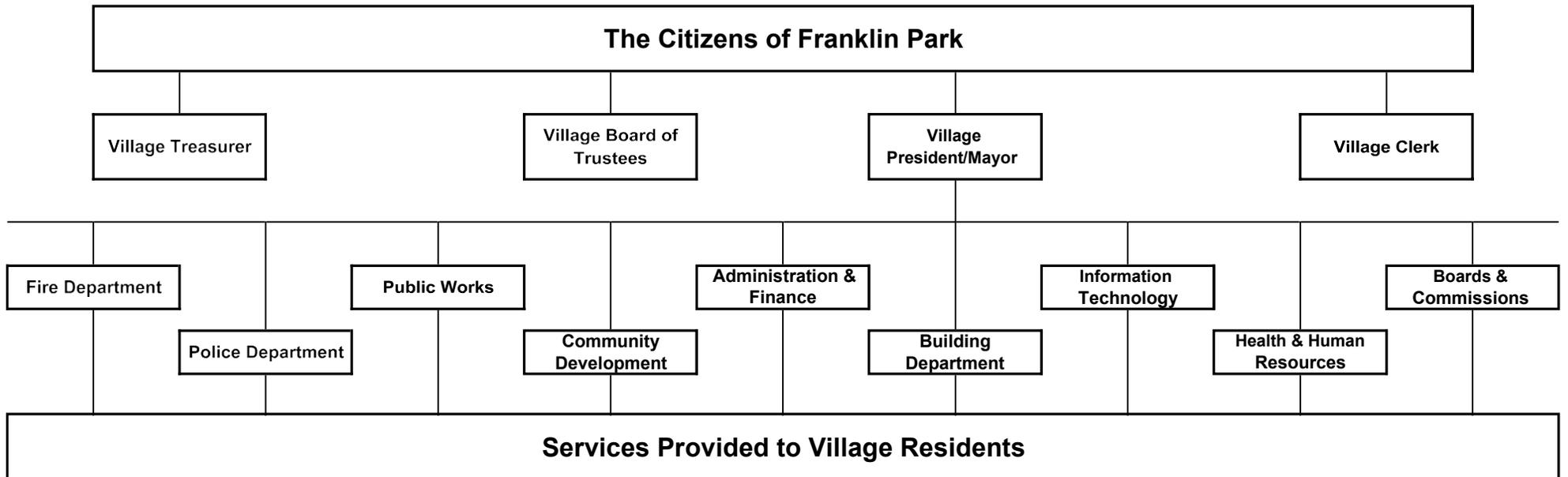
For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

April 30, 2020

*Christopher P. Morill*

Executive Director/CEO

Village of Franklin Park, Illinois  
Organizational Chart



**PRINCIPAL OFFICIALS**

**VILLAGE OF FRANKLIN PARK, ILLINOIS**

**Fiscal Year Ended April 30, 2021**

BOARD OF TRUSTEES

<u>Name</u>	<u>Position</u>	<u>Term Ends</u>
Barrett F. Pedersen	President	2021
Roberta Johnson	Clerk	2021
Irene Avitia	Trustee	2023
John Johnson	Trustee	2021
Gil Hagerstrom	Trustee	2023
Bill Ruhl	Trustee	2023
Karen Special	Trustee	2021
Andy Ybarra	Trustee	2021

VILLAGE DEPARTMENT HEADS

Lisa Anthony	Health Department
John Schneider	Community and Economic Development Department
	Building Department
David Gonzalez	Administration and Finance Department
William Brehm	Fire Chief
Joe Lauro	Public Works Department
Thomas Dailly	Information Technology
Michael Witz	Chief of Police

OFFICIAL ISSUING REPORT

David Gonzalez	Comptroller
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DIVISION ISSUING REPORT

Administration and Finance Department

## Independent Auditor's Report

To the Honorable President and  
Members of the Board of Trustees  
Village of Franklin Park, Illinois

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Village of Franklin Park, Illinois (the "Village") as of and for the year ended April 30, 2021 and the related notes to the financial statements, which collectively comprise the Village of Franklin Park, Illinois' basic financial statements, as listed in the table of contents.

### *Management's Responsibility for the Financial Statements*

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

### *Auditor's Responsibility*

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Police Pension Fund or the Firefighters' Pension Fund, which represent all of the financial balances and activity of the pension trust funds. Those financial statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the pension trust funds, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The Police Pension Fund and the Firefighters' Pension Fund were not audited under *Government Auditing Standards*.

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

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

### *Opinions*

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Village of Franklin Park, Illinois as of April 30, 2021 and the respective changes in its financial position and, where applicable, cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

To the Honorable President and  
Members of the Board of Trustees  
Village of Franklin Park, Illinois

**Other Matters**

*Required Supplemental Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplemental information, as identified in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which 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 supplemental information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Franklin Park, Illinois' basic financial statements. The other supplemental information and introductory section and statistical section schedules are presented for the purpose of additional analysis and are not a required part of the basic financial statements.

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

The introductory section and statistical section schedules have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we do not express an opinion or provide any assurance on them.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated on our consideration of the Village of Franklin Park, Illinois' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village of Franklin Park, Illinois' internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village of Franklin Park, Illinois' internal control over financial reporting and compliance.

*Plante & Moran, PLLC*

As management of the Village of Franklin Park, Illinois (the "Village"), we offer readers this narrative overview and analysis of the financial activities for the year ended April 30, 2021.

### **Financial Highlights**

Among the more noteworthy changes during fiscal year 2021 are the following:

At the entitywide level:

- Assets employed in governmental activities plus deferred outflows related to pensions increased \$1.8 million, while liabilities plus deferred inflows decreased \$1.3 million. This resulted in an increase in net position of \$3.1 million.
- Revenue supporting governmental activities increased by approximately \$3.9 million from fiscal year 2020, while expenses decreased by approximately \$4.4 million.
- Assets employed in business-type activities plus deferred outflows related to pensions increased \$2.8 million, as liabilities plus deferred inflows decreased approximately \$215,000. As a result, business-type activities net position was raised by \$2.6 million.
- Business-type revenue increased approximately \$29,000 from fiscal year 2020, while expenses decreased approximately \$1.3 million.
- The Village's assets plus deferred outflows increased \$4.6 million, and total liabilities plus deferred inflows decreased \$1.1 million. As a result, total net position increased by \$5.7 million.
- Total Village revenue increased approximately \$4.0 million, and total expenses decreased approximately \$5.7 million.

These results are discussed further below. Meanwhile, at the fund level:

- General Corporate Fund assets increased \$1.3 million, while liabilities plus deferred inflows decreased by \$40,000, resulting in an increase of approximately \$1.3 million in fund balance.
- Governmental funds' assets increased by \$5.5 million, while liabilities and deferred inflows decreased \$277,000. Accordingly, governmental fund balances increased by \$5.8 million.
- General Corporate Fund revenue increased by \$2.0 million from fiscal year 2020 levels, while expenditures rose by about \$106,000. A net decrease in other financing sources of \$204,000 resulted in an increase of approximately \$1.3 million in fund balance.
- Total governmental fund revenue increased \$5.3 million, while expenditures decreased by \$100,000. There was a net positive swing of \$179,000 in other financing sources. These changes resulted in a fund balance increase of approximately \$5.5 million.
- Enterprise fund assets and deferred outflows increased by \$2.7 million, while liabilities and deferred inflows increased by \$433,000. Accordingly, net position increased \$2.3 million.
- Enterprise fund operating revenue decreased \$47,000, while operating expenses decreased by \$1.0 million, resulting in an operating gain of approximately \$1.0 million. After giving effect to approximately \$762,000 in net nonoperating expenses, a capital contribution of approximately \$371,000, and net transfers in of \$894,000, net position increased by \$2.3 million.

## Village of Franklin Park, Illinois

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### Management's Discussion and Analysis (Continued)

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#### ***Overview of the Financial Statements***

The discussion and analysis provided here are intended to serve as an introduction to the Village's basic financial statements. The Village's basic financial statements consist of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also includes supplemental information intended to furnish additional detail to support the basic financial statements themselves.

#### **Government-wide Statements**

The government-wide financial statements are designed to provide readers with a broad overview of the Village's finances in a manner similar to a private-sector business. The statement of net position presents financial information on all of the Village's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Village is improving or deteriorating. The statement of activities presents information showing how the Village's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenue and expenses are reported for some items that will only result in cash flows in future fiscal periods (e.g., the cost of pension and other postemployment benefits).

Both of the government-wide financial statements distinguish functions of the Village that are principally supported by taxes and intergovernmental revenue (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Village include general government, public safety, highways and streets, public health, community development, and the building department. The business-type activities of the Village include providing water and sewage disposal, as well as garbage and commuter parking lot.

The government-wide financial statements include not only the Village itself (known as the primary government) but also the legally separate Franklin Community Fund for which the Village is financially accountable. Financial information for this component unit is reported separately from the financial information presented for the primary government itself.

#### **Fund Financial Statements**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the Village's funds can be divided into the following three categories:

- **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 assessing a government's near-term financing requirements. The Village maintains 20 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenue, expenditures, and changes in fund balances (deficit) for the General Corporate Fund and the Downtown Franklin Avenue TIF Fund. Information from the Village's 18 other governmental funds is combined into a single-column presentation. Individual fund information for these nonmajor governmental funds is provided elsewhere in the report.
- **Proprietary funds** - The Village maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Village uses enterprise funds to account for its water and sewage disposal activities, garbage collection, and commuter parking operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the Village's various functions. The Village uses internal service funds to account for its fleet of vehicles.

## Village of Franklin Park, Illinois

### Management's Discussion and Analysis (Continued)

- **Fiduciary funds** - Fiduciary funds are used to account for resources held for the benefit of parties outside of the government. Fiduciary funds are not reported in the government-wide financial statements because the resources of those funds are not available to support the Village's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The Village's fiduciary funds include the pension trust funds.

#### **Notes and Other Information**

The notes provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements. In addition to the basic financial statements and accompanying notes, this report also presents required supplemental information concerning the Village's progress in funding its obligation to provide pension and OPEB benefits to its employees. The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplemental information on pensions and OPEB.

#### ***The Village's Net Position***

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
<b>Assets</b>						
Current and other assets:						
Cash and investments	\$ 19,266,209	\$ 14,579,943	\$ 1,272,616	\$ 1,976,072	\$ 20,538,825	\$ 16,556,015
Receivables	11,250,888	10,368,893	1,832,993	1,371,118	13,083,881	11,740,011
Other assets	8,486,807	6,268,026	1,157,306	413,800	9,644,113	6,681,826
Capital assets	50,123,640	51,196,429	54,582,749	52,400,238	104,706,389	103,596,667
Total assets	89,127,544	82,413,291	58,845,664	56,161,228	147,973,208	138,574,519
<b>Deferred Outflows of Resources</b>	23,225,152	28,164,844	379,427	251,120	23,604,579	28,415,964
<b>Liabilities</b>						
Current liabilities	2,986,946	3,567,206	2,396,499	2,226,569	5,383,445	5,793,775
Noncurrent liabilities:						
Due within one year	2,705,481	2,439,246	2,337,500	2,095,142	5,042,981	4,534,388
Due in more than one year	154,361,012	164,397,478	27,277,810	27,770,405	181,638,822	192,167,883
Total liabilities	160,053,439	170,403,930	32,011,809	32,092,116	192,065,248	202,496,046
<b>Deferred Inflows of Resources</b>	21,757,560	12,745,089	990,037	694,438	22,747,597	13,439,527
<b>Net Position (Deficit)</b>						
Net investment in capital assets	16,446,342	15,064,868	28,384,377	24,714,909	44,830,719	39,779,777
Restricted	16,834,191	10,742,377	-	-	16,834,191	10,742,377
Unrestricted	(102,738,836)	(98,378,129)	(2,161,132)	(1,089,115)	(104,899,968)	(99,467,244)
Total net position (deficit)	<b>\$ (69,458,303)</b>	<b>\$ (72,570,884)</b>	<b>\$ 26,223,245</b>	<b>\$ 23,625,794</b>	<b>\$ (43,235,058)</b>	<b>\$ (48,945,090)</b>

Total village assets plus deferred outflows grew by \$4.6 million (2.7 percent). Total village liabilities plus deferred inflows decreased by \$1.1 million (0.2 percent). Accordingly, total net position increased by \$5.7 million, to negative \$43.2 million.

Governmental assets plus deferred outflows grew \$1.8 million (1.6 percent) due to an \$8.3 million increase in current and other assets, an increase of \$1.1 million in capital assets, and a \$4.8 million decrease in deferred outflows due to pension costs.

## Village of Franklin Park, Illinois

### Management's Discussion and Analysis (Continued)

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The \$7.8 million increase in current and other governmental assets was due to large fluctuations in several categories:

- A \$4.0 million (24.1 percent) increase in cash is partially attributable to an increase in the Motor Fuel Tax Fund of \$772,000 (187.4 percent) due to allotments from the new Rebuild Illinois program. It is also due to higher property tax collections in several TIFs: DHL Seymour increased \$1.4 million (14,778.4 percent), Seymour/Waveland increased \$734,000 (138.8 percent), and Life/Fitness Reebie Storage increased \$687,000 (22.0 percent).
- The property tax receivable increased \$1.4 million (16.6 percent) largely due to slower property tax distributions from the county in 2021 than in the prior year.
- The net pension asset increased \$2.8 million (234.4 percent).

Total capital assets increased by \$1.1 million (1.1 percent), the majority of which is due to the CIP additions for the ongoing Reuters and Franklin Avenue projects, offset by current year depreciation.

Liabilities plus deferred inflows flowing from governmental activities fell \$1.3 million (0.7 percent), as current liabilities fell by approximately \$580,000 (16.3 percent) and noncurrent liabilities plus deferred inflows fell \$758,000 (0.4 percent).

Total current liabilities decreased by approximately \$194,000, largely driven by a \$257,000 decrease in accounts payable (8.1 percent) and a \$158,000 decrease in accrued salaries (26.2 percent).

Total noncurrent liabilities decreased \$10.0 million (5.1 percent), which was principally driven by drops in the pension liability of \$8.5 million (8.0 percent) and bonds payable of \$4.5 million (8.0 percent). These decreases were offset by a \$1.0 million (4.1 percent) increase in net OPEB liability and a \$1.0 million (100 percent) increase in other liabilities for IEPA funds distributed to the Village that have not yet been turned into official loans.

## Village of Franklin Park, Illinois

### Management's Discussion and Analysis (Continued)

#### The Village's Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
<b>Revenue</b>						
Program revenue:						
Charges for services	\$ 4,197,215	\$ 3,977,683	\$ 14,382,837	\$ 14,430,065	\$ 18,580,052	\$ 18,407,748
Operating grants	588,186	199,807	-	-	588,186	199,807
Capital grants	1,145,339	2,073,810	371,361	278,198	1,516,700	2,352,008
General revenue:						
Property taxes	23,005,306	19,633,228	-	-	23,005,306	19,633,228
Unrestricted intergovernmental revenue	6,748,257	5,561,356	-	-	6,748,257	5,561,356
Investment earnings	19,202	69,915	3,529	20,279	22,731	90,194
Other revenue:						
Public service and state-shared taxes	6,055,965	6,159,925	-	-	6,055,965	6,159,925
Sale of capital assets	-	21,360	-	-	-	21,360
Other miscellaneous income	779,454	897,247	-	-	779,454	897,247
<b>Total revenue</b>	<b>42,538,924</b>	<b>38,594,331</b>	<b>14,757,727</b>	<b>14,728,542</b>	<b>57,296,651</b>	<b>53,322,873</b>
<b>Expenses</b>						
General government	7,147,353	6,875,899	-	-	7,147,353	6,875,899
Public safety	22,994,584	25,951,009	-	-	22,994,584	25,951,009
Highway and streets	4,931,975	5,543,742	-	-	4,931,975	5,543,742
Public health	257,536	278,573	-	-	257,536	278,573
Community development	1,416,277	2,129,384	-	-	1,416,277	2,129,384
Building department	553,480	846,272	-	-	553,480	846,272
Interest on long-term debt	1,231,263	1,333,132	-	-	1,231,263	1,333,132
Water and sewer	-	-	11,236,758	12,431,705	11,236,758	12,431,705
Garbage	-	-	1,795,152	1,674,252	1,795,152	1,674,252
Commuter parking lot	-	-	22,241	260,067	22,241	260,067
<b>Total expenses</b>	<b>38,532,468</b>	<b>42,958,011</b>	<b>13,054,151</b>	<b>14,366,024</b>	<b>51,586,619</b>	<b>57,324,035</b>
Transfers	(893,875)	(1,629,625)	893,875	1,629,625	-	-
<b>Change in Net Position</b>	<b>3,112,581</b>	<b>(5,993,305)</b>	<b>2,597,451</b>	<b>1,992,143</b>	<b>5,710,032</b>	<b>(4,001,162)</b>
<b>Net Position (Deficit) - Beginning of year</b>	<b>(72,570,884)</b>	<b>(66,577,579)</b>	<b>23,625,794</b>	<b>21,633,651</b>	<b>(48,945,090)</b>	<b>(44,943,928)</b>
<b>Net Position (Deficit) - End of year</b>	<b><u>\$ (69,458,303)</u></b>	<b><u>\$ (72,570,884)</u></b>	<b><u>\$ 26,223,245</u></b>	<b><u>\$ 23,625,794</u></b>	<b><u>\$ (43,235,058)</u></b>	<b><u>\$ (48,945,090)</u></b>

Governmental activities revenue before transfers increased from fiscal year 2020 levels by approximately \$3.9 million, or 10.2 percent, attributable to several sources:

- Property tax revenue increased by approximately \$3.4 million (17.2 percent) due to increases in the tax levy for the police and fire pensions resulting in higher collections.

## Village of Franklin Park, Illinois

### Management's Discussion and Analysis (Continued)

- Sales and income tax revenue increased by \$1.2 million (21.3 percent) due to higher distributions from the state. The income tax increase can be partially attributed to weekly unemployment allotments given by the State.

This increase was partially offset by a decrease in mainly one other revenue category:

- Capital grant receipts fell by approximately \$1.5 million due to fewer receipts in the Capital Fund from IDOT and Cook County, Illinois for the Franklin Avenue project.

Governmental activities expenses decreased by approximately \$4.4 million (10.3 percent), attributable to several sources:

- Highway and streets expenses decreased by \$611,000 (11.0 percent) due to lower vehicle maintenance costs in 2021.
- Interest expenses decreased approximately \$102,000 (or 7.6 percent).
- Public safety expenses decreased by \$3.0 million (11.4 percent) primarily due to lower GASB 68 pension expenses.
- Community development expenses decreased approximately \$713,000 (or 33.5 percent). This was due to no property purchase within the TIF district in 2021, whereas there was a property purchased within the Life/Fitness Reebie Storage TIF Fund for \$302,000. There were also decreased development expenses of \$914,000 in the Seymour/Waveland TIF Fund from 2020.
- General government expenses increased approximately \$271,000 (3.9 percent) largely due to higher legal fees and insurance costs.

#### ***Financial Analysis of Individual Funds***

As noted earlier, the Village uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of the Village's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Village's financing requirements. In particular, unrestricted fund balance may serve as a useful measure of a government's net resources available for discretionary use, as it represents the portion of the fund balance that has not yet been limited to use for a particular purpose by an external party. Uncommitted or unassigned fund balance provides further information about the resources that have not been constrained by either the board of trustees or a group or individual that has been delegated authority to assign resources for use for particular purposes by the board of trustees.

#### **Governmental Funds**

Governmental fund revenue increased \$5.3 million (13.8 percent) from fiscal year 2020 levels. For funds other than the General Corporate Fund, revenue increased \$3.3 million (36.7 percent). This is attributable to an increase in property tax revenue of \$3.4 million, primarily within the TIF funds.

#### ***General Corporate Fund Revenue***

The \$1.9 million (6.6 percent) General Corporate Fund revenue increase was due to several factors:

- Property tax revenue increased by \$533,000 (4.0 percent) due to an increase in the tax levies for the police and fire pension to help meet their annual required contributions.
- Income tax revenue increased \$578,000 (32.1 percent). The income tax increase can be partially attributed to weekly unemployment allotments given by the State.
- Grant revenue increased \$275,000 (348.9 percent), largely due to the receipt of the CARES Act grant to assist with payroll expenses related to COVID-19 in 2021.

## Village of Franklin Park, Illinois

### Management's Discussion and Analysis (Continued)

- Charges for service increased by \$370,000 (20.0 percent). The majority of this is from a \$621,000 increase (115.3 percent) in ambulance user fees (largely due to COVID-19) offset by a decrease in building and related permits of \$182,000 (23.9 percent) due to a decrease in construction in the Village.

#### *General Corporate Fund Expenditures*

General Corporate Fund expenditures increased by \$106,000 (0.4 percent), with fluctuations in several areas from the prior year.

- Public safety increased by \$519,000 (3.1 percent), which was largely a result of higher police and fire pension contributions of \$12,000 and \$282,000, respectively, in 2021 in order to meet the annual requirement determined by the pension actuaries.
- Capital outlay decreased by \$117,000 (10.5 percent). This was largely a result of the purchase of an ambulance for \$158,000 in 2020 and no such purchase in 2021.

#### *Other Major Governmental Funds*

The Village presents one additional major governmental fund other than the General Corporate Fund, the Downtown Franklin Avenue TIF Fund. The Downtown Franklin Avenue TIF Fund fund balance increased by approximately \$136,000 (4.7 percent) in fiscal year 2021. This was a result of increased property tax revenue of \$137,7000 (56.2 percent) in fiscal year 2021.

#### **Enterprise Funds**

Enterprise fund operating revenue decreased \$47,000 (0.3 percent) from fiscal year 2020, while operating expenses decreased by \$1.0 million (7.6 percent), resulting in operating income of approximately \$1.8 million for fiscal year 2021. After giving effect to net nonoperating expenses, capital contributions, and transfers, the funds' collective net position increased by \$2.3 million.

#### *Enterprise Fund Revenue*

Water and Sewer Fund operating revenue remained fairly consistent and fell by only \$8,000 (0.1 percent). This was largely a result of an increase in water sales of \$9,000 offset by a decrease in sewage disposal charges of \$16,000.

Garbage Fund revenue rose by \$24,000 (2.1 percent). This was a result of an increase in collection fees netted with bad debt.

Commuter Parking Lot Fund revenue fell by \$63,000 (81.5 percent). This was a result of far fewer individuals needing to park their vehicles due to COVID-19 closures and stay-at-home orders in 2021.

#### *Enterprise Fund Expenses*

Water and Sewer Fund expenses fell by \$943,000 (8.1 percent). Supplies and services expenses decreased \$479,000 (19.5 percent) due to the installation of new pumps in the Village in 2020 and no such projects in 2021. There were also decreased engineering fees for various projects and lower utility service contract payments in 2021. Billing and administrative costs decreased \$497,000 (23.9 percent) due to decreases in health insurance expenses from fiscal year 2020 and lower salary costs in fiscal year 2021.

The Village's Garbage Fund saw an expense increase of \$141,000 (8.3 percent). A total of \$45,000 is attributable to increase in the costs of the Village's private scavenger contract, \$53,000 is for increased refuse container dumping charges, and \$42,000 is due to more vehicle maintenance charges.

Commuter Parking Lot Fund expenses decreased by \$238,000 (91.4 percent), \$167,000 of which is the result of a project to increase the size of the commuter parking in 2020 and no such large projects in 2021.

#### **General Corporate Fund Budgetary Highlights**

Actual revenue was better than budgeted by approximately \$2.8 million (9.9 percent), while actual expenditures came in better than the budget by approximately \$2.0 million (6.4 percent). Taken together with other financing sources being \$640,000 lower than the amount budgeted for and other financing uses being approximately \$20,000 over budget, this resulted in an overall positive variance of approximately \$4.0 million. Other financing sources budgeted were the transfer of funds of \$90,000 from the police seized account and \$550,00 for loan proceeds in the street department, neither of which were received in 2021. Transfers out were also more than budgeted due to a transfer from the General Corporate Fund to the Fleet Maintenance Fund that was not originally budgeted for.

The majority of revenue categories came in higher than anticipated, exceeding the budget by approximately \$2.8 million (9.9 percent). This is largely attributable to the conservativeness of the 2021 budget due to the unpredictability of incoming revenue due to COVID-19. Licenses and permits were \$279,000 under budget, \$77,000 of which was due to plumbing permits. The remainder of the difference was due to small variances across the board. Other revenue was under budget \$465,000 due to the disposal of assets being under budget \$349,000.

Some of the positive revenue variances occurred in the following categories:

- Property taxes were higher by approximately \$777,000 (6.0 percent) due to higher than expected collections.
- Income taxes were higher by \$830,000 (53.5 percent) due to the unemployment allotments from the State not being known at the time of budget preparation.
- Municipal and non-home rule sales taxes combined were \$903,000 (28.6 percent) over budget due to sales within the Village not dropping as much as expected due to COVID-19 closures.
- Personal property replacement taxes (village and pension portions) were \$574,000 over budget (128.9 percent) due to higher than anticipated allotments from the State as a result of high corporate income tax payments.

On the expenditure side, many expenditures came in under budget, resulting in a net positive variance of approximately \$2 million. The most significant variance occurred in debt (approximately \$679,000, 71.4 percent) due to a budget for debt for new vehicles of \$559,000 and the vehicles not being purchased in 2021. Another large positive variance occurred in community development (\$433,000, 50.6 percent), reflecting the postponement of a property purchase and improvements to that property. Also coming in under budget were general government (approximately \$125,000, 2.0 percent), highway and street department (approximately \$428,000, 15.0 percent), and capital outlay (approximately \$321,000, 24.5 percent). The only department that had expenditures over budget was public safety (\$124,000, 0.7 percent), which was due to overtime expenditures being higher than budgeted.

#### **Capital Assets and Debt Administration**

Assets deployed in governmental activities fell by approximately \$1.1 million. A piece of property with a value of approximately \$30,000 was purchased, thereby increasing the balance of land. Also, there was an increase of approximately \$1.5 million in construction in progress and an increase of approximately \$175,000 in vehicles. There were no asset deletions in the current year. Accumulated depreciation increased by \$2.7 million.

Business-type net capital assets increased by approximately \$2.2 million. Nondepreciable capital assets increased \$3.6 million for construction in progress for the Reuters project. There were no other additions or any deletions for the year. Finally, accumulated depreciation increased by \$1.4 million.

For more detailed information regarding capital assets, see Note 4 to the financial statements.

At April 30, 2021, the Village had \$185,661,846 outstanding in total long-term debt, including \$157,053,543 in governmental activities and \$28,608,303 in business-type activities.

## Village of Franklin Park, Illinois

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### Management's Discussion and Analysis (Continued)

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Net governmental debt decreased \$9.8 million, \$8.5 million of which is attributable to the decrease in the net pension liability and approximately \$2 million of which is attributable to the decrease in bonds payable for the year. The remaining decrease of approximately \$377,000 is the reduction in leases and loans payable. These decreases were offset by an increase in OPEB payable of \$941,000 and compensated absences of \$146,000.

Net business-related debt decreased \$1.3 million. This is due to bond payments of \$2.1 million and loan payments of approximately \$101,000. Loans payable increased roughly \$836,000 due to new loan issuances. There was also an increase of approximately \$89,000 in the net OPEB liability and \$31,000 in the compensated absences balances.

For more detailed information regarding the Village's debt position, see Note 5 to the financial statements.

#### ***Economic Factors and Next Year's Budgets and Rates***

With more than half its tax base composed of industrial property, the Village is the fourth largest manufacturing center in the state. This, combined with its essentially blue collar character, makes it highly susceptible to economic cyclicity. It is not surprising then to note that the recent economic environment has had important effects on the Village over the past several years.

That said, there are several signs of improvement. Sales tax revenue, which, in fiscal year 2015, hit its lowest point in the previous 10 years, has rebounded over the past 5 years. Additionally, the Village's 1 percent non-home rule sales tax (all proceeds of which are dedicated to road repair) produced \$1.7 million in fiscal year 2021, an increase of \$200,000 over the \$1.5 million that came in the prior four fiscal years. The Village saw an increase in the 2019 tax base of 26.2 percent due to the triannual reassessment.

The Village's manufacturing character is a strength. In addition, its location adjacent to O'Hare International Airport (O'Hare) and proximity to one of the largest rail yards in the nation has allowed it to recover more quickly as the economy has recovered. Furthermore, ongoing development at O'Hare holds several benefits for the Village, including a new tollway interchange that is expected to provide a significant boost to economic development activities.

On March 11, 2020, the World Health Organization declared the outbreak of a coronavirus (COVID-19) a pandemic. On March 15, Illinois Governor Pritzker ordered a statewide closing of businesses that were not considered essential due to the pandemic. As a result, the Village expects to experience loss of revenue and jobs. The Village will rely on reserves to continue to provide the same high level of service to its residents during these challenging times. These economic uncertainties may negatively impact changes in fund balance/net position. Other financial impacts could occur though such potential impacts are unknown at this time.

#### ***Requests for Further Information***

This financial report is intended to provide a general overview of the Village's finances and demonstrate the Village's accountability for the money it receives. If you have questions about this report or need additional information, please contact the Office of the Comptroller, Village of Franklin Park, Illinois at 9500 Belmont Avenue, Franklin Park, IL 60131.

The Village of Franklin Park, Illinois' police and fire pension funds issue separate financial statements that can be obtained by contacting the Office of the Treasurer at the above address.

# Village of Franklin Park, Illinois

## Statement of Net Position

April 30, 2021

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	
<b>Assets</b>				
Cash and investments	\$ 19,266,209	\$ 1,272,616	\$ 20,538,825	\$ 99,390
Receivables:				
Property taxes receivable	9,617,921	-	9,617,921	-
Customer receivables	-	2,295,514	2,295,514	-
Other receivables	66,946	-	66,946	-
Due from other governments	315,947	-	315,947	-
Other taxes receivable	2,213,475	-	2,213,475	-
Allowance for doubtful accounts	(563,401)	(862,521)	(1,425,922)	-
Internal balances	(400,000)	400,000	-	-
Prepaid expenses and other assets	482,714	106,704	589,418	-
IPBC reserve	831,683	-	831,683	-
Restricted assets	836,793	-	836,793	-
Investment in joint ventures (Note 15)	508,612	-	508,612	-
Land held for resale	2,953,938	-	2,953,938	-
Net pension asset (Note 10)	2,873,067	1,050,602	3,923,669	-
Capital assets: (Note 4)				
Assets not subject to depreciation	16,955,276	9,120,507	26,075,783	-
Assets subject to depreciation - Net	33,168,364	45,462,242	78,630,606	-
<b>Total assets</b>	<b>89,127,544</b>	<b>58,845,664</b>	<b>147,973,208</b>	<b>99,390</b>
<b>Deferred Outflows of Resources</b>				
Deferred pension costs (Note 10)	19,621,284	38,233	19,659,517	-
Deferred OPEB costs (Note 16)	3,603,868	341,194	3,945,062	-
<b>Total deferred outflows of resources</b>	<b>23,225,152</b>	<b>379,427</b>	<b>23,604,579</b>	<b>-</b>
<b>Liabilities</b>				
Accounts payable	677,183	2,247,095	2,924,278	-
Due to other governmental units	1,158,838	-	1,158,838	-
Refundable deposits, bonds, etc.	30,961	-	30,961	-
Accrued liabilities and other:				
Accrued salaries and wages	420,326	27,582	447,908	-
Accrued interest payable	419,190	121,822	541,012	-
Unearned revenue	280,448	-	280,448	-
Noncurrent liabilities:				
Due within one year: (Note 5)				
Compensated absences	259,138	159,774	418,912	-
Leases payable	50,074	-	50,074	-
Current portion of loans payable	368,519	135,476	503,995	-
Current portion of bonds payable	2,027,750	2,042,250	4,070,000	-
Due in more than one year:				
Compensated absences (Note 5)	1,036,553	-	1,036,553	-
Leases payable (Note 7)	652,719	-	652,719	-
Loans payable (Note 5)	3,069,423	986,575	4,055,998	-
Net pension liability (Note 10)	97,906,393	-	97,906,393	-
Net OPEB liability (Note 16)	23,767,246	2,250,154	26,017,400	-
Bonds payable, net of current portion (Note 5)	27,928,678	23,034,071	50,962,749	-
Other noncurrent liabilities	-	1,007,010	1,007,010	-
<b>Total liabilities</b>	<b>160,053,439</b>	<b>32,011,809</b>	<b>192,065,248</b>	<b>-</b>

## Village of Franklin Park, Illinois

### Statement of Net Position (Continued)

April 30, 2021

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	
<b>Deferred Inflows of Resources</b>				
Deferred benefit on bond refunding	\$ 416,928	\$ -	\$ 416,928	\$ -
Property taxes levied for the following year	8,049,032	-	8,049,032	-
Deferred pension cost reductions (Note 10)	11,049,241	777,743	11,826,984	-
Deferred OPEB cost reductions (Note 16)	2,242,359	212,294	2,454,653	-
Total deferred inflows of resources	21,757,560	990,037	22,747,597	-
<b>Net Position (Deficit)</b>				
Net investment in capital assets	16,446,342	28,384,377	44,830,719	-
Restricted:				
Public safety	522,526	-	522,526	-
TIF development	7,517,735	-	7,517,735	-
Debt service	4,673,408	-	4,673,408	-
Highways and streets	4,120,522	-	4,120,522	-
Unrestricted	(102,738,836)	(2,161,132)	(104,899,968)	99,390
Total net position (deficit)	<b>\$ (69,458,303)</b>	<b>\$ 26,223,245</b>	<b>\$ (43,235,058)</b>	<b>\$ 99,390</b>

## Village of Franklin Park, Illinois

	Program Revenue			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Functions/Programs</b>				
Primary government:				
Governmental activities:				
General government	\$ 7,147,353	\$ 1,065,751	\$ -	\$ -
Public safety	22,994,584	1,971,449	268,108	-
Highway and streets	4,931,975	-	-	1,145,339
Public health	257,536	-	320,078	-
Community development	1,416,277	26,543	-	-
Building department	553,480	1,133,472	-	-
Interest on long-term debt	1,231,263	-	-	-
Total governmental activities	38,532,468	4,197,215	588,186	1,145,339
Business-type activities:				
Water and sewer	11,236,758	13,204,020	-	371,361
Garbage	1,795,152	1,164,486	-	-
Commuter parking lot	22,241	14,331	-	-
Total business-type activities	13,054,151	14,382,837	-	371,361
Total primary government	<b>\$ 51,586,619</b>	<b>\$ 18,580,052</b>	<b>\$ 588,186</b>	<b>\$ 1,516,700</b>
Component units	<b>\$ 43,440</b>	<b>\$ -</b>	<b>\$ 89,839</b>	<b>\$ -</b>
General revenue:				
Property taxes				
Unrestricted intergovernmental revenue - Sales tax and income tax				
Unrestricted intergovernmental revenue - Public service taxes and state-shared taxes - Utility tax and other taxes				
Unrestricted investment income				
Other miscellaneous income				
Total general revenue				
Transfers				
<b>Change in Net Position</b>				
<b>Net Position (Deficit) - Beginning of year</b>				
<b>Net Position (Deficit) - End of year</b>				

## Statement of Activities

Year Ended April 30, 2021

Net (Expense) Revenue and Changes in Net Position			
Primary Government			
Governmental Activities	Business-type Activities	Total	Component Unit
\$ (6,081,602)	\$ -	\$ (6,081,602)	\$ -
(20,755,027)	-	(20,755,027)	-
(3,786,636)	-	(3,786,636)	-
62,542	-	62,542	-
(1,389,734)	-	(1,389,734)	-
579,992	-	579,992	-
(1,231,263)	-	(1,231,263)	-
(32,601,728)	-	(32,601,728)	-
-	2,338,623	2,338,623	-
-	(630,666)	(630,666)	-
-	(7,910)	(7,910)	-
-	1,700,047	1,700,047	-
(32,601,728)	1,700,047	(30,901,681)	-
-	-	-	46,399
23,005,306	-	23,005,306	-
6,748,257	-	6,748,257	-
6,055,965	-	6,055,965	-
19,202	3,529	22,731	-
779,454	-	779,454	-
36,608,184	3,529	36,611,713	-
(893,875)	893,875	-	-
3,112,581	2,597,451	5,710,032	46,399
(72,570,884)	23,625,794	(48,945,090)	52,991
<b><u>\$ (69,458,303)</u></b>	<b><u>\$ 26,223,245</u></b>	<b><u>\$ (43,235,058)</u></b>	<b><u>\$ 99,390</u></b>

# Village of Franklin Park, Illinois

## Governmental Funds Balance Sheet

April 30, 2021

	General Corporate Fund	Downtown Franklin Avenue TIF Fund	Nonmajor Funds	Total Governmental Funds
<b>Assets</b>				
Cash and investments (Note 2)	\$ 4,046,825	\$ -	\$ 14,724,011	\$ 18,770,836
Receivables:				
Property taxes receivable	8,033,486	-	1,584,435	9,617,921
Other receivables	14,677	-	52,269	66,946
Due from other governments	7,302	-	308,645	315,947
Other taxes receivable	2,153,081	-	60,394	2,213,475
Allowance for doubtful accounts	(422,403)	-	(140,998)	(563,401)
Advances to other funds (Note 9)	3,621,227	-	591,139	4,212,366
Prepaid items and other assets	482,714	-	-	482,714
IPBC reserve	831,683	-	-	831,683
Restricted assets	-	-	836,793	836,793
	<u>\$ 18,768,592</u>	<u>\$ -</u>	<u>\$ 18,016,688</u>	<u>\$ 36,785,280</u>
Total assets				
<b>Liabilities</b>				
Accounts payable	\$ 380,738	\$ 500	\$ 290,844	\$ 672,082
Due to other governmental units	-	-	1,158,838	1,158,838
Advances from other funds (Note 9)	-	2,737,750	1,874,616	4,612,366
Refundable deposits, bonds, etc.	30,961	-	-	30,961
Accrued liabilities and other	418,871	-	57	418,928
Unearned revenue	280,448	-	-	280,448
	<u>1,111,018</u>	<u>2,738,250</u>	<u>3,324,355</u>	<u>7,173,623</u>
Total liabilities				
<b>Deferred Inflows of Resources</b>				
Unavailable revenue	-	-	52,269	52,269
Property taxes levied for the following year	6,777,223	-	1,271,809	8,049,032
	<u>6,777,223</u>	<u>-</u>	<u>1,324,078</u>	<u>8,101,301</u>
Total deferred inflows of resources				
Total liabilities and deferred inflows of resources	7,888,241	2,738,250	4,648,433	15,274,924
<b>Fund Balances (Deficit)</b>				
Nonspendable	4,935,624	-	-	4,935,624
Restricted:				
Public safety	-	-	522,526	522,526
TIF development	-	-	7,517,735	7,517,735
Debt service	-	-	4,673,408	4,673,408
Highways and streets	2,778,084	-	1,563,134	4,341,218
Unassigned	3,166,643	(2,738,250)	(908,548)	(480,155)
	<u>10,880,351</u>	<u>(2,738,250)</u>	<u>13,368,255</u>	<u>21,510,356</u>
Total fund balances (deficit)				
Total liabilities, deferred inflows of resources, and fund balances (deficit)	<u>\$ 18,768,592</u>	<u>\$ -</u>	<u>\$ 18,016,688</u>	<u>\$ 36,785,280</u>

## Village of Franklin Park, Illinois

### Governmental Funds Reconciliation of the Balance Sheet to the Statement of Net Position

April 30, 2021

<b>Fund Balances Reported in Governmental Funds</b>	\$ 21,510,356
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 are not reported in the funds	50,123,640
Receivables that are not collected soon after year end are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds	52,269
Land held for resale does not represent financial resources and is not reported in the funds	2,953,938
Investments in joint ventures are not financial resources and are not reported in the funds	508,612
Bonds payable, loans payable, and capital lease obligations are not due and payable in the current period and are not reported in the funds	(32,985,235)
Unamortized bond premiums and discounts associated with long-term debt payable are not reported in the funds	(1,111,928)
Deferred charges on bond refunding associated with long-term debt payable are not reported in the funds	(416,928)
Accrued interest is not due and payable in the current period and is not reported in the funds	(419,190)
Some employee fringe benefits are payable over a long period of years and do not represent a claim on current financial resources; therefore, they are not reported as fund liabilities:	
Employee compensated absences	(1,295,691)
Pension benefits and related deferred inflows and outflows	(86,502,722)
Retiree health care benefits	(21,875,424)
<b>Net Position (Deficit) of Governmental Activities</b>	<b><u>\$ (69,458,303)</u></b>

## Village of Franklin Park, Illinois

### Governmental Funds

### Statement of Revenue, Expenditures, and Changes in Fund Balances (Deficit)

**Year Ended April 30, 2021**

	General Corporate Fund	Downtown Franklin Avenue TIF Fund	Nonmajor Funds	Total Governmental Funds
<b>Revenue</b>				
Taxes:				
Property taxes	\$ 13,702,129	\$ 380,495	\$ 8,922,682	\$ 23,005,306
Income taxes	2,381,483	-	-	2,381,483
State-shared revenue and grants	4,058,863	-	-	4,058,863
Intergovernmental:				
Grant revenue	353,815	-	1,423,366	1,777,181
Utility tax	4,028,116	-	-	4,028,116
Other taxes	1,679,364	-	1,260,505	2,939,869
Charges for services	2,218,254	-	137,420	2,355,674
Fines and forfeitures	617,053	-	234,371	851,424
Licenses and permits	1,224,488	-	-	1,224,488
Investment income	1,417	597	17,188	19,202
Other revenue	715,911	-	63,543	779,454
Total revenue	30,980,893	381,092	12,059,075	43,421,060
<b>Expenditures</b>				
Current services:				
General government	6,036,470	-	10,904	6,047,374
Public safety	17,538,564	-	157,670	17,696,234
Highway and streets	2,424,390	-	507,881	2,932,271
Public health	257,536	-	-	257,536
Community development	422,734	10,742	1,092,013	1,525,489
Building department	780,958	-	-	780,958
Capital outlay	989,653	-	1,760,308	2,749,961
Debt service	272,331	-	3,364,150	3,636,481
Total expenditures	28,722,636	10,742	6,892,926	35,626,304
<b>Excess of Revenue Over Expenditures</b>	2,258,257	370,350	5,166,149	7,794,756
<b>Other Financing Sources (Uses)</b>				
Transfers in (Note 9)	-	195,000	1,571,075	1,766,075
Transfers out (Note 9)	(934,957)	(429,675)	(2,435,275)	(3,799,907)
Total other financing uses	(934,957)	(234,675)	(864,200)	(2,033,832)
<b>Net Change in Fund Balances</b>	1,323,300	135,675	4,301,949	5,760,924
<b>Fund Balances (Deficit) - Beginning of year</b>	9,557,051	(2,873,925)	9,066,306	15,749,432
<b>Fund Balances (Deficit) - End of year</b>	<b>\$ 10,880,351</b>	<b>\$ (2,738,250)</b>	<b>\$ 13,368,255</b>	<b>\$ 21,510,356</b>

## Village of Franklin Park, Illinois

### Governmental Funds Reconciliation of the Statement of Revenue, Expenditures, and Changes in Fund Balances (Deficit) to the Statement of Activities

Year Ended April 30, 2021

<b>Net Change in Fund Balances Reported in Governmental Funds</b>	<b>\$ 5,760,924</b>
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures; however, in the statement of activities, these costs are allocated over their estimated useful lives as depreciation:	
Capital outlay	1,657,001
Depreciation expense	(2,729,790)
Revenue in the statement of activities that does not provide current financial resources is not reported as revenue in the funds until it is available	(882,135)
Change in deferred charges on refunding	58,325
Repayment of bond principal is an expenditure in the governmental funds but not in the statement of activities (where it reduces long-term debt)	2,198,338
Interest expense is recognized in the government-wide statements as it accrues	(2,108)
Repayment of principal on capital leases is an expenditure in the governmental funds but not in the statement of activities (where it reduces long-term debt)	13,413
Some employee costs (pension, OPEB, and compensated absences) do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds	(4,257,503)
Change in unamortized bond premiums and discounts	138,289
Change in investment in joint venture	100,543
Internal service funds are included as part of governmental activities - All other items	1,057,284
<b>Change in Net Position of Governmental Activities</b>	<b><u>\$ 3,112,581</u></b>

# Village of Franklin Park, Illinois

## Proprietary Funds Statement of Net Position

April 30, 2021

	Enterprise Funds			Internal Service Fund
	Water and Sewer Fund	Nonmajor Enterprise Funds	Total	Fleet Maintenance Fund
<b>Assets</b>				
Current assets:				
Cash and investments (Note 2)	\$ 1,224,961	\$ 47,655	\$ 1,272,616	\$ 495,373
Receivables:				
Customer receivables	2,008,556	286,958	2,295,514	-
Allowance for doubtful accounts	(754,698)	(107,823)	(862,521)	-
Prepaid expenses and other assets	106,704	-	106,704	-
Total current assets	2,585,523	226,790	2,812,313	495,373
Noncurrent assets:				
Advances to other funds (Note 9)	617,857	-	617,857	-
Net pension asset (Note 10)	1,050,602	-	1,050,602	139,952
Capital assets: (Note 4)				
Assets not subject to depreciation	9,120,507	-	9,120,507	-
Assets subject to depreciation - Net	45,457,989	4,253	45,462,242	-
Total noncurrent assets	56,246,955	4,253	56,251,208	139,952
Total assets	58,832,478	231,043	59,063,521	635,325
<b>Deferred Outflows of Resources</b>				
Deferred pension costs (Note 10)	38,233	-	38,233	5,093
Deferred OPEB costs (Note 16)	341,194	-	341,194	85,299
Total deferred outflows of resources	379,427	-	379,427	90,392
<b>Liabilities</b>				
Current liabilities:				
Accounts payable	2,075,428	171,667	2,247,095	5,101
Accrued liabilities and other:				
Accrued salaries and wages	26,329	1,253	27,582	1,398
Accrued interest payable	121,822	-	121,822	-
Compensated absences (Note 5)	159,774	-	159,774	-
Current portion of loans payable (Note 5)	135,476	-	135,476	-
Current portion of bonds payable (Note 5)	2,042,250	-	2,042,250	-
Total current liabilities	4,561,079	172,920	4,733,999	6,499
Noncurrent liabilities:				
Advances from other funds (Note 9)	-	217,857	217,857	-
Loans payable (Note 5)	986,575	-	986,575	-
Net OPEB liability (Note 16)	2,250,154	-	2,250,154	562,538
Bonds payable, net of current portion (Note 5)	23,034,071	-	23,034,071	-
Other noncurrent liabilities	1,007,010	-	1,007,010	-
Total noncurrent liabilities	27,277,810	217,857	27,495,667	562,538
Total liabilities	31,838,889	390,777	32,229,666	569,037
<b>Deferred Inflows of Resources</b>				
Deferred pension cost reductions (Note 10)	777,743	-	777,743	103,606
Deferred OPEB cost reductions (Note 16)	212,294	-	212,294	53,074
Total deferred inflows of resources	990,037	-	990,037	156,680
<b>Net Position (Deficit)</b>				
Net investment in capital assets	28,380,124	4,253	28,384,377	-
Unrestricted	(1,997,145)	(163,987)	(2,161,132)	-
Total net position (deficit)	\$ 26,382,979	\$ (159,734)	\$ 26,223,245	\$ -

See notes to financial statements.

# Village of Franklin Park, Illinois

## Proprietary Funds Statement of Revenue, Expenses, and Changes in Net Position

**Year Ended April 30, 2021**

	Enterprise Funds			Internal Service Fund
	Water and Sewer Fund	Nonmajor Enterprise Funds	Total	Fleet Maintenance Fund
<b>Operating Revenue</b>				
Sale of water	\$ 8,204,208	\$ -	\$ 8,204,208	\$ -
Sewage disposal charges	4,992,406	-	4,992,406	-
Other sales to customers	-	1,178,817	1,178,817	-
Other revenue	7,406	-	7,406	-
Charges to other funds	-	-	-	430,000
Total operating revenue	13,204,020	1,178,817	14,382,837	430,000
<b>Operating Expenses</b>				
Cost of water	3,330,269	-	3,330,269	-
Repairs and maintenance	2,441,337	81,470	2,522,807	-
Billing and administrative costs	1,580,354	2,326	1,582,680	93,953
Supplies and services	1,977,756	1,765,780	3,743,536	100,655
Depreciation	1,423,905	2,278	1,426,183	-
Total operating expenses	10,753,621	1,851,854	12,605,475	194,608
<b>Operating Income (Loss)</b>	2,450,399	(673,037)	1,777,362	235,392
<b>Nonoperating Revenue (Expense)</b>				
Investment interest and FMV changes	3,419	110	3,529	-
Interest expense	(765,701)	-	(765,701)	-
Total nonoperating (expense) revenue	(762,282)	110	(762,172)	-
<b>Income (Loss) - Before capital contributions and transfers</b>	1,688,117	(672,927)	1,015,190	235,392
<b>Capital Contributions - Capital grants</b>	371,361	-	371,361	-
<b>Transfers In (Note 9)</b>	1,617,875	400,000	2,017,875	1,139,957
<b>Transfers Out (Note 9)</b>	(1,124,000)	-	(1,124,000)	-
<b>Change in Net Position</b>	2,553,353	(272,927)	2,280,426	1,375,349
<b>Net Position (Deficit) - Beginning of year</b>	23,829,626	113,193	23,942,819	(1,375,349)
<b>Net Position (Deficit) - End of year</b>	<b>\$ 26,382,979</b>	<b>\$ (159,734)</b>	<b>\$ 26,223,245</b>	<b>\$ -</b>
<b>Net Change in Net Position - Total enterprise funds</b>			\$ 2,280,426	
Amounts reported for business-type activities in the statement of activities are different because a portion of the internal service fund is included as business-type activities			317,025	
<b>Change in Net Position of Business-type Activities</b>			<b>\$ 2,597,451</b>	

# Village of Franklin Park, Illinois

## Proprietary Funds Statement of Cash Flows

Year Ended April 30, 2021

	Enterprise Funds		Internal Service
	Water and Sewer Fund	Nonmajor Enterprise Funds	Fund Fleet Maintenance Fund
		Total	
<b>Cash Flows from Operating Activities</b>			
Receipts from customers	\$ 13,041,068	\$ 1,196,919	\$ 14,237,987
Receipts from interfund services and reimbursements	-	-	430,000
Payments to suppliers	(6,603,574)	(1,834,956)	(8,438,530)
Payments to employees and fringes	(1,884,428)	-	(1,884,428)
			(159,801)
Net cash and cash equivalents provided by (used in) operating activities	4,553,066	(638,037)	3,915,029
			159,164
<b>Cash Flows from Noncapital Financing Activities</b>			
Transfers from other funds	1,617,875	400,000	2,017,875
Loans received from other funds	-	217,857	217,857
Transfers to other funds	(1,124,000)	-	(1,124,000)
Payments on loans from other funds	-	-	-
Loans to other funds	(217,857)	-	(217,857)
			(803,748)
			-
Net cash and cash equivalents provided by noncapital financing activities	276,018	617,857	893,875
			336,209
<b>Cash Flows from Capital and Related Financing Activities</b>			
Receipt of capital grants	371,361	-	371,361
Purchase of capital assets	(3,608,694)	-	(3,608,694)
Principal and interest paid on capital debt	(2,278,556)	-	(2,278,556)
			-
Net cash and cash equivalents used in capital and related financing activities	(5,515,889)	-	(5,515,889)
			-
<b>Cash Flows Provided by Investing Activities -</b>			
Interest received on investments	3,419	110	3,529
			-
<b>Net (Decrease) Increase in Cash and Cash Equivalents</b>	(683,386)	(20,070)	(703,456)
			495,373
<b>Cash and Cash Equivalents - Beginning of year</b>	1,908,347	67,725	1,976,072
			-
<b>Cash and Cash Equivalents - End of year</b>	<u>\$ 1,224,961</u>	<u>\$ 47,655</u>	<u>\$ 1,272,616</u>
			<u>\$ 495,373</u>
<b>Classification of Cash and Cash Equivalents -</b>			
Cash and investments	<u>\$ 1,224,961</u>	<u>\$ 47,655</u>	<u>\$ 1,272,616</u>
			<u>\$ 495,373</u>

# Village of Franklin Park, Illinois

## Proprietary Funds Statement of Cash Flows (Continued)

**Year Ended April 30, 2021**

	Enterprise Funds			Internal Service Fund
	Water and Sewer Fund	Nonmajor Enterprise Funds	Total	Fleet Maintenance Fund
<b>Reconciliation of Operating Income (Loss) to Net Cash from Operating Activities</b>				
Operating income (loss)	\$ 2,450,399	\$ (673,037)	\$ 1,777,362	\$ 235,392
Adjustments to reconcile operating income (loss) to net cash from operating activities:				
Depreciation	1,423,905	2,278	1,426,183	-
Changes in assets and liabilities:				
Receivables	(162,952)	18,102	(144,850)	-
Prepaid and other assets	17,702	-	17,702	-
Net pension asset	(759,220)	-	(759,220)	(93,661)
Accounts payable	1,205,782	14,620	1,220,402	(10,350)
Net pension and OPEB liabilities	89,074	-	89,074	-
Deferrals related to pension and OPEB	275,230	-	275,230	33,112
Accrued and other liabilities	13,146	-	13,146	(5,329)
Total adjustments	2,102,667	35,000	2,137,667	(76,228)
Net cash and cash equivalents provided by (used in) operating activities	<b>\$ 4,553,066</b>	<b>\$ (638,037)</b>	<b>\$ 3,915,029</b>	<b>\$ 159,164</b>

## Village of Franklin Park, Illinois

### Fiduciary Funds Statement of Fiduciary Net Position

April 30, 2021

Pension Trust  
Funds

#### Assets

Cash and investments	\$ 3,630,047
Investments:	
Certificates of deposit	2,234,426
U.S. government securities	8,824,956
Stocks	3,585,801
Bonds	10,405,531
Insurance contracts	5,416,908
Equity mutual funds	39,560,519
Receivables - Accrued interest receivable	98,800
Prepaid expenses and other assets	8,115
Total assets	73,765,103

**Liabilities - Account payable** 21,319

**Net Position Restricted for Pensions** \$ 73,743,784

## Village of Franklin Park, Illinois

### Fiduciary Funds Statement of Changes in Fiduciary Net Position

Year Ended April 30, 2021

	<u>Pension Trust Funds</u>
<b>Additions</b>	
Investment income (loss):	
Interest and dividends	\$ 1,223,605
Net increase in fair value of investments	14,914,245
Investment costs	<u>(126,493)</u>
Net investment income	16,011,357
Contributions:	
Employer contributions	5,937,907
Employee contributions	<u>849,827</u>
Total contributions	<u>6,787,734</u>
Total additions	22,799,091
<b>Deductions</b>	
Benefit payments	6,845,205
Administrative expenses	<u>108,011</u>
Total deductions	<u>6,953,216</u>
<b>Net Increase in Net Position</b>	15,845,875
<b>Net Position Restricted for Pensions - Beginning of year</b>	<u>57,897,909</u>
<b>Net Position Restricted for Pensions - End of year</b>	<u><u>\$ 73,743,784</u></u>

**Note 1 - Significant Accounting Policies**

The accounting policies of the Village of Franklin Park, Illinois (the "Village") conform to accounting principles generally accepted in the United States of America (GAAP), as applicable to governmental units. The following is a summary of the significant accounting policies used by the Village of Franklin Park, Illinois:

***Reporting Entity***

The Village of Franklin Park, Illinois is a municipal corporation governed by an elected board. The accompanying financial statements present the Village and its component units, entities for which the Village is considered to be financially accountable. Blended component units are, in substance, part of the Village's operations, even though they are separate legal entities. Thus, blended component units are appropriately presented as funds of the Village. Discretely presented component units are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the Village.

**Blended Component Units**

*Foreign Fire Insurance Premium Tax Fund*

The Foreign Fire Insurance Premium Tax Fund was established to account for the fire department's allocable foreign fire insurance tax revenue. This revenue is provided to the fire department as an inducement to assist neighboring communities in emergency situations. This revenue represents a financial benefit to the Village. In addition, the fund is governed by a board that includes members of the board of trustees and fire department personnel, all of whom are elected by the members of the fire department. The fund is included within the Village's reporting entity as a special revenue fund.

*Police Pension Fund*

The Village's police department employees participate in the Police Pension Fund. The Police Pension Fund functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the president, one elected pension beneficiary, and two elected police employees constitute the pension board. The Village is obligated to fund Police Pension Fund costs based on actuarial valuations. The nature of the Police Pension Fund dictates the Village's financial accountability. The Police Pension Fund has the possibility of imposing a financial burden on the Village. The State of Illinois is authorized to establish benefit levels, and the government is authorized to approve the actuarial assumptions used in the determination of contribution levels. Separately issued financial statements for the Police Pension Fund can be obtained from the Village by contacting the village comptroller.

*Firefighters' Pension Fund*

The Village's fire department employees participate in the Firefighters' Pension Fund. The Firefighters' Pension Fund functions for the benefit of these employees and is governed by a nine-member pension board. The Village's president, treasurer, clerk, attorney, and fire chief; one elected pension beneficiary; and three elected fire employees constitute the pension board. The Village is obligated to fund all Firefighters' Pension Fund costs based on actuarial valuations. The nature of the Firefighters' Pension Fund dictates the Village's financial accountability. The pension fund has the possibility of imposing a financial burden on the Village. The State of Illinois is authorized to establish benefit levels, and the government is authorized to approve the actuarial assumptions used in the determination of contribution levels. Separately issued financial statements for the Firefighters' Pension Fund can be obtained from the Village by contacting the village comptroller.

**Note 1 - Significant Accounting Policies (Continued)**

**Discretely Presented Component Unit**

The Franklin Community Fund was created for charitable and educational purposes and for the specific purpose of lessening the burdens of government for the benefit of the general public. The fund's governing body is appointed by the Village. The Village also has the ability to impose its will on the component unit. The Franklin Community Fund is reported within the component unit column in the government-wide financial statements and does not issue a separate financial statement.

**Accounting and Reporting Principles**

The Village follows accounting principles generally accepted in the United States of America, as applicable to governmental units. Accounting and financial reporting pronouncements are promulgated by the Governmental Accounting Standards Board (GASB). The following is a summary of the significant accounting policies used by the Village:

**Fund Accounting**

The Village accounts for its various activities in several different funds in order to demonstrate accountability for how it spends certain resources; separate funds allow the Village to show the particular expenditures for which specific revenue is used. The various funds are aggregated into three broad fund types:

**Governmental Funds**

Governmental funds include all activities that provide general governmental services that are not business-type activities. Governmental funds can include the General Corporate Fund, special revenue funds, debt service funds, capital project funds, and permanent funds. The Village reports the following funds as major governmental funds:

- *General Corporate Fund* - The primary operating fund because it accounts for all financial resources used to provide general government services, other than those specifically assigned to another fund.
- *Downtown Franklin Avenue TIF Fund* - A special revenue fund used to account for the tax increment financing revenue and expenditures within the Downtown Franklin Avenue TIF District.

**Proprietary Funds**

Proprietary funds include enterprise funds (which provide goods or services to users in exchange for charges or fees) and internal service funds (which provide goods or services to other funds of the Village). The Village reports the following fund as a major enterprise fund:

- *Water and Sewer Fund* - This fund provides water to customers and disposes of sanitary sewage in exchange for quarterly user charges.

The Village's internal service fund is used to allocate fleet maintenance services to the various funds on a full accrual basis, so that the full costs are recognized and allocated to the various funds in the year that the costs are incurred. In the current and prior years, the full cost has not been charged to the various funds.

**Note 1 - Significant Accounting Policies (Continued)**

**Fiduciary Funds**

Fiduciary funds include amounts held in a fiduciary capacity for others. These amounts are not used to operate the Village's programs. Activities that are reported as fiduciary include the following:

- *Police Pension Fund and Firefighters' Pension Fund* - These funds accumulate resources for pension benefit payments to retirees under these plans.

**Interfund Activity**

During the course of operations, the Village has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Furthermore, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements, these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

**Basis of Accounting**

The governmental funds use the current financial resources measurement focus and the modified accrual basis of accounting. This basis of accounting is intended to better demonstrate accountability for how the Village has spent its resources.

Expenditures are reported when the goods are received or the services are rendered. Capital outlays are reported as expenditures (rather than as capital assets) because they reduce the ability to spend resources in the future; conversely, employee benefit costs that will be funded in the future (such as pension and retiree health care-related costs or sick and vacation pay) are not counted until they come due for payment. In addition, debt service expenditures, claims, and judgments are recorded only when payment is due.

Revenue is not recognized until it is collected or collected soon enough after the end of the year that it is available to pay for obligations outstanding at the end of the year. For this purpose, the Village considers amounts collected within 60 days of year end to be available for recognition. The following major revenue sources meet the availability criterion: intergovernmental revenue, charges for services, licenses and permits, fines and forfeitures, investment earnings, property taxes, sales taxes, and income taxes associated with the current fiscal period. Conversely, certain intergovernmental revenue and grant reimbursements will be collected after the period of availability; receivables have been recorded for these, along with a deferred inflow of resources.

Proprietary funds and fiduciary funds, as applicable, use the economic resources measurement focus and the full accrual basis of accounting. Revenue is recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

**Note 1 - Significant Accounting Policies (Continued)**

***Report Presentation***

Governmental accounting principles require that financial reports include two different perspectives - the government-wide perspective and the fund-based perspective. 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 primary government and its component units, as applicable. The government-wide financial statements are presented on the economic resources measurement focus and the full accrual basis of accounting. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. The statements also present a schedule reconciling these amounts to the modified accrual-based presentation found in the fund-based statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenue. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenue includes: (1) charges to customers or applicants for goods, services, or privileges provided; (2) operating grants and contributions; and (3) capital grants and contributions, including special assessments. Taxes, unrestricted intergovernmental receipts, and other items not properly included among program revenue are reported instead as general revenue.

As a general rule, the effect of interfund activity has been removed from the government-wide financial statements. Exceptions to this general rule occur when there are charges between the Village's water and sewer and nonmajor enterprise functions and various other functions of the Village. Eliminations of these charges would distort the direct costs and program revenue reported for the various functions concerned.

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

***Specific Balances and Transactions***

**Cash and Investments**

Cash and cash equivalents include cash on hand, demand deposits, and short-term investments with a maturity of three months or less when acquired. Investments are stated at fair value. Values for the Illinois Funds are the same as the value of the pool shares. State statute requires these funds to comply with the Illinois Public Funds Investment Act.

**Inventories and Prepaid Items**

Inventories are valued at cost on a first-in, first-out basis. Certain payments to vendors reflect costs applicable to future fiscal years and are recorded as prepaid items in both government-wide and fund financial statements, when applicable.

**Restricted Assets**

There are two components to the restricted assets recorded within the Cullerton Ave capital projects fund. The loans payable held at Cook County, Illinois on behalf of the Village and paid with tax revenue require a debt reserve of cash to be held at the county to cover the next period's principal payment. A total of \$300,000 of the restricted assets as of April 30, 2021 represents this reserve. The remaining restricted assets of \$536,793 represent cash held at Cook County, Illinois on behalf of the Village to be used for future principal and interest payments on the loans payable.

**Note 1 - Significant Accounting Policies (Continued)**

**Capital Assets**

Capital assets, which include property, plant, equipment, intangible assets, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the Village as assets with an initial individual cost of more than \$10,000 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 estimated acquisition value at the date of donation.

Interest incurred during the construction of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Infrastructure, intangibles, buildings, equipment, and vehicles are depreciated using the straight-line method over the following useful lives:

	<u>Depreciable Life - Years</u>
Buildings	40
Infrastructure	20-75
Water and sewer system	10-75
Vehicles and equipment	5-10

**Long-term Obligations**

In the government-wide financial statements and the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund-type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bond using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed at the time they are incurred. In the fund financial statements, governmental fund types recognize bond issuances and premiums as other financing sources and bond discounts as other financing uses. The Corporate Bond and Interest Fund is generally used to liquidate governmental long-term debt, and the Water and Sewer Fund is used to liquidate business-type long-term debt.

**Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of net position and/or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to future periods and will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of net position and/or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to future periods and will not be recognized as an inflow of resources (revenue) until that time.

The Village reports the following deferred outflows of resources and deferred inflows of resources:

	<u>Outflows</u>	<u>Inflows</u>
Unavailable revenue (those not collected within the period of availability) - Reported only at the modified accrual level		✓
Deferred benefit on bond refunding		✓
Deferred pension costs (or cost reductions)	✓	✓
Deferred OPEB costs (or cost reductions)	✓	✓
Property taxes levied for the following year		✓

**Note 1 - Significant Accounting Policies (Continued)**

**Net Position**

Net position of the Village is classified in three components. Net investment in capital assets consists of capital assets net of accumulated depreciation and is reduced by the current balances of any outstanding borrowings used to finance the purchase or construction of those assets. The restricted component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Unrestricted net position is the remaining net position that does not meet the definition of invested in capital or restricted.

**Net Position Flow Assumption**

The Village will sometimes fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements (as applicable), a flow assumption must be made about the order in which the resources are considered to be applied. It is the Village's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

**Fund Balance Flow Assumptions**

The Village will sometimes fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Village's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Furthermore, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

**Fund Balance Policies**

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The Village itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the Village's highest level of decision-making authority. The village board of trustees is the highest level of decision-making authority for the Village that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation. As of April 30, 2021, the Village does not have any commitments of fund balance.

Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. The village board of trustees may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally exist only temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment. As of April 30, 2021, the Village has not assigned any fund balance related to the FY 2022 budget.

The governmental funds balance sheet reports \$522,526 of restricted fund balance for the function of public safety. Within this function, there are two purposes as follows: \$66,396 restricted for use within the fire department and \$456,130 restricted for use on law enforcement.

**Note 1 - Significant Accounting Policies (Continued)**

**Property Tax Revenue**

Property taxes attach as an enforceable lien on January 1 of the levy year. They are levied in December (by passage of a tax levy ordinance). Tax bills are prepared by the county and issued on or about February 1 and August 1 and are payable in two installments on or about March 1 and September 1 (or four weeks after the tax bills are actually mailed by the Cook County, Illinois collector). The county collects such taxes and remits them periodically to the Village. Property taxes for debt service are levied when the related general obligation bonds are authorized and may be subsequently abated in whole or in part by the village board based on the availability of other funds.

Property taxes receivable (net of allowance for uncollectible amounts based on prior history) are recorded at the time of the enforceable lien. The Village's property tax revenue is deemed to finance the current year to the extent collected within 60 days of year end and the subsequent year to the extent not collected within this period. The amount not collected within this period is reported as a deferred inflow of resources.

The Village also receives, but does not levy for, road and bridge and tax increment financing district property taxes. The Village does not record a receivable for property taxes related to the tax increment financing (TIF) districts. Due to the nature of TIF revenue, the Village does not levy a direct tax upon the districts. Instead, the property taxes are based solely upon the incremental increase in the property value utilizing the tax rates of all the taxing bodies whose boundaries encompass the districts. As such, the Village cannot reasonably estimate the receivable and records the revenue on the cash basis.

**Pension**

The Village offers defined benefit pension plans to its employees. The Village records a net pension liability or asset for the difference between the total pension liability calculated by the actuary and the pension plans' fiduciary net position. For the purpose of measuring the net pension liability or asset, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Illinois Municipal Retirement Fund Regular Plan, Illinois Municipal Retirement Fund Sheriff's Law Enforcement Plan, Police Pension Plan, and Firefighters' Pension Plan and additions to/deductions from the pension plans' fiduciary net position have been determined on the same basis as they are reported by the pension plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

**Other Postemployment Benefit Costs**

The Village offers retiree health care benefits to retirees. The Village records a net OPEB liability for the difference between the total OPEB liability calculated by the actuary and the OPEB plan's fiduciary net position. For the purpose of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the OPEB plan and additions to/deductions from the OPEB plan's fiduciary net position have been determined on the same basis as they are reported by the OPEB plan. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. The Village has not set aside any funds to date toward this liability; hence, the unfunded net OPEB liability is equal to the total OPEB liability calculated by the actuary.

**Note 1 - Significant Accounting Policies (Continued)**

**Compensated Absences (Vacation and Sick Leave)**

It is the Village's policy to permit employees to accumulate earned but unused sick and vacation pay benefits. All sick and vacation pay is accrued when incurred in the government-wide, proprietary fund, and fiduciary fund financial statements to the extent it will be paid out upon termination or retirement. A liability for these amounts is reported in governmental funds only for employee terminations as of year end. All other accrued compensated absences are reported in the government-wide financial statements; generally, the funds that report each employee's compensation (the General Corporate Fund and Water and Sewer Fund, primarily) are used to liquidate these obligations.

**Proprietary Funds Operating Classification**

Proprietary funds distinguish operating revenue and expenses from nonoperating items. Operating revenue and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of proprietary funds is charges to customers for sales or services. Operating expenses for these funds include the cost of sales or services and administrative expenses and may include depreciation on capital assets. All revenue and expenses not meeting this definition are reported as nonoperating revenue and expenses.

**Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

**Adoption of New Accounting Pronouncement**

During the current year, the Village adopted GASB Statement No. 84, *Fiduciary Activities*, which establishes criteria for identifying and reporting fiduciary activities. As a result of implementing this standard, The Village Escrow Fund was previously reported as fiduciary activities but no longer meets the definition of such; therefore, this activity is now reported within governmental funds.

**Upcoming Accounting Pronouncements**

In June 2017, the GASB issued Statement No. 87, *Leases*, which improves accounting and financial reporting for leases by governments. This statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. The Village is currently evaluating the impact this standard will have on the financial statements when adopted. The provisions of this statement are effective for the Village's financial statements for the year ending April 30, 2023.

**Note 1 - Significant Accounting Policies (Continued)**

In June 2018, the GASB issued Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, which simplifies accounting for interest cost incurred before the end of construction and requires those costs to be expensed in the period incurred. As a result, interest cost incurred before the end of a construction period will not be capitalized and included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. This statement also reiterates that, in financial statements prepared using the current financial resources measurement focus, interest cost incurred before the end of a construction period should be recognized as an expenditure on a basis consistent with governmental fund accounting principles. The requirements of the standard will be applied prospectively and result in increased interest expense during periods of construction. The provisions of this statement are effective for the Village's financial statements for the April 30, 2022 fiscal year.

In May 2019, the GASB issued Statement No. 91, *Conduit Debt Obligations*, which clarifies the existing definition of conduit debt, provides a single method of reporting conduit debt obligations by issuers, and eliminates diversity in practice associated with commitments extended by issuers, arrangements associated with conduit debt obligations, and related note disclosures. As a result, issuers should not recognize a liability for items meeting the definition of conduit debt; however, a liability should be recorded for additional or voluntary commitments to support debt service if certain recognition criteria are met. The standard also addresses the treatment of arrangements where capital assets are constructed or acquired with the proceeds of a conduit debt obligation and used by a third-party obligor. The requirements of the standard will be applied retrospectively and are effective for the Village's financial statements for the April 30, 2023 fiscal year.

In January 2020, the GASB issued Statement No. 92, *Omnibus 2020*. This statement addresses eight unrelated practice issues and technical inconsistencies in authoritative literature. The standard addresses leases, intraentity transfers of assets, postemployment benefits, government acquisitions, risk financing and insurance-related activities of public entity risk pools, fair value measurements, and derivative instruments. The standard has various effective dates. The Village does not believe this pronouncement will have a significant impact on its financial statements but is still making a full evaluation.

In March 2020, the GASB issued Statement No. 93, *Replacement of Interbank Offered Rates*. With the London Interbank Offered Rate (LIBOR) expecting to cease existence in its current form at the end of 2021, this statement addresses accounting and financial reporting implications that result from the replacement of an interbank offered rate (IBOR) in hedging derivative instruments and leases. The standard is effective for the Village's financial statements for the April 30, 2022 fiscal year. Lease modification requirements are effective one year later.

In March 2020, the GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, to bring a uniform guidance on how to report public-private and public-public partnership arrangements. As a result, transferors in public-private or public-public arrangements will recognize receivables for installment payments, deferred inflows of resources, and, when applicable, capital assets. Operators will recognize liabilities for installment payments and intangible right-to-use assets, and when applicable, deferred outflows of resources and liabilities for assets being transferred. This statement also provides guidance for accounting and financial reporting for availability payment arrangements, in which a government compensates an operator for services such as designing, constructing, financing, maintaining, or operating an underlying asset for a period of time in an exchange or exchange-like transaction. The provisions of this statement are effective for the Village's financial statements for the year ending April 30, 2024.

In May 2020, the Governmental Accounting Standards Board issued Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITAs)*, which defines SBITAs and provides accounting and financial reporting for SBITAs by governments. This statement requires a government to recognize a subscription liability and an intangible right-to-use subscription asset for SBITAs. The Village is currently evaluating the impact this standard will have on the financial statements when adopted. The provisions of this statement are effective for the Village's financial statements for the year ending April 30, 2024.

**Note 1 - Significant Accounting Policies (Continued)**

In April 2022, the Governmental Accounting Standards Board issued Statement No. 99, *Omnibus 2022*, which establishes or amends accounting and financial reporting requirements for specific issues related to financial guarantees, derivative instruments, leases, public-public and public-private partnerships (PPPs), subscription-based information technology arrangements (SBITAs), the transition from the London Interbank Offered Rate (LIBOR), the Supplemental Nutrition Assistance Program (SNAP), nonmonetary transactions, pledges of future revenue, the focus of government-wide financial statements, and terminology. The standard has various effective dates. The Village does not believe this pronouncement will have a significant impact on its financial statements but is still making a full evaluation.

In June 2022, the Governmental Accounting Standards Board issued Statement No. 101, *Compensated Absences*, which updates the recognition and measurement guidance for compensated absences under a unified model. This statement requires that liabilities for compensated absences be recognized for leave that has not been used and leave that has been used but not yet paid in cash or settled through noncash means and establishes guidance for measuring a liability for leave that has not been used. It also updates disclosure requirements for compensated absences. The provisions of this statement are effective for the Village's financial statements for the year ending April 30, 2025.

**Note 2 - Deposits and Investments**

Deposits and investments of the Village, excluding the pension trust funds, are reported in the financial statements as follows:

	Governmental Activities	Business-type Activities
Cash and cash equivalents	\$ 14,586,696	\$ 949,878
Investments	4,679,513	322,738
Restricted cash and investments	836,793	-
Total	<u>\$ 20,103,002</u>	<u>\$ 1,272,616</u>

Statutes authorize the Village to make deposits/invest in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, obligations of states and their political subdivisions, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, and the Illinois Public Treasurer's Investment Pool. The pension trust funds may also invest in certain non-U.S. obligations, mortgages, veterans' loans, life insurance company contracts, money market mutual funds, and common and preferred stocks. Pension funds with net position of \$2.5 million or more may invest up to 45 percent of plan net position in separate accounts of life insurance companies and mutual funds. In addition, pension funds with net position of at least \$5 million that have appointed an investment advisor may invest up to 45 percent of the plan's net position in common and preferred stocks that meet specific restrictions. Illinois Funds is an investment pool managed by the State of Illinois, Office of the Treasurer, that allows governments within the state to pool their funds for investment purposes. Illinois Funds is not registered with the SEC as an investment company but does operate in a manner consistent with SEC regulated Rule 2a7. Investments in Illinois Funds are valued at Illinois Funds' share price, the price for which the investment could be sold, at amortized cost. The shares do not mature. There are no limitations or restrictions on participant withdrawals for Illinois Funds.

April 30, 2021

**Note 2 - Deposits and Investments (Continued)**

The Village's cash and investments are subject to several types of risk, which are examined in more detail below:

***Custodial Credit Risk of Bank Deposits***

Custodial credit risk is the risk that, in the event of a bank failure, the Village's deposits may not be returned to it. The carrying amount of cash, excluding the pension trust funds, was \$21,375,618 at April 30, 2021, while the bank balances were \$21,522,439. All account balances at banks were either insured by the Federal Deposit Insurance Corporation (FDIC) for \$250,000 or collateralized with securities of the U.S. government or with letters of credit issued by the Federal Home Loan Bank held in the Village's name by financial institutions acting as the Village's agent.

At April 30, 2021, the Police Pension Fund's carrying amount of cash was \$1,303,707, while the bank balances were \$1,306,407. The FDIC insures bank balances up to \$250,000. At April 30, 2021, the entire amount of the bank balance of the deposits was covered by federal depository or equivalent insurance. The Police Pension Fund's investment policy does not require pledging of collateral for all bank balances in excess of federal depository insurance since flow-through FDIC insurance is available for the Police Pension Fund's deposits with financial institutions.

At April 30, 2021, the Firefighters' Pension Fund's carrying amount and bank balances of cash were \$2,964,238 and \$2,177,098, respectively. The FDIC insures bank balances up to \$250,000. At April 30, 2021, the entire amount of the bank balance of the deposits was covered by federal depository or equivalent insurance. The Firefighters' Pension Fund's investment policy does not require pledging of collateral for all bank balances in excess of federal depository insurance, since flow-through FDIC insurance is available for the Firefighters' Pension Fund's deposits with financial institutions.

***Investments***

The following schedule reports the fair values for the Village's investments (excluding pension trust funds) as of April 30, 2021. All investments mature in less than one year:

	<u>Fair Value</u>
Money market mutual fund	\$ 2,278,402
Treasurer Illinois Funds	2,682,117

***Custodial Credit Risk of Investments***

For an investment, this is the risk that, in the event of the failure of the counterparty, the Village or the Police Pension or Firefighters' Pension funds will not be able to recover the value of their investments or collateral securities that are in the possession of an outside party. Mutual funds are not subject to custodial credit risk disclosures. The Village limits its exposure to custodial credit risk by utilizing independent third-party institutions, selected by the Village, to act as custodians for its securities and collateral, as described in the Village's investment policy. The Village's investments are fully collateralized as of April 30, 2021. Although not required by the Police Pension or Firefighters' Pension funds' investment policies, the Police Pension and Firefighters' Pension funds limit their exposure to custodial credit risk by utilizing an independent third-party institution, selected by the Police Pension or Firefighters' Pension funds, to act as custodian for its securities and collateral.

***Interest Rate Risk***

The Village limits its exposure to interest rate risk by structuring its portfolio so that it does not invest any operating funds in any debt instruments other than U.S. agencies and Illinois Funds, as described in the adopted village investment policy.

The Police Pension and Firefighters' Pension funds' formal investment policies limit their exposure to interest rate risk by structuring the portfolio to provide liquidity while at the same time matching investment maturities to projected fund liabilities.

April 30, 2021

**Note 2 - Deposits and Investments (Continued)**

The following schedule reports the fair values and maturities for the Police Pension and Firefighters' Pension funds' investments at April 30, 2021:

Police Pension Fund	Fair Value	Less Than 1 Year	1-5 Years	6-10 Years	More Than 10 Years
U.S. Treasury notes	\$ 4,542,992	\$ 1,571,775	\$ 2,971,217	\$ -	\$ -
U.S. government agency securities	483,440	-	903	-	482,537
Corporate bonds	5,266,351	239,130	2,244,985	2,782,236	-
<b>Total</b>	<b>\$ 10,292,783</b>	<b>\$ 1,810,905</b>	<b>\$ 5,217,105</b>	<b>\$ 2,782,236</b>	<b>\$ 482,537</b>

Firefighters' Pension Fund	Fair Value	Less Than 1 Year	1-5 Years	6-10 Years	More Than 10 Years
U.S. Treasury notes	\$ 3,481,970	\$ -	\$ 1,699,889	\$ 1,782,081	\$ -
U.S. government agency securities	2,216,245	-	1,108,459	942,285	165,501
Corporate bonds	4,836,017	-	2,720,912	2,097,023	18,082
<b>Total</b>	<b>\$ 10,534,232</b>	<b>\$ -</b>	<b>\$ 5,529,260</b>	<b>\$ 4,821,389</b>	<b>\$ 183,583</b>

**Credit Risk**

The Village (excluding pension trust funds) 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 U.S. agencies and Illinois Funds, as described in the adopted village investment policy. The United States agencies are implicitly guaranteed by the United States government. Illinois Funds are rated AAA by Standard & Poor's.

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Police Pension and Firefighters' Pension funds help limit their exposure to credit risk by primarily investing in securities issued by the United States government and/or its agencies that are implicitly guaranteed by the United States government. The Police Pension and Firefighters' Pension funds' investment policies established criteria for allowable investments; those criteria follow the requirements of the Illinois Pension Code. The Police Pension and Firefighters' Pension funds' investment policies also prescribe the prudent person rule.

For the Police Pension Fund, U.S. government agencies were all rated AAA, and corporate bonds were rated BBB or better by Standard & Poor's or by Moody's Investors Services or were small issues that were unrated or underrated. Unrated (N/R) and underrated investments are listed in the table below.

For the Firefighters' Pension Fund, U.S. government agencies were all rated AAA, and corporate bonds were rated BBB or better by Standard & Poor's or by Moody's Investors Services or were small issues that were unrated or underrated. Unrated (N/R) and underrated investments are listed in the table below:

Investment	Fair Value
Police Pension Fund - Unrated	\$ 462,699
Firefighters' Pension Fund - Unrated	113,727

**Concentration of Credit Risk**

The Village limits the amount the Village may invest in any one issuer; no more than 50 percent of the funds may be invested in a single institution, as described in the adopted village investment policy. More than 5 percent of the Village's investments (excluding pension trust funds) are in the Amalgamated Bank money market mutual fund (11 percent).

**Note 2 - Deposits and Investments (Continued)**

The Police Pension Fund diversifies investments so as to minimize the risk of large losses, and the securities of any one company should not exceed 5 percent of the total fund and no more than 10 percent of the total fund should be invested in any one industry. At April 30, 2021, more than 5 percent of the Police Pension Fund's investments are in Vanguard Total Stock Market Index Fund, Vanguard Small Cap Index Fund, and MFS International Value Fund. These investments are 24, 9, and 7 percent, respectively, of the Police Pension Fund's total investments.

The Firefighters' Pension Fund's investment policy states the trustees seek to "optimize the asset allocation to best meet the actuarial and cash flow needs of the Pension Fund at a prudent level of risk." At April 30, 2021, more than 5 percent of the Firefighters' Pension Fund's investments are in Principal Life Financial Insurance Contract, Vanguard Total Stock Market Index Fund, Vanguard Total International Stock Index Fund, and Artisan International Investor Fund. These investments are 11, 6, 24, and 6 percent, respectively, of the Firefighters' Pension Fund's total investments.

**Note 3 - Fair Value Measurements**

The Village categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the assets and liabilities. Level 1 inputs are quoted prices in active markets for identical assets and liabilities, Level 2 inputs are significant other observable inputs, and Level 3 inputs are significant unobservable inputs. Investments that are measured at fair value using net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy.

In instances where inputs used to measure fair value fall into different levels in the fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Village's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset.

The Village has the following recurring fair value measurements as of April 30, 2021:

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Governmental and proprietary investment types by fair value measure:				
Mutual funds	\$ -	\$ 2,278,402	\$ -	\$ 2,278,402
Treasurer Illinois Funds	-	2,682,117	-	2,682,117
Total	<u>\$ -</u>	<u>\$ 4,960,519</u>	<u>\$ -</u>	<u>\$ 4,960,519</u>

April 30, 2021

**Note 3 - Fair Value Measurements (Continued)**

The Police Pension Fund and Firefighters' Pension Fund had the following recurring fair value measurements as of April 30, 2021:

	Police Pension Fund			
	Assets Measured at Fair Value on a Recurring Basis			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Debt securities:				
U.S. Treasurys	\$ 4,542,992	\$ -	\$ -	\$ 4,542,992
U.S. agencies	-	483,440	-	483,440
Corporate bonds	-	5,266,351	-	5,266,351
Total debt securities	4,542,992	5,749,791	-	10,292,783
Equity securities:				
Insurance contracts	2,010,370	-	-	2,010,370
Mutual funds	23,275,702	-	-	23,275,702
Total equity securities	25,286,072	-	-	25,286,072
Total investments by fair value	\$ 29,829,064	\$ 5,749,791	\$ -	\$ 35,578,855
	Firefighters' Pension Fund			
	Assets Measured at Fair Value on a Recurring Basis			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Debt securities:				
U.S. Treasurys	\$ 3,481,970	\$ -	\$ -	\$ 3,481,970
U.S. agencies	-	2,216,245	-	2,216,245
Corporate bonds	-	4,836,017	-	4,836,017
Total debt securities	3,481,970	7,052,262	-	10,534,232
Equity securities:				
Insurance contracts	-	3,406,538	-	3,406,538
Equity securities	3,585,801	-	-	3,585,801
Mutual funds	16,284,817	-	-	16,284,817
Total equity securities	19,870,618	3,406,538	-	23,277,156
Total investments by fair value level	\$ 23,352,588	\$ 10,458,800	\$ -	\$ 33,811,388

Debt and equity securities classified in Level 1 are valued using prices quoted in active markets for those securities.

The fair value of U.S. agencies, corporate bonds, and insurance contracts at April 30, 2021 was determined primarily based on Level 2 inputs. The Village estimates the fair value of these investments using other inputs, such as interest rates and yield curves, that are observable at commonly quoted intervals.

April 30, 2021

**Note 4 - Capital Assets**

Capital asset activity of the Village's governmental and business-type activities was as follows:

**Governmental Activities**

	Balance May 1, 2020	Additions	Disposals	Balance April 30, 2021
Capital assets not being depreciated:				
Land	\$ 4,982,848	\$ 30,138	\$ -	\$ 5,012,986
Construction in progress	10,490,726	1,451,564	-	11,942,290
Subtotal	15,473,574	1,481,702	-	16,955,276
Capital assets being depreciated:				
Infrastructure	135,983,970	-	-	135,983,970
Buildings and improvements	22,350,136	-	-	22,350,136
Machinery and equipment	7,687,928	175,299	-	7,863,227
Subtotal	166,022,034	175,299	-	166,197,333
Accumulated depreciation:				
Infrastructure	117,989,238	1,815,185	-	119,804,423
Buildings and improvements	6,918,458	532,013	-	7,450,471
Machinery and equipment	5,391,483	382,592	-	5,774,075
Subtotal	130,299,179	2,729,790	-	133,028,969
Net capital assets being depreciated	35,722,855	(2,554,491)	-	33,168,364
Net governmental activities capital assets	<u>\$ 51,196,429</u>	<u>\$ (1,072,789)</u>	<u>\$ -</u>	<u>\$ 50,123,640</u>

April 30, 2021

**Note 4 - Capital Assets (Continued)**

***Business-type Activities***

	Balance May 1, 2020	Additions	Disposals and Adjustments	Balance April 30, 2021
Capital assets not being depreciated:				
Land	\$ 185,000	\$ -	\$ -	\$ 185,000
Construction in progress	5,326,813	3,608,694	-	8,935,507
Subtotal	5,511,813	3,608,694	-	9,120,507
Capital assets being depreciated:				
Water and sewer lines	69,315,032	-	-	69,315,032
Storage reservoir pump	5,686,944	-	-	5,686,944
Buildings and improvements	2,172,577	-	-	2,172,577
Machinery and equipment	3,603,824	-	-	3,603,824
Subtotal	80,778,377	-	-	80,778,377
Accumulated depreciation:				
Water and sewer lines	25,210,396	1,137,062	-	26,347,458
Storage reservoir pump	4,090,323	161,347	-	4,251,670
Buildings and improvements	1,378,513	55,238	-	1,433,751
Machinery and equipment	3,210,720	72,536	-	3,283,256
Subtotal	33,889,952	1,426,183	-	35,316,135
Net capital assets being depreciated	46,888,425	(1,426,183)	-	45,462,242
Net business-type activities capital assets	<u>\$ 52,400,238</u>	<u>\$ 2,182,511</u>	<u>\$ -</u>	<u>\$ 54,582,749</u>

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

Governmental activities:	
General government	\$ 152,822
Public safety	611,642
Highway and streets	1,965,326
Total governmental activities	<u>\$ 2,729,790</u>
Business-type activities:	
Water and sewer	\$ 1,423,905
Commuter parking lot	2,278
Total business-type activities	<u>\$ 1,426,183</u>

***Construction Commitments***

At year end, the Village's commitments with contractors are as follows:

	Spent to Date	Remaining Commitment
EOWA Tollway Project	\$ 7,148,397	\$ 157,555
Reuter1B	3,038,096	204,197
Reuter Phase 2	2,164,300	85,805
Reuter Phase 3 and 4	2,469,974	2,777,606
Franklin Avenue Project	2,941,689	89,651

April 30, 2021

**Note 5 - Long-term Debt**

The Village issues long-term debt to provide for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the Village. Leases and loans are also general obligations of the Village. Long-term debt activity can be summarized as follows:

**Governmental Activities**

	Interest Rate Ranges	Principal Maturity Ranges	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Other debt -							
Bonds and contracts payable:							
General Obligation Bonds (Alternate Revenue Source):							
Series 2011 - \$9,975,000 Payable through 2031	4.00% - 6.25%	\$500,000 - 880,000	\$ 7,305,000	\$ -	\$ (500,000)	\$ 6,805,000	\$ 520,000
General Obligation Limited Tax Debt Certificates:							
Series 2013 - \$4,760,000 Payable through 2033	3.625% - 5.00%	\$68,738 - \$428,288	4,369,750	-	(215,250)	4,154,500	267,750
General Obligation Refunding Bonds (Alternate Revenue Source):							
Series 2014B - \$3,335,000 Payable through 2023	3.00% - 5.00%	\$235,000 - \$430,000	1,825,000	-	(365,000)	1,460,000	370,000
General Obligation Refunding Bonds (Alternate Revenue Source):							
Series 2015A - \$6,140,000 Payable through 2035	3.625% - 5.00%	\$230,000 - \$1,570,000	6,140,000	-	-	6,140,000	-
General Obligation Refunding Bonds (Alternate Revenue Source):							
Series 2016A - \$8,800,000 Payable through 2031	2.00% - 4.00%	\$30,000 - \$1,200,000	8,605,000	-	(35,000)	8,570,000	30,000
General Obligation Refunding Bonds (Alternate Revenue Source):							
Series 2018 - \$3,835,000 Payable through 2023	4.00%	\$700,000 - \$875,000	2,435,000	-	(720,000)	1,715,000	840,000
Total principal outstanding			30,679,750	-	(1,835,250)	28,844,500	2,027,750
Unamortized bond premiums			1,419,964	-	(153,459)	1,266,505	-
Unamortized bond discounts			(169,747)	-	15,170	(154,577)	-
Total other debt			31,929,967	-	(1,973,539)	29,956,428	2,027,750
Direct borrowings and direct placements - Loans payable			3,799,990	-	(363,088)	3,436,902	368,519
Leases payable			716,206	-	(13,413)	702,793	50,074
Net pension liability			106,414,114	-	(8,507,721)	97,906,393	-
Net OPEB liability			22,826,401	940,845	-	23,767,246	-
Compensated absences			1,150,046	375,654	(230,009)	1,295,691	259,138
Total governmental activities long-term debt			\$ 166,836,724	\$ 1,316,499	\$ (11,087,770)	\$ 157,065,453	\$ 2,705,481

Compensated absences attributable to the governmental activities will be liquidated primarily by the General Corporate Fund. The net pension liability and the net OPEB liability will be liquidated from the funds from which the individual employee's salaries are paid, generally the General Corporate Fund.

April 30, 2021

**Note 5 - Long-term Debt (Continued)**

**Business-type Activities**

	Interest Rate Ranges	Principal Maturity Ranges	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Other debt -							
Bonds and contracts payable:							
General Obligation Limited Tax Debt Certificates:							
Series 2013 - \$8,740,000 Payable through 2033	3.625% - 5.00%	\$126,263 - \$786,713	\$ 8,015,250	\$ -	\$ (399,750)	\$ 7,615,500	\$ 497,250
General Obligation Refunding Bonds (Alternate Revenue Source):							
Series 2014A - \$10,445,000 Payable through 2022	2.00% - 5.00%	\$780,000 - \$1,545,000	3,790,000	-	(1,465,000)	2,325,000	1,545,000
General Obligation Limited Tax Debt Certificates:							
Series 2015 - \$6,855,000 Payable through 2036	4.00% - 5.00%	\$260,000 - \$1,030,000	6,855,000	-	-	6,855,000	-
General Obligation Limited Tax Debt Certificates:							
Series 2016 - \$2,545,000 Payable through 2036	4.00% - 5.00%	\$85,000 - \$1,520,000	2,545,000	-	-	2,545,000	-
General Obligation Limited Tax Debt Certificates:							
Series 2018A - \$4,980,000 Payable through 2038	4.00% - 4.50%	\$40,000 - \$1,770,000	4,980,000	-	-	4,980,000	-
Total other debt principal outstanding			26,185,250	-	(1,864,750)	24,320,500	2,042,250
Unamortized bond premiums			1,163,841	-	(258,055)	905,786	-
Unamortized bond discounts			(161,512)	-	11,550	(149,962)	-
Total other debt outstanding			27,187,579	-	(2,111,255)	25,076,324	2,042,250
Direct borrowings and direct placements - Loans payable			387,824	835,555	(101,328)	1,122,051	135,476
Net OPEB liability			2,161,080	89,074	-	2,250,154	-
Compensated absences			129,064	395,442	(364,732)	159,774	159,774
Total business-type activities long-term debt			<u>\$ 29,865,547</u>	<u>\$ 1,320,071</u>	<u>\$ (2,577,315)</u>	<u>\$ 28,608,303</u>	<u>\$ 2,337,500</u>

Compensated absences attributable to the business-type activities will be liquidated by the Water and Sewer Fund. The net OPEB liability will be liquidated from the funds from which the employees' salaries are paid, generally the Water and Sewer Fund.

Total interest expense for the year was approximately \$1,997,000.

April 30, 2021

**Note 5 - Long-term Debt (Continued)**

***Debt Service Requirements to Maturity***

Annual debt service requirements to maturity for the above bonds and note obligations are as follows:

Years Ending April 30	Governmental Activities				
	Direct Borrowings and Direct Placements		Other Debt		Total
	Principal	Interest	Principal	Interest	
2022	\$ 368,519	\$ 119,237	\$ 2,027,750	\$ 1,293,250	\$ 3,808,756
2023	361,491	108,359	2,155,415	1,208,218	3,833,483
2024	365,561	97,378	2,249,523	1,095,588	3,808,050
2025	148,770	87,902	2,138,632	983,916	3,359,220
2026	154,810	81,862	1,999,505	884,400	3,120,577
2027-2031	873,395	309,965	11,519,158	2,866,078	15,568,596
2032-2036	1,164,356	117,577	6,754,517	513,626	8,550,076
2037-2041	-	-	-	-	-
<b>Total</b>	<b>\$ 3,436,902</b>	<b>\$ 922,280</b>	<b>\$ 28,844,500</b>	<b>\$ 8,845,076</b>	<b>\$ 42,048,758</b>

Years Ending April 30	Business-type Activities				
	Direct Borrowings and Direct Placements		Other Debt		Total
	Principal	Interest	Principal	Interest	
2022	\$ 135,476	\$ 20,395	\$ 2,042,250	\$ 1,041,406	\$ 3,239,527
2023	136,905	15,926	2,054,585	960,513	3,167,929
2024	136,922	12,858	1,070,477	876,637	2,096,894
2025	39,163	10,764	1,071,368	822,465	1,943,760
2026	39,753	10,175	1,075,495	768,169	1,893,592
2027-2031	207,925	41,713	6,075,842	3,103,575	9,429,055
2032-2036	224,056	25,582	7,465,483	1,771,593	9,486,714
2037-2041	201,851	8,198	3,465,000	235,575	3,910,624
<b>Total</b>	<b>\$ 1,122,051</b>	<b>\$ 145,611</b>	<b>\$ 24,320,500</b>	<b>\$ 9,579,933</b>	<b>\$ 35,168,095</b>

***Assets Pledged as Collateral***

**Direct Borrowings and Direct Placements**

The Village's outstanding lease payables are secured by the equipment leased.

***Legal Debt Margin***

The Village is subject to a legal debt margin of 8.625 percent of equalized assessed value (EAV) of property in the Village. As of April 30, 2021, the equalized assessed valuation of the Village using the tax year 2020 EAV is \$897,637,197, and the legal debt margin is \$77,421,208, while the equalized assessed valuation of the Village using the tax year 2019 EAV (which was also in effect during the fiscal year) is \$828,461,628, and the legal debt margin is \$71,454,815. Pursuant to the provisions of the Debt Reform Act, alternate revenue bonds do not count against the statutory 8.625 percent of EAV limit unless the government fails to abate the associated property tax levies. The Series 2014B, 2016A, and 2018 are such bonds; therefore, the Village is in compliance.

**Note 5 - Long-term Debt (Continued)**

**Debt Covenants**

The Village is subject to disclosure covenants for its general obligation bonds. These covenants include disclosure of annual financial information 210 days after fiscal year end. Noncompliance could result in the bondholders filing legal action against the Village compelling the Village to complete its filings.

**Note 6 - Short-term Debt**

The Village maintains a \$4,000,000 revolving line of credit with one of its banks. The line provides a liquidity cushion for the Village, largely for use between the twice-yearly receipt of property tax revenue. The Village has maintained a liquidity facility since 2009 when it was \$2,000,000. During the intervening period, the facility has grown to its present \$4,000,000. The line is renewable annually at the end of June. As of April 30, 2021, there were no outstanding draws on the line of credit, and there were no amounts drawn down on the line of credit during the year ended April 30, 2021.

**Note 7 - Leases**

***Capital Leases***

The Village has entered into lease agreements as lessee for financing the purchase of a fire truck and a backhoe loader. This lease agreements qualify as capital leases for accounting purposes. The future minimum lease obligations are as follows:

<u>Years Ending</u>	<u>Amount</u>
2022	\$ 50,074
2023	81,673
2024	83,371
2025	85,126
2026	55,342
Thereafter	347,207
Total	<u>\$ 702,793</u>

**Note 8 - Noncommitment Debt**

Tax increment financing notes outstanding as of April 30, 2021 total \$20,981,199. These notes are not an obligation of the Village and are secured by the levy of real estate taxes on certain property within the tax increment financing areas. The Village is not liable for repayment but acts as an agent for the property owners in levying the property taxes and forwarding collections to note holders. A summary of noncommitment is as follows:

***O'Hare East Industrial Complex Redevelopment Project***

A \$8,200,000 note issued on November 1, 2000 bearing interest at 10 percent. The principal balance as of April 30, 2021 is \$8,200,000 plus accrued interest of \$10,805,195, for a total amount due of \$19,005,195. The final due date of the note is December 31, 2024. At that time, all unpaid principal and interest due on the note shall be forfeited by the note holder.

***Seymour Avenue/Waveland Avenue Redevelopment Project***

Series 2017A note of \$1,393,651 issued on May 22, 2017 bearing interest at 8 percent. The principal balance as of April 30, 2021 is \$271,171 plus accrued interest of \$26,151, for a total amount due of \$297,322. The final due date of the note is May 22, 2037. At that time, all unpaid principal and interest due on the note shall be forfeited by the note holder.

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**Note 8 - Noncommitment Debt (Continued)**

Series 2017B note of \$1,678,682 issued on May 22, 2017 with a 0 percent interest rate. The principal balance and total amount due as of April 30, 2021 is \$1,678,682. The final due date of the note is May 22, 2037. At that time, all unpaid principal and interest due on the note shall be forfeited by the note holder.

**Note 9 - Interfund Receivables, Payables, and Transfers**

The Village has made the following long-term advances between funds:

Fund Borrowed From	Fund Loaned To	Amount
General Corporate Fund	Downtown Franklin Avenue TIF Fund	\$ 1,746,611
	Nonmajor governmental funds	1,874,616
	Total General Corporate Fund	3,621,227
Nonmajor governmental funds	Downtown Franklin Avenue TIF Fund	591,139
Water and Sewer Fund	Downtown Franklin Avenue TIF Fund	400,000
	Nonmajor enterprise funds	217,857
	Total Water and Sewer Fund	617,857
	Total	\$ 4,830,223

The principal purposes of the interfund receivables and payables were purchases made with cash from a different fund. All remaining balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. Related to the interfund receivable and payable between the General Corporate Fund and the Downtown Franklin Avenue TIF Fund of \$1,746,611, the General Corporate Fund lent the Downtown Franklin Avenue TIF Fund money to cover initial costs.

Interfund transfers reported in the fund financial statements are composed of the following:

Paying Fund (Transfer Out)	Receiving Fund (Transfer In)	Amount
General Corporate Fund	Downtown Franklin Avenue TIF Fund	\$ 195,000
	Fleet Maintenance Fund	739,957
	Total General Corporate Fund	934,957
Downtown Franklin Avenue TIF Fund	Nonmajor governmental funds	429,675
Nonmajor governmental funds	Water and Sewer Fund	1,617,875
	Nonmajor governmental funds	817,400
	Total nonmajor governmental funds	2,435,275
Water and Sewer Fund	Nonmajor enterprise funds	400,000
	Fleet Maintenance Fund	400,000
	Nonmajor governmental funds	324,000
	Total Water and Sewer Fund	1,124,000
	Total	\$ 4,923,907

**Note 9 - Interfund Receivables, Payables, and Transfers (Continued)**

The transfer between the Corporate Bond and Interest Fund and the Water and Sewer Fund related to tax moneys collected in the Corporate Bond and Interest Fund related to debt principal and interest paid out of the Water and Sewer Fund. The transfers between the Downtown Franklin Avenue TIF Fund, nonmajor governmental funds, and the Corporate Bond and Interest Fund are due to the fact that bond covenants require that expenditures for debt service be shown in the Corporate Bond and Interest Fund; however, the payment related to TIF bonds. The transfers between nonmajor governmental funds related to reappropriation of moneys between contiguous TIF districts. The transfer between the Water and Sewer Fund and the nonmajor enterprise funds represents the financing of operations in the nonmajor enterprise funds in accordance with budgetary restrictions. The transfers between the General Corporate Fund, Water and Sewer Fund and the Fleet Maintenance Fund represent the forgiveness of old advances made between these funds.

**Note 10 - Pension Plans**

***Plan Description***

The Village of Franklin Park, Illinois provides various retirement benefits to employees who meet the eligibility requirements, including age and years of service. The benefits are provided through the Illinois Municipal Retirement Fund (IMRF) Regular Plan, an agent multiple-employer plan administered by IMRF; the IMRF Sheriff's Law Enforcement Plan (SLEP), an agent multiple-employer plan administered by IMRF; the Police Pension Plan, a single-employer plan administered by the Police Pension Fund Board; and the Firefighters' Pension Plan, a single-employer plan administered by the Firefighters' Pension Fund Board.

The Village accounts for the Police Pension Plan and Firefighters' Pension Plan as pension trust funds. Both funds are governed by a five-member board of trustees. Two members of each board are appointed by the Village's mayor, one member of each board is elected by respective pension beneficiaries, and two members of each respective board are elected by the active police and fire employees.

Each pension system issues a publicly available financial report. IMRF issues a publicly available Annual Comprehensive Financial Report available for download at [www.imrf.org](http://www.imrf.org) for the IMRF Regular Plan and IMRF SLEP. The Police Pension Plan and Firefighters' Pension Plan issue their own stand-alone financial reports, which can be obtained by writing to the Village.

***Benefits Provided***

**IMRF Regular Plan and IMRF SLEP**

The IMRF Regular Plan provides retirement and disability benefits, postretirement increases, and death benefits to regular plan members and beneficiaries. The IMRF SLEP provides retirement and disability benefits, postretirement increases, and death benefits to sheriff's law enforcement personnel employees and beneficiaries.

The IMRF Regular Plan and IMRF SLEP provide two tiers of pension benefits. Employees hired before January 1, 2011 are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least 8 years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with 8 years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3 percent of the final rate of earnings for the first 15 years of service credit, plus 2 percent for each year of service credit after 15 years to a maximum of 75 percent of their final rate of earnings. The final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3 percent of the original amount on January 1 every year after retirement.

**Note 10 - Pension Plans (Continued)**

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

- 3 percent of the original pension amount
- Half of the increase in the Consumer Price Index of the original pension amount

Benefit provisions for both the IMRF Regular Plan and IMRF SLEP are established by statute and may only be changed by the General Assembly of the State of Illinois.

**Police Pension Plan and Firefighters' Pension Plan**

The Police Pension Plan and Firefighters' Pension Plan cover all sworn police and fire personnel of the Village, respectively. The defined benefits for both funds are governed by Illinois Compiled Statutes (40 ILCS 5/3-1 for Police and ILCS 5/4-1 for Fire) and may be amended only by the Illinois Legislature.

The Police Pension Plan and Firefighters' Pension Plan provide retirement benefits through two tiers of benefits, as well as death and disability benefits. Covered employees hired before January 1, 2011 (Tier 1) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit of half of the salary attached to the rank held on the last day of service or for 1 year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.5 percent of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75 percent of such salary. Employees with at least 8 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually following the first anniversary date of retirement by 3 percent of the original pension and 3 percent compounded annually thereafter and be paid upon reaching the age of at least 55 years.

Covered employees hired on or after January 1, 2011 (Tier 2) attaining the age of 55 or older with 10 or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 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. Police officer and firefighter salary for pension purposes is capped at \$106,800, plus the lesser of one-half of the annual change in the Consumer Price Index or 3 percent compounded. The annual benefit shall be increased by 2.5 percent of such a salary for each additional year of service over 20 years up to 30 years to a maximum of 75 percent of such salary. Employees with at least 10 years may retire at or after age 50 and receive a reduced benefit (i.e., 0.5 percent for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1 after the police officer retires or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually each January thereafter. The increase is the lesser of 3 percent or one-half of the change in the Consumer Price Index for the preceding calendar year.

**Note 10 - Pension Plans (Continued)**

***Employees Covered by Benefit Terms***

The following members were covered by the benefit terms:

	IMRF Regular Plan	IMRF SLEP	Police Pension Plan	Firefighters' Pension Plan
Date of member count	December 31, 2020	December 31, 2020	May 1, 2020	May 1, 2020
Inactive plan members or beneficiaries currently receiving benefits	120	-	52	57
Inactive plan members entitled to but not yet receiving benefits	37	-	5	2
Active plan members	56	-	49	42
Total employees covered by the plan	<u>213</u>	<u>-</u>	<u>106</u>	<u>101</u>

***Contributions***

**IMRF Regular Plan**

As set by statute, the Village's regular plan members are required to contribute 4.5 percent of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Village's annual contribution rate for calendar years 2021 and 2020 was 6.70 and 8.11 percent, respectively. For the fiscal year ended April 30, 2021, the Village contributed \$307,640 to the plan. The Village also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's board of trustees, while the supplemental retirement benefits rate is set by statute.

**IMRF SLEP**

As set by statute, the Village's SLEP plan members are required to contribute 7.25 percent of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. For the fiscal year ended April 30, 2021, the Village contributed \$0 to the plan. The Village also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's board of trustees, while the supplemental retirement benefits rate is set by statute.

**Police Pension Plan**

Covered employees are required to contribute 9.91 percent of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan and the administrative costs, as actuarially determined by an enrolled actuary. However, effective January 1, 2011, ILCS requires the Village to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90 percent of the past service cost by the year 2040. The Village has chosen to use the following parameters to fund its pension plan above and beyond the state minimum. For the year ended April 30, 2021, the Village's contribution was 66.07 percent of covered payroll.

**Note 10 - Pension Plans (Continued)**

**Firefighters' Pension Plan**

Covered employees are required to contribute 9.455 percent 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. The Village is required to contribute the remaining amounts necessary to finance the plan and the administrative costs, as actuarially determined by an enrolled actuary. However, effective January 1, 2011, ILCS requires the Village to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90 percent of the past service cost by the year 2040. The Village has chosen to use the following parameters to fund its pension plan above and beyond the state minimum. For the year ended April 30, 2021, the Village's contribution was 69.27 percent of covered payroll.

**Net Pension Liability**

The Village chooses a date for each pension plan to measure its net pension liability. This is based on the measurement date of each pension plan, which may be based on a comprehensive valuation as of that date or based on an earlier valuation that has used procedures to roll the information forward to the measurement date.

	IMRF Regular Plan	IMRF SLEP	Police Pension Plan	Firefighters' Pension Plan
Measurement date used for the Village's net pension liability	December 31, 2020	December 31, 2020	April 30, 2021	April 30, 2021
Based on a comprehensive actuarial valuation as of	December 31, 2020	December 31, 2020	May 1, 2020	May 1, 2020

Changes in the net pension (asset) liability during the measurement year were as follows:

**IMRF Regular Plan**

Changes in Net Pension Asset	Increase (Decrease)		
	Total Pension Liability	Plan Net Position	Net Pension Asset
<b>Balance at December 31, 2019</b>	\$ 26,753,303	\$ 27,859,293	\$ (1,105,990)
Changes for the year:			
Service cost	408,607	-	408,607
Interest	1,892,516	-	1,892,516
Differences between expected and actual experience	71,364	-	71,364
Changes in assumptions	(196,772)	-	(196,772)
Contributions - Employer	-	323,655	(323,655)
Contributions - Employee	-	173,276	(173,276)
Net investment income	-	4,052,573	(4,052,573)
Benefit payments, including refunds	(1,707,884)	(1,707,884)	-
Miscellaneous other charges	-	365,567	(365,567)
Net changes	467,831	3,207,187	(2,739,356)
<b>Balance at December 31, 2020</b>	<b>\$ 27,221,134</b>	<b>\$ 31,066,480</b>	<b>\$ (3,845,346)</b>

The plan's fiduciary net position represents 114.13 percent of the total pension liability.

**Note 10 - Pension Plans (Continued)**

**IMRF SLEP**

Changes in Net Pension Asset	Increase (Decrease)		
	Total Pension Liability	Plan Net Position	Net Pension Asset
<b>Balance at December 31, 2019</b>	\$ -	\$ 67,432	\$ (67,432)
Changes for the year:			
Net investment income	-	10,684	(10,684)
Miscellaneous other charges	-	207	(207)
Net changes	-	10,891	(10,891)
<b>Balance at December 31, 2020</b>	<u>\$ -</u>	<u>\$ 78,323</u>	<u>\$ (78,323)</u>

There is no total pension liability for the IMRF SLEP plan, as there are currently no plan participants.

**Police Pension Plan**

Changes in Net Pension Liability	Increase (Decrease)		
	Total Pension Liability	Plan Net Position	Net Pension Liability
<b>Balance at April 30, 2020</b>	\$ 87,323,577	\$ 28,533,698	\$ 58,789,879
Changes for the year:			
Service cost	1,741,592	-	1,741,592
Interest	4,501,688	-	4,501,688
Differences between expected and actual experience	2,060,522	-	2,060,522
Changes in assumptions	(122,417)	-	(122,417)
Contributions - Employer	-	3,013,432	(3,013,432)
Contributions - Employee	-	461,914	(461,914)
Net investment income	-	8,536,618	(8,536,618)
Benefit payments, including refunds	(3,551,067)	(3,551,067)	-
Administrative expenses	-	(59,080)	59,080
Net changes	4,630,318	8,401,817	(3,771,499)
<b>Balance at April 30, 2021</b>	<u>\$ 91,953,895</u>	<u>\$ 36,935,515</u>	<u>\$ 55,018,380</u>

The plan's fiduciary net position represents 40.2 percent of the total pension liability.

**Note 10 - Pension Plans (Continued)**

**Firefighters' Pension Plan**

Changes in Net Pension Liability	Increase (Decrease)		
	Total Pension Liability	Plan Net Position	Net Pension Liability
<b>Balance at April 30, 2020</b>	\$ 76,988,446	\$ 29,364,211	\$ 47,624,235
Changes for the year:			
Service cost	1,396,560	-	1,396,560
Interest	4,259,636	-	4,259,636
Differences between expected and actual experience	744,329	-	744,329
Changes in assumptions	(398,551)	-	(398,551)
Contributions - Employer	-	2,924,475	(2,924,475)
Contributions - Employee	-	387,913	(387,913)
Net investment income	-	7,474,737	(7,474,737)
Benefit payments, including refunds	(3,294,138)	(3,294,138)	-
Administrative expenses	-	(48,929)	48,929
Net changes	2,707,836	7,444,058	(4,736,222)
<b>Balance at April 30, 2021</b>	<u>\$ 79,696,282</u>	<u>\$ 36,808,269</u>	<u>\$ 42,888,013</u>

The plan's fiduciary net position represents 46.2 percent of the total pension liability.

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

For the year ended April 30, 2021, the Village recognized pension expense of \$10,445,570 from all plans.

At April 30, 2021, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 7,239,018	\$ 493,387
Changes in assumptions	12,327,107	5,812,463
Net difference between projected and actual earnings on pension plan investments	-	5,521,135
Employer contributions to the plan subsequent to the measurement date	93,392	-
Total	<u>\$ 19,659,517</u>	<u>\$ 11,826,985</u>

**Note 10 - Pension Plans (Continued)**

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows (note that employer contributions subsequent to the measurement date will reduce the net pension liability and, therefore, will not be included in future pension expense):

Years Ending April 30	Amount
2022	\$ 2,367,775
2023	2,930,023
2024	1,688,941
2025	(96,026)
2026	848,427
Total	<u>\$ 7,739,140</u>

**Actuarial Assumptions**

The total pension liability in each actuarial valuation was determined using the following actuarial assumptions applied to all periods included in the measurement:

	IMRF Regular Plan	IMRF SLEP	Police Pension Plan	Firefighters' Pension Plan
Inflation	2.25%	2.25%	2.50%	2.25%
Salary increases (including inflation)	2.85%-13.75%	2.85%-13.75%	3.75% - 20.82	3.75% - 16.43
Investment rate of return (net of investment expenses)	7.25%	7.25%	7.25%	6.50%
Mortality rates	See (1) below	See (1) below	See (2) below	See (2) below

(1) The mortality tables used for both the IMRF Regular Plan and the IMRF SLEP were 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.

(2) Mortality rates for both the Police Pension and Firefighters' Pension plans were based on the assumption study prepared by Lauterbach & Amen, LLP in 2021. The respective tables combine observed experience of Illinois police officers (for Police Pension Plan mortality rate) and Illinois firefighters (for Firefighters' Pension Plan mortality rate) with the PubS-2010(A) Study with Blue Collar Adjustment improved generationally using MP-2019 improvement rates.

**Discount Rate**

As shown below, the discount rate used to measure the total pension liability was determined after considering a projection of the cash flows to determine whether the future contributions (made at the current contribution rates) will be sufficient to allow the pension plans' fiduciary net position to make all projected future benefit payments of current active and inactive employees:

	IMRF Regular Plan	IMRF SLEP	Police Pension Plan	Firefighters' Pension Plan
Assumed investment rate of return	7.25%	7.25%	6.5%	6.5%
Are contributions expected to be sufficient to allow fiduciary net position to pay future benefits?	Yes	Yes	No	No
Discount rate used to measure total pension liability	7.25%	7.25%	5.15	5.64

April 30, 2021

**Note 10 - Pension Plans (Continued)**

***Investment 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 by the target asset allocation percentage and by adding expected inflation.

Best estimates of geometric or arithmetic real rates of return as of the December 31, 2020 (IMRF Regular Plan and IMRF SLEP) or April 30, 2021 (Police Pension Plan and Firefighters' Pension Plan) measurement dates for each major asset class included in the pension plan's target asset allocation, as disclosed in the investment footnote, are summarized in the following tables:

**IMRF Regular Plan and IMRF SLEP**

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Domestic equity	37.00 %	5.00 %
International equity	18.00	6.00
Fixed income	28.00	1.30
Real estate	9.00	6.20
Alternatives	7.00	6.95
Cash or cash equivalents	1.00	0.70

**Police Pension Plan**

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Fixed income	33.00 %	3.10 %
Domestic equity	41.00	5.55
International equity	16.00	7.20
Real estate	8.00	6.00
Cash or cash equivalents	2.00	1.60

**Firefighters' Pension Plan**

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Fixed income	35.00 %	4.10 %
Domestic equity	35.00	7.80
International equity	20.00	8.30
Real estate	10.00	7.50
Cash or cash equivalents	-	2.10

**Note 10 - Pension Plans (Continued)**

***Sensitivity of the Net Pension (Asset) Liability to Changes in the Discount Rate***

The following presents the net pension (asset) liability of the Village, calculated using the discount rates of 7.25, 7.25, 5.15, and 5.64 percent for the IMRF Regular Plan, IMRF SLEP, Police Pension Plan, and Firefighters' Pension Plan, respectively, as well as what the Village's net pension (asset) liability would be if it were calculated using discount rates that are 1 percentage point lower or 1 percentage point higher than the current rates:

	1 Percentage Point Decrease	Current Discount Rate	1 Percentage Point Increase
Net pension asset of the IMRF Regular Plan	\$ (960,084)	\$ (3,845,346)	\$ (6,139,600)
Net pension asset of the IMRF SLEP	(78,323)	(78,323)	(78,323)
Net pension liability of the Police Pension Plan	70,173,561	55,018,380	42,936,059
Net pension liability of the Firefighters' Pension Plan	55,041,612	42,888,013	33,084,940
Total	<u>\$ 124,176,766</u>	<u>\$ 93,982,724</u>	<u>\$ 69,803,076</u>

***Assumption Changes***

**IMRF Regular Plan and IMRF SLEP**

The inflation rate was updated to 7.25 percent from 7.50 percent.

The mortality tables were updated from IMRF-specific tables for nondisabled retirees, disabled retirees, and actives used with fully generational projection scale MP-2017 (base year 2015). The IMRF-specific rates were based on the RP-2014 Blue Collar Health Annuitant, Disabled Retirees, and Employee mortality tables, respectively, to Pub-2010 mortality tables as described in the actuarial assumptions paragraph above.

The salary increases were lowered from 3.35 - 14.25 percent to 2.85 - 13.75 percent.

**Police Pension Plan**

The discount rate used in determination of the net pension liability was changed from 5.59 to 5.15 percent. The rate is based on a combination of the expected long-term rate of return on plan investments and the municipal bond rate.

The mortality tables were updated to the current PubS-2010(A) tables using MP-2019 Improvement Rates as a result of a 2020 experience study.

The assumed rate on High Quality 20 Year Tax-Exempt General Obligation Bonds was changed from 2.56 percent to 2.27 percent for the current year. The rate has been updated to the current fiscal year end based on changes in market conditions, as reflected in the index.

**Firefighters' Pension Fund**

The discount rate used in determination of the net pension liability was changed from 5.57 to 5.64 percent. The rate is based on a combination of the expected long-term rate of return on plan investments and the municipal bond rate.

The mortality tables were updated to the current PubS-2010(A) tables using MP-2019 Improvement Rates as a result of a 2020 experience study.

The assumed rate on High Quality 20 Year Tax-Exempt General Obligation Bonds was changed from 2.56 percent to 2.27 percent for the current year. The rate has been updated to the current fiscal year end based on changes in market conditions as reflected in the index.

April 30, 2021

**Note 11 - Pension Allocations**

Pension amounts for each pension plan are as follows:

	Illinois Municipal Retirement Fund - Regular Plan	Illinois Municipal Retirement Fund - SLEP	Police Pension Plan	Firefighters' Pension Plan	Total
Pension expense	\$ (961,159)	\$ (7,171)	\$ 6,419,466	\$ 4,994,434	\$ 10,445,570
Deferred outflows of resources representing difference between expected and actual experience	46,548	-	5,881,262	1,311,208	7,239,018
Deferred inflows of resources representing difference between expected and actual experience	(141,453)	-	(193,476)	(158,458)	(493,387)
Deferred outflows of resources representing assumption changes	-	-	4,856,320	7,470,787	12,327,107
Deferred inflows of resources representing assumption changes	(128,341)	-	(4,583,643)	(1,100,479)	(5,812,463)
Deferred inflows of resources representing the net difference between projected and actual earnings on pension plan investments	(2,576,856)	(6,871)	-	(2,937,408)	(5,521,135)
Deferred outflows of resources representing contributions subsequent to the measurement date	93,392	-	-	-	93,392
Amortization of deferred amounts:					
2022	\$ (1,027,703)	\$ (2,126)	\$ 2,121,731	\$ 1,275,873	\$ 2,367,775
2023	(336,316)	(857)	1,618,046	1,649,150	2,930,023
2024	(1,023,400)	(2,730)	1,153,520	1,561,551	1,688,941
2025	(412,684)	(1,158)	302,467	15,349	(96,026)
2026	-	-	764,699	83,728	848,427
<b>Total</b>	<b>\$ (2,800,103)</b>	<b>\$ (6,871)</b>	<b>\$ 5,960,463</b>	<b>\$ 4,585,651</b>	<b>\$ 7,739,140</b>

**Note 12 - Risk Management**

The Village is exposed to various risks of loss related to property loss, torts, errors and omissions, and employee injuries (workers' compensation), as well as medical benefits provided to employees. The Village has purchased commercial insurance from private insurance companies for claims. Settled claims relating to the commercial insurance have not exceeded the amount of insurance coverage in any of the past three fiscal years. In addition, the Village is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the village attorney, the resolution of these matters will not have a material adverse effect on the financial statements of the Village.

**Note 13 - Tax Increment Revenue Pledged**

The Village has pledged a portion of future property tax revenue to repay property tax increment bonds issued to finance the refurbishing of various properties in the Village's TIF districts. The bonds are payable solely from the incremental property taxes generated by increased development in the refurbished districts and include the Village's noncommitment debt. Incremental property taxes were projected to produce 100 percent of the debt service requirements over the life of the bonds. For the current year, principal and interest paid and total incremental property tax revenue were \$1,247,075 and \$6,381,856, respectively.

April 30, 2021

### Note 14 - Tax Abatements

As of April 30, 2021, the Village of Franklin Park, Illinois provides tax incentives under the Tax Increment Allocation Redevelopment Act. The Village uses the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1, to, among other things, finance infrastructure redevelopment projects that retain, expand, and create employment opportunities within the Village's TIF districts; increase industry and commerce within the State of Illinois; increase the tax base; and eradicate potentially blighting conditions through the use of tax increment allocation financing for economic redevelopment. Under the TIF program, the Village authorizes incentives through passage of public ordinances based upon each business' investment criteria and through a contractual redevelopment agreement with each business, including, among other things, a proposed TIF budget outlining the project and proof that the project or improvements have been made. Parcels located within a TIF district receive a property tax bill and any normal increase in the property tax bill; however, the increase or increment from the time the TIF is adopted and certified comes back to the Village to be used within the TIF district for the TIF-eligible costs, some of which are described above. A portion of the agreed-upon amount of increment is rebated to the developer for the TIF-eligible costs in accordance with the signed and adopted redevelopment agreement. For the fiscal year ended April 30, 2021, the Village's property tax revenue was not reduced but was segregated by virtue of the TIF base value and the incremental property taxes collected. Payouts made by the Village under these programs for the O'Hare East Industrial TIF totaled \$944,539 for the year ended April 30, 2021.

There are no significant abatements made by other governments that reduce the Village's tax revenue.

### Note 15 - Joint Venture

During a previous year, the Village entered into an agreement with four other villages to create the Proviso-Leyden Joint 9-1-1 Authority (the "Authority") to provide for the equipment, services, personnel, facilities, and other items necessary for the implementation, operation, maintenance, and repayment of a 9-1-1 Emergency Telephone System within portions of Cook County, Illinois. The Authority was entered into in accordance with the Intergovernmental Cooperation Act (5 ILCS 220/1 et seq.) and the Emergency Telephone System Act (50 ILCS 750/1 et seq.). The Village appoints two voting members to the Authority board, which governs the functions and operations of the Authority. All 9-1-1 surcharge receipts from the Village and other participating villages are deposited in the Authority's Surcharge Fund. The Village made an initial investment in the Authority of approximately \$83,500. Each participating village in the Authority has a surcharge fund that tracks the associated revenue and expenses of each village and represents each village's equity interest in the Authority. As of April 30, 2021, the Village's equity interest was \$508,612.

### Note 16 - Other Postemployment Benefit Plan

#### *Plan Description*

The Village provides full health care insurance for its eligible retired employees until age 65. Employees under IMRF who were enrolled in IMRF prior to January 1, 2011 must be at least 55 years old, have at least 8 years of credited service, and no longer work in a position that qualifies for participation in IMRF. Employees under IMRF who were enrolled in IMRF on or after January 1, 2011 must be at least 62 years old, have at least 10 years of credited service, and no longer work in a position that qualifies for participation in IMRF. Employees under the Police Pension Fund and Firefighters' Pension Fund hired prior to January 1, 2011 must be at least 50 years old and have at least 20 years of credited service. Employees under the Police Pension Fund and Firefighters' Pension Fund hired on or after January 1, 2011 must be at least 55 years old and have at least 10 years of credited service. This is a single-employer defined benefit plan administered by the Village. The benefits are provided under collective bargaining agreements. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB 75.

April 30, 2021

**Note 16 - Other Postemployment Benefit Plan (Continued)**

**Benefits Provided**

The Village pays 40 percent of the premium charged for retiree-only or family coverage for IMRF employees. The Village pays 50 percent of the premium charged for retiree-only or family coverage for Firefighters' Pension Fund and Police Pension Fund employees.

**Employees Covered by Benefit Terms**

The following members were covered by the benefit terms:

	Village of Franklin Park Postretirement Health Plan
Date of member count	May 1, 2020
Inactive plan members or beneficiaries currently receiving benefits	43
Active plan members	140
	<hr/>
Total plan members	183
	<hr/> <hr/>

**Contributions**

Retiree health care costs are paid by the Village on a pay-as-you-go basis. The Village has no obligation to make contributions in advance of when the insurance premiums are due for payment. For the fiscal year ended April 30, 2021, the Village made payments for postemployment health benefit premiums of \$639,338.

**Total OPEB Liability**

The April 30, 2021 total OPEB liability was determined by an actuarial valuation performed as of May 1, 2020, which used update procedures to roll forward the estimated liability to April 30, 2021.

Changes in the total OPEB liability during the measurement year were as follows:

Changes in Total OPEB Liability	Total OPEB Liability
<b>Balance at May 1, 2020</b>	\$ 24,987,481
Changes for the year:	
Service cost	962,414
Interest	703,032
Changes in benefits	(1,769,351)
Differences between expected and actual experience	(378,981)
Changes in assumptions	2,152,143
Benefit payments, including refunds	(639,338)
	<hr/>
Net changes	1,029,919
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<b>Balance at April 30, 2021</b>	<b>\$ 26,017,400</b>
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**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended April 30, 2021, the Village recognized OPEB income of \$(762,687).

April 30, 2021

**Note 16 - Other Postemployment Benefit Plan (Continued)**

At April 30, 2021, the Village reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ (718,658)
Changes in assumptions	3,945,062	(1,735,995)
<b>Total</b>	<b>\$ 3,945,062</b>	<b>\$ (2,454,653)</b>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Years Ending April 30	Amount
2022	\$ 203,875
2023	203,875
2024	203,875
2025	203,875
2026	203,875
Thereafter	471,034
<b>Total</b>	<b>\$ 1,490,409</b>

**Actuarial Assumptions**

The total OPEB liability as of the April 30, 2021 measurement date was determined using an inflation assumption of 3 percent; assumed salary increases (including inflation) of 3.5 percent; a discount rate of 1.83 percent; a medical HMO IL and PPO health care cost trend rate of 5.5 percent for 2020 varying year over year with an ultimate rate of 5 percent in 2030; dental HMO health care cost trend rate of 1.5 percent in 2020 (constant for all years); dental PPO health care cost trend rate of 2.0 percent in 2020 (constant for all years); and the same mortality tables used in the 2020 IMRF valuation, which were 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. These assumptions were applied to all periods included in the measurement.

**Discount Rate**

The discount rate used to measure the total OPEB liability was 1.83 percent. The discount rate was based on S&P Municipal Bond 20-Year High-Grade Rate Index.

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

The following presents the total OPEB liability of the Village, calculated using the discount rate of 1.83 percent, as well as what the Village's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1 Percentage Point Decrease (0.83%)	Current Discount Rate (1.83%)	1 Percentage Point Increase (2.83%)
Total OPEB liability of the Village of Franklin Park Postretirement Health Plan	\$ 29,051,636	\$ 26,017,400	\$ 23,426,838

**Note 16 - Other Postemployment Benefit Plan (Continued)**

***Sensitivity of the Total OPEB Liability to Changes in the Health Care Cost Trend Rate***

The following presents the total OPEB liability of the Village, calculated using the health care cost trend rates assumed in the valuation, as well as what the Village's total OPEB liability would be if it were calculated using a health care cost trend rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1 Percentage Point Decrease (4.5%)	Current Health Care Cost Trend Rate (5.5%)	1 Percentage Point Increase (6.5%)
Total OPEB liability of the Village of Franklin Park Postretirement Health Plan	\$ 22,838,922	\$ 26,017,400	\$ 29,879,205

***Assumption Changes***

The discount rate used to measure the total OPEB liability was decreased from 2.85 percent for April 30, 2020 to 1.83 percent for April 30, 2021. In addition, mortality tables were updated to 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.

**Note 17 - Subsequent Events**

***Bond Issuance***

On May 25, 2021, the Village refunded 2011 GO bonds by issuing 2021 refunding GO bond in the amount of \$6,130,000.

On May 25, 2021, the Village refunded 2013 GO bonds by issuing 2021A refunding GO bond in the amount of \$10,000,000.

In June 2022, the Village received two new IEPA loans in the total amount of \$2,742,941.

***Grant Funding***

In September 2021, the Village received the first allotment of the American Rescue Plan Act money in the amount of \$1,198,144. The second allotment was received in September 2022 in the amount of \$1,199,382. None of these funds have been spent to date.

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## Required Supplemental Information

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## Village of Franklin Park, Illinois

### Required Supplemental Information Budgetary Comparison Schedule General Corporate Fund

Year Ended April 30, 2021

	Original and Final Budget	Actual	Variance with Final Budget
<b>Revenue</b>			
Taxes:			
Property taxes	\$ 12,925,550	\$ 13,702,129	\$ 776,579
Income taxes	1,551,250	2,381,483	830,233
State-shared revenue and grants	3,156,000	4,058,863	902,863
Intergovernmental:			
Grant revenue	131,500	353,815	222,315
Utility tax	3,996,700	4,028,116	31,416
Other taxes	980,000	1,679,364	699,364
Charges for services	2,169,600	2,218,254	48,654
Fines and forfeitures	600,400	617,053	16,653
Licenses and permits	1,503,650	1,224,488	(279,162)
Investment income	4,000	1,417	(2,583)
Other revenue	1,180,631	715,911	(464,720)
Total revenue	28,199,281	30,980,893	2,781,612
<b>Expenditures</b>			
Current services:			
General government	6,161,875	6,036,470	125,405
Public safety	17,414,172	17,538,564	(124,392)
Highway and streets	2,852,146	2,424,390	427,756
Public health	317,164	257,536	59,628
Community development	856,221	422,734	433,487
Building department	813,837	780,958	32,879
Capital outlay	1,311,409	989,653	321,756
Debt service	951,194	272,331	678,863
Total expenditures	30,678,018	28,722,636	1,955,382
<b>Excess of Revenue (Under) Over Expenditures</b>	(2,478,737)	2,258,257	4,736,994
<b>Other Financing Sources (Uses)</b>			
Transfers in	90,000	-	(90,000)
Transfers out	(915,000)	(934,957)	(19,957)
New debt issued	550,000	-	(550,000)
Total other financing uses	(275,000)	(934,957)	(659,957)
<b>Net Change in Fund Balance</b>	(2,753,737)	1,323,300	4,077,037
<b>Fund Balance - Beginning of year</b>	9,557,051	9,557,051	-
<b>Fund Balance - End of year</b>	<u>\$ 6,803,314</u>	<u>\$ 10,880,351</u>	<u>\$ 4,077,037</u>

## Village of Franklin Park, Illinois

### Required Supplemental Information Budgetary Comparison Schedule - Major Special Revenue Fund Downtown Franklin Avenue TIF Fund

Year Ended April 30, 2021

	Original and Final Budget	Actual	Variance with Final Budget
<b>Revenue</b>			
Property taxes	\$ 240,000	\$ 380,495	\$ 140,495
Investment income	-	597	597
Total revenue	240,000	381,092	141,092
<b>Expenditures - Current - Community development</b>	3,600	10,742	(7,142)
<b>Excess of Revenue Over Expenditures</b>	236,400	370,350	133,950
<b>Other Financing Sources (Uses)</b>			
Transfers in	195,000	195,000	-
Transfers out	(429,675)	(429,675)	-
Total other financing uses	(234,675)	(234,675)	-
<b>Net Change in Fund Balance</b>	1,725	135,675	133,950
<b>Fund Balance (Deficit) - Beginning of year</b>	(2,873,925)	(2,873,925)	-
<b>Fund Balance (Deficit) - End of year</b>	<b>\$ (2,872,200)</b>	<b>\$ (2,738,250)</b>	<b>\$ 133,950</b>

## Village of Franklin Park, Illinois

### Required Supplemental Information Schedule of Changes in the Net Pension Liability and Related Ratios Illinois Municipal Retirement Fund Regular Plan

	Last Six Fiscal Years					
	2021	2020	2019	2018	2017	2016
<b>Total Pension Liability</b>						
Service cost	\$ 408,607	\$ 399,258	\$ 362,241	\$ 418,384	\$ 417,970	\$ 351,910
Interest	1,892,516	1,877,837	1,808,223	1,849,230	1,799,259	1,742,327
Differences between expected and actual experience	71,364	(458,047)	478,942	(477,280)	(29,794)	158,282
Changes in assumptions	(196,772)	-	664,760	(781,598)	-	-
Benefit payments, including refunds	<u>(1,707,884)</u>	<u>(1,534,619)</u>	<u>(1,547,612)</u>	<u>(1,507,244)</u>	<u>(1,535,484)</u>	<u>(1,517,433)</u>
<b>Net Change in Total Pension Liability</b>	467,831	284,429	1,766,554	(498,508)	651,951	735,086
<b>Total Pension Liability - Beginning of year</b>	<u>26,753,303</u>	<u>26,468,874</u>	<u>24,702,320</u>	<u>25,200,828</u>	<u>24,548,877</u>	<u>23,813,791</u>
<b>Total Pension Liability - End of year</b>	<u><b>\$27,221,134</b></u>	<u><b>\$26,753,303</b></u>	<u><b>\$26,468,874</b></u>	<u><b>\$24,702,320</b></u>	<u><b>\$25,200,828</b></u>	<u><b>\$24,548,877</b></u>
<b>Plan Fiduciary Net Position</b>						
Contributions - Employer	\$ 323,655	\$ 204,816	\$ 321,932	\$ 334,147	\$ 363,032	\$ 710,898
Contributions - Member	173,276	173,628	175,400	173,638	172,689	168,390
Net investment income (loss)	4,052,573	4,775,687	(1,651,413)	4,457,696	1,593,242	117,389
Benefit payments, including refunds	(1,707,884)	(1,534,619)	(1,547,612)	(1,507,244)	(1,535,484)	(1,517,433)
Other	<u>365,567</u>	<u>(182,953)</u>	<u>533,979</u>	<u>(1,006,358)</u>	<u>342,607</u>	<u>(73,663)</u>
<b>Net Change in Plan Fiduciary Net Position</b>	3,207,187	3,436,559	(2,167,714)	2,451,879	936,086	(594,419)
<b>Plan Fiduciary Net Position - Beginning of year</b>	<u>27,859,293</u>	<u>24,422,734</u>	<u>26,590,448</u>	<u>24,138,569</u>	<u>23,202,483</u>	<u>23,796,902</u>
<b>Plan Fiduciary Net Position - End of year</b>	<u><b>\$31,066,480</b></u>	<u><b>\$27,859,293</b></u>	<u><b>\$24,422,734</b></u>	<u><b>\$26,590,448</b></u>	<u><b>\$24,138,569</b></u>	<u><b>\$23,202,483</b></u>
<b>Village's Net Pension (Asset) Liability - Ending</b>	<u><b>\$ (3,845,346)</b></u>	<u><b>\$ (1,105,990)</b></u>	<u><b>\$ 2,046,140</b></u>	<u><b>\$ (1,888,128)</b></u>	<u><b>\$ 1,062,259</b></u>	<u><b>\$ 1,346,394</b></u>
<b>Plan Fiduciary Net Position as a Percentage of Total Pension Liability</b>	114.13 %	104.13 %	92.27 %	107.64 %	95.78 %	94.52 %
<b>Covered Payroll</b>	\$ 3,843,901	\$ 3,858,403	\$ 3,878,700	\$ 3,823,183	\$ 3,837,534	\$ 3,742,009
<b>Village's Net Pension (Asset) Liability as a Percentage of Covered Payroll</b>	(100.04)%	(28.66)%	52.75 %	(49.39)%	27.68 %	35.98 %

Table is built prospectively upon implementation of GASB Statement No. 68 until 10 years of data are available.



## Village of Franklin Park, Illinois

### Required Supplemental Information

#### Schedule of Changes in the Village Net Pension Liability and Related Ratios Illinois Municipal Retirement Fund Sheriff's Law Enforcement Plan (SLEP)

	<b>Last Six Fiscal Years</b>					
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
<b>Total Pension Liability</b>						
<b>Net Change in Total Pension Liability</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Pension Liability - Beginning of year</b>	-	-	-	-	-	-
<b>Total Pension Liability - End of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Plan Fiduciary Net Position</b>						
Net investment income (loss)	\$ 10,684	\$ 12,019	\$ (4,841)	\$ 10,107	\$ 3,221	\$ 268
Other	207	(110)	159	(108)	95	(7,050)
<b>Net Change in Plan Fiduciary Net Position</b>	10,891	11,909	(4,682)	9,999	3,316	(6,782)
<b>Plan Fiduciary Net Position - Beginning of year</b>	<u>67,432</u>	<u>55,523</u>	<u>60,205</u>	<u>50,206</u>	<u>46,890</u>	<u>53,672</u>
<b>Plan Fiduciary Net Position - End of year</b>	<u><u>\$ 78,323</u></u>	<u><u>\$ 67,432</u></u>	<u><u>\$ 55,523</u></u>	<u><u>\$ 60,205</u></u>	<u><u>\$ 50,206</u></u>	<u><u>\$ 46,890</u></u>
<b>Village's Net Pension Asset - Ending</b>	<u><u>\$ (78,323)</u></u>	<u><u>\$ (67,432)</u></u>	<u><u>\$ (55,523)</u></u>	<u><u>\$ (60,205)</u></u>	<u><u>\$ (50,206)</u></u>	<u><u>\$ (46,890)</u></u>
<b>Plan Fiduciary Net Position as a Percentage of Total Pension Liability</b>	- %	- %	- %	- %	- %	- %
<b>Covered Payroll</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Village's Net Pension Asset as a Percentage of Covered Payroll</b>	- %	- %	- %	- %	- %	- %

Table is built prospectively upon implementation of GASB Statement No. 68 until 10 years of data are available.



## Village of Franklin Park, Illinois

### Required Supplemental Information Schedule of Changes in the Village Net Pension Liability and Related Ratios Police Pension Fund

#### Last Seven Fiscal Years

	2021	2020	2019	2018	2017	2016	2015
<b>Total Pension Liability</b>							
Service cost	\$ 1,741,592	\$ 1,376,653	\$ 1,329,028	\$ 1,204,552	\$ 1,136,048	\$ 804,105	\$ 914,123
Interest	4,501,688	4,176,893	4,064,096	3,969,684	3,557,715	3,609,252	3,474,363
Changes in benefit terms	-	354,089	-	-	-	-	-
Differences between expected and actual experience	2,060,522	799,496	110,745	(44,769)	(250,021)	(288,036)	-
Changes in assumptions	(122,417)	7,536,422	1,436,789	2,864,694	5,115,283	3,940,011	-
Benefit payments, including refunds	(3,551,067)	(3,281,527)	(3,011,503)	(2,788,022)	(2,666,038)	(2,404,927)	(2,375,322)
<b>Net Change in Total Pension Liability</b>	4,630,318	10,962,026	3,929,155	5,206,139	6,892,987	5,660,405	2,013,164
<b>Total Pension Liability - Beginning of year</b>	87,323,577	76,361,551	72,432,396	67,226,257	60,333,270	54,672,865	52,659,701
<b>Total Pension Liability - End of year</b>	<b><u>\$91,953,895</u></b>	<b><u>\$87,323,577</u></b>	<b><u>\$76,361,551</u></b>	<b><u>\$72,432,396</u></b>	<b><u>\$67,226,257</u></b>	<b><u>\$60,333,270</u></b>	<b><u>\$54,672,865</u></b>
<b>Plan Fiduciary Net Position</b>							
Contributions - Employer	\$ 3,013,432	\$ 2,917,658	\$ 2,435,638	\$ 1,874,375	\$ 1,981,999	\$ 1,769,378	\$ 1,881,099
Contributions - Member	461,914	433,269	431,532	414,531	401,553	403,414	443,000
Net investment income	8,536,618	75,261	2,447,385	1,674,158	1,997,951	308,450	1,442,872
Administrative expenses	(59,080)	(77,470)	(58,154)	(62,269)	(51,968)	(76,709)	(48,484)
Benefit payments, including refunds	(3,551,067)	(3,281,527)	(3,011,503)	(2,788,022)	(2,666,038)	(2,404,927)	(2,375,322)
<b>Net Change in Plan Fiduciary Net Position</b>	8,401,817	67,191	2,244,898	1,112,773	1,663,497	(394)	1,343,165
<b>Plan Fiduciary Net Position - Beginning of year</b>	28,533,698	28,466,507	26,221,609	25,108,836	23,445,339	23,445,733	22,102,568
<b>Plan Fiduciary Net Position - End of year</b>	<b><u>\$36,935,515</u></b>	<b><u>\$28,533,698</u></b>	<b><u>\$28,466,507</u></b>	<b><u>\$26,221,609</u></b>	<b><u>\$25,108,836</u></b>	<b><u>\$23,445,339</u></b>	<b><u>\$23,445,733</u></b>
<b>Village's Net Pension Liability - Ending</b>	<b><u>\$55,018,380</u></b>	<b><u>\$58,789,879</u></b>	<b><u>\$47,895,044</u></b>	<b><u>\$46,210,787</u></b>	<b><u>\$42,117,421</u></b>	<b><u>\$36,887,931</u></b>	<b><u>\$31,227,132</u></b>
<b>Plan Fiduciary Net Position as a Percentage of Total Pension Liability</b>	40.17 %	32.68 %	37.28 %	36.20 %	37.35 %	38.86 %	42.88 %
<b>Covered Payroll</b>	\$ 4,617,744	\$ 4,416,270	\$ 4,336,261	\$ 4,508,766	\$ 4,356,296	\$ 4,204,830	\$ 4,022,813
<b>Village's Net Pension Liability as a Percentage of Covered Payroll</b>	1,191.46 %	1,331.21 %	1,104.52 %	1,024.91 %	966.82 %	877.28 %	776.25 %

Table is built prospectively upon implementation of GASB Statement No. 68 until 10 years of data are available.



## Village of Franklin Park, Illinois

### Required Supplemental Information Schedule of Changes in the Village Net Pension Liability and Related Ratios Firefighters' Pension Fund

#### Last Seven Fiscal Years

	2021	2020	2019	2018	2017	2016	2015
<b>Total Pension Liability</b>							
Service cost	\$ 1,396,560	\$ 1,137,310	\$ 946,525	\$ 886,689	\$ 829,379	\$ 864,916	\$ 923,057
Interest	4,259,636	3,498,883	3,981,117	3,817,878	3,977,123	3,382,646	3,358,358
Changes in benefit terms	-	465,434	-	-	-	-	-
Differences between expected and actual experience	744,329	620,124	587,167	4,200	(654,886)	(562,489)	-
Changes in assumptions	(398,551)	5,766,955	5,052,183	2,530,033	(3,753,805)	3,686,959	-
Benefit payments, including refunds	(3,294,138)	(3,188,194)	(2,987,692)	(2,763,306)	(2,641,451)	(2,533,270)	(2,409,632)
<b>Net Change in Total Pension Liability</b>	<b>2,707,836</b>	<b>8,300,512</b>	<b>7,579,300</b>	<b>4,475,494</b>	<b>(2,243,640)</b>	<b>4,838,762</b>	<b>1,871,783</b>
<b>Total Pension Liability - Beginning of year</b>	<b>76,988,446</b>	<b>68,687,934</b>	<b>61,108,634</b>	<b>56,633,140</b>	<b>58,876,780</b>	<b>54,038,018</b>	<b>52,166,235</b>
<b>Total Pension Liability - End of year</b>	<b><u>\$79,696,282</u></b>	<b><u>\$76,988,446</u></b>	<b><u>\$68,687,934</u></b>	<b><u>\$61,108,634</u></b>	<b><u>\$56,633,140</u></b>	<b><u>\$58,876,780</u></b>	<b><u>\$54,038,018</u></b>
<b>Plan Fiduciary Net Position</b>							
Contributions - Employer	\$ 2,924,475	\$ 2,726,266	\$ 1,926,507	\$ 1,874,755	\$ 1,979,592	\$ 1,814,047	\$ 1,862,970
Contributions - Member	387,913	358,880	341,883	345,384	342,425	356,782	309,228
Net investment income (loss)	7,474,737	(516,279)	1,860,670	1,986,291	2,120,096	114,621	1,532,903
Administrative expenses	(48,929)	(58,829)	(75,525)	(47,234)	(46,563)	(45,348)	(50,421)
Benefit payments, including refunds	(3,294,138)	(3,188,194)	(2,987,692)	(2,763,306)	(2,641,451)	(2,533,270)	(2,409,632)
Other	-	-	64,425	-	-	-	-
<b>Net Change in Plan Fiduciary Net Position</b>	<b>7,444,058</b>	<b>(678,156)</b>	<b>1,130,268</b>	<b>1,395,890</b>	<b>1,754,099</b>	<b>(293,168)</b>	<b>1,245,048</b>
<b>Plan Fiduciary Net Position - Beginning of year</b>	<b>29,364,211</b>	<b>30,042,367</b>	<b>28,912,099</b>	<b>27,516,209</b>	<b>25,762,110</b>	<b>26,055,278</b>	<b>24,810,230</b>
<b>Plan Fiduciary Net Position - End of year</b>	<b><u>\$36,808,269</u></b>	<b><u>\$29,364,211</u></b>	<b><u>\$30,042,367</u></b>	<b><u>\$28,912,099</u></b>	<b><u>\$27,516,209</u></b>	<b><u>\$25,762,110</u></b>	<b><u>\$26,055,278</u></b>
<b>Village's Net Pension Liability - Ending</b>	<b><u>\$42,888,013</u></b>	<b><u>\$47,624,235</u></b>	<b><u>\$38,645,567</u></b>	<b><u>\$32,196,535</u></b>	<b><u>\$29,116,931</u></b>	<b><u>\$33,114,670</u></b>	<b><u>\$27,982,740</u></b>
<b>Plan Fiduciary Net Position as a Percentage of Total Pension Liability</b>	46.19 %	38.14 %	43.68 %	47.31 %	48.59 %	43.76 %	48.22 %
<b>Covered Payroll</b>	\$ 3,970,929	\$ 3,935,729	\$ 3,723,542	\$ 3,752,739	\$ 3,625,835	\$ 3,513,867	\$ 3,342,976
<b>Village's Net Pension Liability as a Percentage of Covered Payroll</b>	1,080.05 %	1,210.05 %	1,037.87 %	857.95 %	803.04 %	942.40 %	837.06 %

Table is built prospectively upon implementation of GASB Statement No. 68 until 10 years of data are available.



## Village of Franklin Park, Illinois

### Required Supplemental Information Schedule of Changes in the Total OPEB Liability and Related Ratios No Trust

	<b>Last Three Fiscal Years</b>		
	2021	2020	2019
<b>Total OPEB Liability</b>			
Service cost	\$ 962,414	\$ 1,253,137	\$ 1,142,379
Interest	703,032	721,974	798,080
Changes in benefit terms	(1,769,351)	-	233,465
Differences between expected and actual experience	(378,981)	-	(576,080)
Changes in assumptions	2,152,143	841,999	(479,476)
Benefit payments, including refunds	(639,338)	(642,089)	(583,168)
<b>Net Change in Total OPEB Liability</b>	1,029,919	2,175,021	535,200
<b>Total OPEB Liability - Beginning of year</b>	24,987,481	22,812,460	22,277,260
<b>Total OPEB Liability - End of year</b>	<b>\$ 26,017,400</b>	<b>\$ 24,987,481</b>	<b>\$ 22,812,460</b>
<b>Covered-employee Payroll</b>	\$ 11,341,021	\$ 11,174,803	\$ 11,174,803
<b>Total OPEB Liability as a Percentage of Covered-employee Payroll</b>	229.41 %	223.61 %	204.14 %

Table is built prospectively upon implementation of GASB Statement No. 75 until 10 years of data are available.

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

## Village of Franklin Park, Illinois

### Required Supplemental Information Schedule of OPEB Contributions

**Last Ten Fiscal Years  
Years Ended April 30**

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Actuarially determined contribution	\$ 2,052,194	\$ 2,418,183	\$ 2,418,183	\$ 2,418,183	\$ 2,418,183	\$ 2,588,781	\$ 2,588,781	\$ 2,693,069	\$ 2,693,069	\$ 2,181,584
Contributions in relation to the actuarially determined contribution	639,338	642,089	583,168	471,099	471,099	493,634	461,243	550,660	517,737	382,196
<b>Contribution Deficiency</b>	<b>\$ (1,412,856)</b>	<b>\$ (1,776,094)</b>	<b>\$ (1,835,015)</b>	<b>\$ (1,947,084)</b>	<b>\$ (1,947,084)</b>	<b>\$ (2,095,147)</b>	<b>\$ (2,127,538)</b>	<b>\$ (2,142,409)</b>	<b>\$ (2,175,332)</b>	<b>\$ (1,799,388)</b>
<b>Covered-employee Payroll</b>	<b>\$ 11,341,021</b>	<b>\$ 11,174,803</b>	<b>\$ 11,174,803</b>	<b>\$ 11,212,783</b>	<b>\$ 11,212,783</b>	<b>\$ 10,171,789</b>	<b>\$ 10,171,789</b>	<b>\$ 9,242,824</b>	<b>\$ 9,466,395</b>	<b>\$ 9,466,395</b>
<b>Contributions as a Percentage of Covered-employee Payroll</b>	<b>5.64 %</b>	<b>5.75 %</b>	<b>5.22 %</b>	<b>4.20 %</b>	<b>4.20 %</b>	<b>4.85 %</b>	<b>4.53 %</b>	<b>5.96 %</b>	<b>5.47 %</b>	<b>4.04 %</b>

#### Notes to Schedule of Contributions

Actuarial valuation information relative to the determination of contributions:

Valuation date Actuarially determined contribution rates are calculated as of April 30, one year prior to the end of the fiscal year in which the contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age
Amortization method	N/A
Remaining amortization period	N/A
Asset valuation method	N/A
Inflation	3 percent
Health care cost trend rates	5.5 percent for 2019 varying year over year with an ultimate rate of 5 percent for 2030
Salary increase	3.5 percent
Investment rate of return	N/A
Retirement age	Varies depending on collective bargaining group and gender
Mortality	Firefighter Employees and Retirees: RP-2014 Mortality with Blue Collar Adjustment Improved Generationally using MP-2016 Improvement Rates. Police Employees and Retirees: RP-2014 Mortality with Blue Collar Adjustment Improved Generationally using MP-2016 Improvement Rates. IMRF Employees: IMRF Specific tables for nondisabled retirees, disabled retirees, and actives used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were based on the RP-2014 Blue Collar Health Annuitant, Disabled Retirees, and Employee mortality tables, respectively, with adjustments to match current IMRF experience.

April 30, 2021

#### ***Budgetary Information***

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the General Corporate Fund and all special revenue funds. All annual appropriations lapse at fiscal year end. The Village follows these procedures in establishing the budgetary data reflected in the financial statements:

The comptroller 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.

Budget hearings are conducted.

The budget is legally enacted through passage of an ordinance.

Budgets are adopted for all funds with the exception of the following funds: Foreign Fire Insurance Premium Tax Fund, Police Department 1505 Fund, 911 Emergency Surcharge Tax Fund, Belmont/River TIF Fund, Waveland/Mannheim TIF Fund, Tollway Fund, and Cullerton Ave Fund.

The budget may be amended by the board of trustees. The budget was not amended this year.

The budget document presents information by fund and function. The legal level of budgetary control adopted by the governing body is the fund level (i.e., the level at which expenditures may not legally exceed appropriations).

#### ***Pension Information***

##### **Changes in Assumptions**

Significant changes in assumptions for the Village's pension plans are as follows:

##### ***IMRF Regular Plan***

December 31, 2018 - The beginning of year total pension liability was based on a discount rate of 7.50 percent, and the end of year total pension liability was based on a discount rate of 7.25 percent.

December 31, 2020 - The beginning of year total pension liability was based on salary increases of 3.35 - 14.25 percent and RP-2014 mortality tables. The end of year total pension liability was based on salary increases of 2.85 - 13.75 percent and Pub-2010 mortality tables.

##### ***Police Pension Fund***

April 30, 2016 - The demographic assumptions were changed during the year ended April 30, 2016. The changes were made to better reflect the future anticipated experience of the fund. The assumptions impacted included mortality rates, mortality improvement rates, retirement rates, disability rates, and termination rates.

April 30, 2017 - The beginning of year total pension liability was based on a discount rate of 6.75 percent, and the end of year total pension liability was based on a discount rate of 6.03 percent.

April 30, 2018 - The beginning of year total pension liability was based on a discount rate of 6.03 percent, and the end of year total pension liability was based on a discount rate of 5.73 percent.

April 30, 2019 - The beginning of year total pension liability was based on a discount rate of 5.73 percent, and the end of year total pension liability was based on a discount rate of 5.59 percent.

April 30, 2020 - The beginning of year total pension liability was based on a discount rate of 5.59 percent, and the end of year total pension liability was based on a discount rate of 5.14 percent.

April 30, 2021 - The beginning of year total pension liability was based on a discount rate of 5.64 percent, and the end of year total pension liability was based on a discount rate of 5.15 percent.

*Firefighters' Pension Fund*

April 30, 2016 - The demographic assumptions were changed during the year ended April 30, 2016. The changes were made to better reflect the future anticipated experience of the fund. The assumptions impacted included: mortality rates, mortality improvement rates, retirement rates, disability rates, and termination rates.

April 30, 2017 - The beginning of year total pension liability was based on a discount rate of 6.41 percent, and the end of year total pension liability was based on a discount rate of 6.91 percent.

April 30, 2018 - The beginning of year total pension liability was based on a discount rate of 6.91 percent, and the end of year total pension liability was based on a discount rate of 6.57 percent.

April 30, 2019 - The beginning of year total pension liability was based on a discount rate of 6.57 percent, and the end of year total pension liability was based on a discount rate of 5.97 percent.

April 30, 2020 - The beginning of year total pension liability was based on a discount rate of 5.97 percent, and the end of year total pension liability was based on a discount rate of 5.57 percent.

April 30, 2021 - The beginning of year total pension liability was based on a discount rate of 5.57 percent, and the end of year total pension liability was based on a discount rate of 5.64 percent.

***OPEB Information***

**Changes in Assumptions**

April 30, 2019 - The beginning of year total OPEB liability was based on a discount rate of 3.63 percent, and the end of year total OPEB liability was based on a discount rate of 3.21 percent.

April 30, 2020 - The beginning of year total OPEB liability was based on a discount rate of 3.21 percent, and the end of year total OPEB liability was based on a discount rate of 2.85 percent.

April 30, 2021 - The beginning of year total OPEB liability was based on a discount rate of 2.85 percent and RP-2014 mortality tables, and the end of year total OPEB liability was based on a discount rate of 1.83 percent and Pub-2010 mortality tables.

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## Other Supplemental Information

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# Village of Franklin Park, Illinois

	Special Revenue Funds									
	Foreign Fire Insurance Premium Tax Fund	Police Department 1505 Fund	911 Emergency Surcharge Tax Fund	Motor Fuel Tax Fund	Mannheim/Grand TIF Fund	Milwaukee Avenue TIF Fund	West Mannheim Redeveloping Area TIF Fund	DHL Seymour Fund	Centrella-Seymour TIF Fund	Seymour Waveland TIF Fund
<b>Assets</b>										
Cash and investments	\$ 66,396	\$ 456,130	\$ 6,978	\$ 1,183,186	\$ 372,055	\$ 207,842	\$ 4,573,508	\$ 1,362,714	\$ 365	\$ 1,263,250
Receivables:										
Property taxes receivable	-	-	-	-	-	-	-	-	-	-
Other receivables	-	-	-	-	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-	-	-	-	-
Other taxes receivable	-	-	-	60,394	-	-	-	-	-	-
Allowance for doubtful accounts	-	-	-	-	-	-	-	-	-	-
Advances to other funds	-	-	-	-	-	-	-	-	-	-
Restricted assets:										
Restricted cash and cash equivalents	-	-	-	-	-	-	-	-	-	-
Assets held at the county	-	-	-	-	-	-	-	-	-	-
<b>Total assets</b>	<b>\$ 66,396</b>	<b>\$ 456,130</b>	<b>\$ 6,978</b>	<b>\$ 1,243,580</b>	<b>\$ 372,055</b>	<b>\$ 207,842</b>	<b>\$ 4,573,508</b>	<b>\$ 1,362,714</b>	<b>\$ 365</b>	<b>\$ 1,263,250</b>
<b>Liabilities</b>										
Accounts payable	\$ -	\$ -	\$ 18,774	\$ 101,519	\$ 35,291	\$ 298	\$ 1,010	\$ 170	\$ 170	\$ -
Due to other governmental units	-	-	-	-	225,060	-	-	-	-	-
Advances from other funds	-	-	-	-	-	-	-	-	-	-
Accrued liabilities and other	-	-	57	-	-	-	-	-	-	-
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>18,831</b>	<b>101,519</b>	<b>260,351</b>	<b>298</b>	<b>1,010</b>	<b>170</b>	<b>170</b>	<b>-</b>
<b>Deferred Inflows of Resources</b>										
Unavailable revenue	-	-	-	-	-	-	-	-	-	-
Property taxes levied for the following year	-	-	-	-	-	-	-	-	-	-
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total liabilities and deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>18,831</b>	<b>101,519</b>	<b>260,351</b>	<b>298</b>	<b>1,010</b>	<b>170</b>	<b>170</b>	<b>-</b>
<b>Fund Balances (Deficit)</b>										
Restricted:										
Public safety	66,396	456,130	-	-	-	-	-	-	-	-
TIF development	-	-	-	-	111,704	207,544	4,572,498	1,362,544	195	1,263,250
Debt service	-	-	-	-	-	-	-	-	-	-
Highways and streets	-	-	-	1,142,061	-	-	-	-	-	-
Unassigned	-	-	(11,853)	-	-	-	-	-	-	-
<b>Total fund balances (deficit)</b>	<b>66,396</b>	<b>456,130</b>	<b>(11,853)</b>	<b>1,142,061</b>	<b>111,704</b>	<b>207,544</b>	<b>4,572,498</b>	<b>1,362,544</b>	<b>195</b>	<b>1,263,250</b>
<b>Total liabilities, deferred inflows of resources, and fund balances (deficit)</b>	<b>\$ 66,396</b>	<b>\$ 456,130</b>	<b>\$ 6,978</b>	<b>\$ 1,243,580</b>	<b>\$ 372,055</b>	<b>\$ 207,842</b>	<b>\$ 4,573,508</b>	<b>\$ 1,362,714</b>	<b>\$ 365</b>	<b>\$ 1,263,250</b>

Other Supplemental Information  
Combining Balance Sheet  
Nonmajor Governmental Funds

April 30, 2021

Special Revenue Funds	Debt Service Funds						Capital Projects Funds				Total
	Corporate Bond and Interest Fund	Life/Fitness Reebe Storage TIF Fund	Waveland/Mannheim TIF Fund	O'Hare East Industrial TIF Fund	Resurrection TIF Fund	Total Debt Service Funds	Capital Fund	Cullerton Ave Fund	Tollway Fund	Total Capital Project Funds	
\$ 9,492,424	\$ -	\$ 3,806,222	\$ 402,342	\$ 858,365	\$ 11,564	\$ 5,078,493	\$ -	\$ -	\$ 153,094	\$ 153,094	\$ 14,724,011
-	1,584,435	-	-	-	-	1,584,435	-	-	-	-	1,584,435
-	-	-	-	-	-	-	-	-	52,269	52,269	52,269
-	-	-	-	-	-	-	308,645	-	-	308,645	308,645
60,394	-	-	-	-	-	-	-	-	-	-	60,394
-	(140,998)	-	-	-	-	(140,998)	-	-	-	-	(140,998)
-	591,139	-	-	-	-	591,139	-	-	-	-	591,139
-	-	-	-	-	-	-	-	300,000	-	300,000	300,000
-	-	-	-	-	-	-	-	536,793	-	536,793	536,793
<b>\$ 9,552,818</b>	<b>\$ 2,034,576</b>	<b>\$ 3,806,222</b>	<b>\$ 402,342</b>	<b>\$ 858,365</b>	<b>\$ 11,564</b>	<b>\$ 7,113,069</b>	<b>\$ 308,645</b>	<b>\$ 836,793</b>	<b>\$ 205,363</b>	<b>\$ 1,350,801</b>	<b>\$ 18,016,688</b>
\$ 157,232	\$ -	\$ 768	\$ -	\$ 670	\$ 1,305	\$ 2,743	\$ 130,869	\$ -	\$ -	\$ 130,869	\$ 290,844
225,060	-	-	933,778	-	-	933,778	-	-	-	-	1,158,838
-	1,010,379	-	-	-	-	1,010,379	295,423	568,814	-	864,237	1,874,616
57	-	-	-	-	-	-	-	-	-	-	57
382,349	1,010,379	768	933,778	670	1,305	1,946,900	426,292	568,814	-	995,106	3,324,355
-	-	-	-	-	-	-	-	-	52,269	52,269	52,269
-	1,271,809	-	-	-	-	1,271,809	-	-	-	-	1,271,809
-	1,271,809	-	-	-	-	1,271,809	-	-	52,269	52,269	1,324,078
382,349	2,282,188	768	933,778	670	1,305	3,218,709	426,292	568,814	52,269	1,047,375	4,648,433
522,526	-	-	-	-	-	-	-	-	-	-	522,526
7,517,735	-	-	-	-	-	-	-	-	-	-	7,517,735
-	-	3,805,454	-	857,695	10,259	4,673,408	-	-	-	-	4,673,408
1,142,061	-	-	-	-	-	-	-	267,979	153,094	421,073	1,563,134
(11,853)	(247,612)	-	(531,436)	-	-	(779,048)	(117,647)	-	-	(117,647)	(908,548)
9,170,469	(247,612)	3,805,454	(531,436)	857,695	10,259	3,894,360	(117,647)	267,979	153,094	303,426	13,368,255
<b>\$ 9,552,818</b>	<b>\$ 2,034,576</b>	<b>\$ 3,806,222</b>	<b>\$ 402,342</b>	<b>\$ 858,365</b>	<b>\$ 11,564</b>	<b>\$ 7,113,069</b>	<b>\$ 308,645</b>	<b>\$ 836,793</b>	<b>\$ 205,363</b>	<b>\$ 1,350,801</b>	<b>\$ 18,016,688</b>

# Village of Franklin Park, Illinois

	Special Revenue Funds									
	Foreign Fire Insurance Premium Tax Fund	Police Department 1505 Fund	911 Emergency Surcharge Tax Fund	Motor Fuel Tax Fund	Mannheim/Grand TIF Fund	Milwaukee Avenue TIF Fund	West Mannheim Redeveloping Area TIF Fund	DHL Seymour Fund	Centrella-Seymour TIF Fund	Seymour Waveland TIF Fund
<b>Revenue</b>										
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 183,671	\$ 60,078	\$ 1,453,151	\$ 1,353,725	\$ -	\$ 734,332
Intergovernmental:										
Grant revenue	-	-	-	-	-	-	-	-	-	-
Other taxes -										
Operating grants	-	-	-	1,260,505	-	-	-	-	-	-
Charges for services	-	-	137,420	-	-	-	-	-	-	-
Fines and forfeitures	-	234,371	-	-	-	-	-	-	-	-
Investment income	95	30	-	1,007	196	436	4,853	887	-	1,196
Other revenue	63,543	-	-	-	-	-	-	-	-	-
<b>Total revenue</b>	<b>63,638</b>	<b>234,401</b>	<b>137,420</b>	<b>1,261,512</b>	<b>183,867</b>	<b>60,514</b>	<b>1,458,004</b>	<b>1,354,612</b>	<b>-</b>	<b>735,528</b>
<b>Expenditures</b>										
Current services:										
General government	-	-	-	-	-	952	-	952	-	-
Public safety	33,842	43,073	80,755	-	-	-	-	-	-	-
Highway and streets	-	-	-	507,881	-	-	-	-	-	-
Community development	-	-	-	-	116,976	298	6,629	190	1,123	953
Capital outlay	32,390	131,553	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>66,232</b>	<b>174,626</b>	<b>80,755</b>	<b>507,881</b>	<b>116,976</b>	<b>1,250</b>	<b>6,629</b>	<b>1,142</b>	<b>1,123</b>	<b>953</b>
<b>Excess of Revenue (Under) Over Expenditures</b>	<b>(2,594)</b>	<b>59,775</b>	<b>56,665</b>	<b>753,631</b>	<b>66,891</b>	<b>59,264</b>	<b>1,451,375</b>	<b>1,353,470</b>	<b>(1,123)</b>	<b>734,575</b>
<b>Other Financing Sources (Uses)</b>										
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	(817,400)	-	-	-
<b>Total other financing (uses) sources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(817,400)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>(2,594)</b>	<b>59,775</b>	<b>56,665</b>	<b>753,631</b>	<b>66,891</b>	<b>59,264</b>	<b>633,975</b>	<b>1,353,470</b>	<b>(1,123)</b>	<b>734,575</b>
<b>Fund Balances (Deficit) - Beginning of year</b>	<b>68,990</b>	<b>396,355</b>	<b>(68,518)</b>	<b>388,430</b>	<b>44,813</b>	<b>148,280</b>	<b>3,938,523</b>	<b>9,074</b>	<b>1,318</b>	<b>528,675</b>
<b>Fund Balances (Deficit) - End of year</b>	<b>\$ 66,396</b>	<b>\$ 456,130</b>	<b>\$ (11,853)</b>	<b>\$ 1,142,061</b>	<b>\$ 111,704</b>	<b>\$ 207,544</b>	<b>\$ 4,572,498</b>	<b>\$ 1,362,544</b>	<b>\$ 195</b>	<b>\$ 1,263,250</b>

Other Supplemental Information  
Combining Statement of Revenue, Expenditures, and Changes in Fund Balances  
(Deficit)  
Nonmajor Governmental Funds

**Year Ended April 30, 2021**

Special Revenue Funds	Debt Service Funds						Capital Projects Funds				Total
	Corporate Bond and Interest Fund	Life/Fitness Reebie Storage TIF Fund	Waveland/Mannheim TIF Fund	O'Hare East Industrial TIF Fund	Resurrection TIF Fund	Total Debt Service Funds	Capital Fund	Cullerton Ave Fund	Tollway Fund	Total Capital Project Funds	
\$ 3,784,957	\$ 2,707,163	\$ 697,563	\$ -	\$ 1,509,014	\$ 9,827	\$ 4,923,567	\$ -	\$ 214,158	\$ -	\$ 214,158	\$ 8,922,682
-	-	-	-	-	-	-	1,423,366	-	-	1,423,366	1,423,366
1,260,505	-	-	-	-	-	-	-	-	-	-	1,260,505
137,420	-	-	-	-	-	-	-	-	-	-	137,420
234,371	-	-	-	-	-	-	-	-	-	-	234,371
8,700	60	6,158	-	1,739	4	7,961	492	-	35	527	17,188
63,543	-	-	-	-	-	-	-	-	-	-	63,543
<u>5,489,496</u>	<u>2,707,223</u>	<u>703,721</u>	<u>-</u>	<u>1,510,753</u>	<u>9,831</u>	<u>4,931,528</u>	<u>1,423,858</u>	<u>214,158</u>	<u>35</u>	<u>1,638,051</u>	<u>12,059,075</u>
1,904	9,000	-	-	-	-	9,000	-	-	-	-	10,904
157,670	-	-	-	-	-	-	-	-	-	-	157,670
507,881	-	-	-	-	-	-	-	-	-	-	507,881
126,169	-	6,870	-	950,171	8,803	965,844	-	-	-	-	1,092,013
163,943	-	-	-	-	-	-	1,555,807	-	40,558	1,596,365	1,760,308
-	3,196,930	-	-	-	-	3,196,930	-	167,220	-	167,220	3,364,150
<u>957,567</u>	<u>3,205,930</u>	<u>6,870</u>	<u>-</u>	<u>950,171</u>	<u>8,803</u>	<u>4,171,774</u>	<u>1,555,807</u>	<u>167,220</u>	<u>40,558</u>	<u>1,763,585</u>	<u>6,892,926</u>
4,531,929	(498,707)	696,851	-	560,582	1,028	759,754	(131,949)	46,938	(40,523)	(125,534)	5,166,149
-	1,247,075	-	-	-	-	1,247,075	324,000	-	-	324,000	1,571,075
(817,400)	(1,617,875)	-	-	-	-	(1,617,875)	-	-	-	-	(2,435,275)
<u>(817,400)</u>	<u>(370,800)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(370,800)</u>	<u>324,000</u>	<u>-</u>	<u>-</u>	<u>324,000</u>	<u>(864,200)</u>
3,714,529	(869,507)	696,851	-	560,582	1,028	388,954	192,051	46,938	(40,523)	198,466	4,301,949
5,455,940	621,895	3,108,603	(531,436)	297,113	9,231	3,505,406	(309,698)	221,041	193,617	104,960	9,066,306
<u>\$ 9,170,469</u>	<u>\$ (247,612)</u>	<u>\$ 3,805,454</u>	<u>\$ (531,436)</u>	<u>\$ 857,695</u>	<u>\$ 10,259</u>	<u>\$ 3,894,360</u>	<u>\$ (117,647)</u>	<u>\$ 267,979</u>	<u>\$ 153,094</u>	<u>\$ 303,426</u>	<u>\$ 13,368,255</u>

**Village of Franklin Park, Illinois**

Other Supplemental Information  
 Budgetary Comparison Schedules - Nonmajor Governmental Funds  
 Motor Fuel Tax Fund

**Year Ended April 30, 2021**

	Original and Final Budget (Unaudited)	Actual	Variance with Original and Final Budget (Unaudited)
<b>Revenue</b>			
Intergovernmental	\$ 640,300	\$ 1,260,505	\$ 620,205
Investment income	300	1,007	707
Total revenue	640,600	1,261,512	620,912
<b>Expenditures</b> - Current - Highway and streets	640,300	507,881	132,419
<b>Net Change in Fund Balance</b>	300	753,631	753,331
<b>Fund Balance</b> - Beginning of year	388,430	388,430	-
<b>Fund Balance</b> - End of year	<u>\$ 388,730</u>	<u>\$ 1,142,061</u>	<u>\$ 753,331</u>

**Village of Franklin Park, Illinois**

Other Supplemental Information  
 Budgetary Comparison Schedules - Nonmajor Governmental Funds  
 (Continued)  
 Mannheim/Grand TIF Fund

**Year Ended April 30, 2021**

	Original and Final Budget (Unaudited)	Actual	Variance with Original and Final Budget (Unaudited)
<b>Revenue</b>			
Taxes	\$ 125,000	\$ 183,671	\$ 58,671
Investment income	500	196	(304)
Total revenue	125,500	183,867	58,367
<b>Expenditures</b> - Current - Community and economic development	115,000	116,976	(1,976)
<b>Net Change in Fund Balance</b>	10,500	66,891	56,391
<b>Fund Balance</b> - Beginning of year	44,813	44,813	-
<b>Fund Balance</b> - End of year	<u>\$ 55,313</u>	<u>\$ 111,704</u>	<u>\$ 56,391</u>

**Village of Franklin Park, Illinois**

Other Supplemental Information  
Budgetary Comparison Schedules - Nonmajor Governmental Funds  
(Continued)  
Milwaukee Avenue TIF Fund

**Year Ended April 30, 2021**

	Original and Final Budget (Unaudited)	Actual	Variance with Original and Final Budget (Unaudited)
<b>Revenue</b>			
Taxes	\$ 9,000	\$ 60,078	\$ 51,078
Investment income	500	436	(64)
Total revenue	9,500	60,514	51,014
<b>Expenditures</b> - Current - Community and economic development	2,100	1,250	850
<b>Net Change in Fund Balance</b>	7,400	59,264	51,864
<b>Fund Balance</b> - Beginning of year	148,280	148,280	-
<b>Fund Balance</b> - End of year	<u>\$ 155,680</u>	<u>\$ 207,544</u>	<u>\$ 51,864</u>

**Village of Franklin Park, Illinois**

Other Supplemental Information  
Budgetary Comparison Schedules - Nonmajor Governmental Funds  
(Continued)  
West Mannheim Redeveloping Area TIF Fund

**Year Ended April 30, 2021**

	Original and Final Budget (Unaudited)	Actual	Variance with Original and Final Budget (Unaudited)
<b>Revenue</b>			
Taxes	\$ 950,000	\$ 1,453,151	\$ 503,151
Investment income	15,000	4,853	(10,147)
Total revenue	965,000	1,458,004	493,004
<b>Expenditures</b> - Current - Community and economic development	34,200	6,629	27,571
<b>Excess of Revenue Over Expenditures</b>	930,800	1,451,375	520,575
<b>Other Financing Uses</b> - Transfers out	(817,400)	(817,400)	-
<b>Net Change in Fund Balance</b>	113,400	633,975	520,575
<b>Fund Balance</b> - Beginning of year	3,938,523	3,938,523	-
<b>Fund Balance</b> - End of year	<u>\$ 4,051,923</u>	<u>\$ 4,572,498</u>	<u>\$ 520,575</u>

**Village of Franklin Park, Illinois**

Other Supplemental Information  
 Budgetary Comparison Schedules - Nonmajor Governmental Funds  
 (Continued)  
 DHL Seymour Fund

**Year Ended April 30, 2021**

	Original and Final Budget (Unaudited)	Actual	Variance with Original and Final Budget (Unaudited)
<b>Revenue</b>			
Taxes	\$ -	\$ 1,353,725	\$ 1,353,725
Investment income	150	887	737
Total revenue	150	1,354,612	1,354,462
<b>Expenditures</b> - Current - Community and economic development	550	1,142	(592)
<b>Net Change in Fund Balance</b>	(400)	1,353,470	1,353,870
<b>Fund Balance</b> - Beginning of year	9,074	9,074	-
<b>Fund Balance</b> - End of year	<u>\$ 8,674</u>	<u>\$ 1,362,544</u>	<u>\$ 1,353,870</u>

**Village of Franklin Park, Illinois**

Other Supplemental Information  
Budgetary Comparison Schedules - Nonmajor Governmental Funds  
(Continued)  
Centrella-Seymour TIF Fund

**Year Ended April 30, 2021**

	Original and Final Budget (Unaudited)	Actual	Variance with Original and Final Budget (Unaudited)
<b>Revenue</b>	\$ -	\$ -	\$ -
<b>Expenditures</b> - Current - Community and economic development	<u>550</u>	<u>1,123</u>	<u>(573)</u>
<b>Net Change in Fund Balance</b>	(550)	(1,123)	(573)
<b>Fund Balance</b> - Beginning of year	<u>1,318</u>	<u>1,318</u>	-
<b>Fund Balance</b> - End of year	<u><u>\$ 768</u></u>	<u><u>\$ 195</u></u>	<u><u>\$ (573)</u></u>

**Village of Franklin Park, Illinois**

Other Supplemental Information  
 Budgetary Comparison Schedules - Nonmajor Governmental Funds  
 (Continued)  
 Seymour Waveland TIF Fund

**Year Ended April 30, 2021**

	Original and Final Budget (Unaudited)	Actual	Variance with Original and Final Budget (Unaudited)
<b>Revenue</b>			
Taxes	\$ 1,025,000	\$ 734,332	\$ (290,668)
Investment income	-	1,196	1,196
Total revenue	1,025,000	735,528	(289,472)
<b>Expenditures</b> - Current - Community and economic development	654,050	953	653,097
<b>Net Change in Fund Balance</b>	370,950	734,575	363,625
<b>Fund Balance</b> - Beginning of year	528,675	528,675	-
<b>Fund Balance</b> - End of year	<u>\$ 899,625</u>	<u>\$ 1,263,250</u>	<u>\$ 363,625</u>

**Village of Franklin Park, Illinois**

Other Supplemental Information  
 Budgetary Comparison Schedules - Nonmajor Governmental Funds  
 (Continued)  
 Corporate Bond and Interest Fund

**Year Ended April 30, 2021**

	Original and Final Budget (Unaudited)	Actual	Variance with Original and Final Budget (Unaudited)
<b>Revenue</b>			
Taxes	\$ 2,827,751	\$ 2,707,163	\$ (120,588)
Investment income	-	60	60
Total revenue	2,827,751	2,707,223	(120,528)
<b>Expenditures</b>			
Current services - General government	10,000	9,000	1,000
Debt service	3,197,001	3,196,930	71
Total expenditures	3,207,001	3,205,930	1,071
<b>Excess of Expenditures Over Revenue</b>	(379,250)	(498,707)	(119,457)
<b>Other Financing Sources (Uses)</b>			
Transfers in	1,247,075	1,247,075	-
Transfers out	(1,617,875)	(1,617,875)	-
Total other financing uses	(370,800)	(370,800)	-
<b>Net Change in Fund Balance</b>	(750,050)	(869,507)	(119,457)
<b>Fund Balance - Beginning of year</b>	621,895	621,895	-
<b>Fund Balance - End of year</b>	\$ (128,155)	\$ (247,612)	\$ (119,457)

**Village of Franklin Park, Illinois**

Other Supplemental Information  
 Budgetary Comparison Schedules - Nonmajor Governmental Funds  
 (Continued)  
 Life/Fitness Reebie Storage TIF Fund

**Year Ended April 30, 2021**

	Original and Final Budget (Unaudited)	Actual	Variance with Original and Final Budget (Unaudited)
<b>Revenue</b>			
Taxes	\$ 725,000	\$ 697,563	\$ (27,437)
Investment income	5,000	6,158	1,158
Total revenue	<u>730,000</u>	<u>703,721</u>	<u>(26,279)</u>
<b>Expenditures</b> - Current - Community and economic development	<u>5,200</u>	<u>6,870</u>	<u>(1,670)</u>
<b>Excess of Revenue Over Expenditures</b>	724,800	696,851	(27,949)
<b>Other Financing Uses</b> - Transfers out	<u>(275,085)</u>	<u>-</u>	<u>275,085</u>
<b>Net Change in Fund Balance</b>	449,715	696,851	247,136
<b>Fund Balance</b> - Beginning of year	<u>3,108,603</u>	<u>3,108,603</u>	<u>-</u>
<b>Fund Balance</b> - End of year	<u><u>\$ 3,558,318</u></u>	<u><u>\$ 3,805,454</u></u>	<u><u>\$ 247,136</u></u>

**Village of Franklin Park, Illinois**

Other Supplemental Information  
Budgetary Comparison Schedules - Nonmajor Governmental Funds  
(Continued)  
O'Hare East Industrial TIF Fund

**Year Ended April 30, 2021**

	Original and Final Budget (Unaudited)	Actual	Variance with Original and Final Budget (Unaudited)
<b>Revenue</b>			
Taxes	\$ 375,000	\$ 1,509,014	\$ 1,134,014
Investment income	-	1,739	1,739
Total revenue	375,000	1,510,753	1,135,753
<b>Expenditures</b> - Current - Community and economic development	345,100	950,171	(605,071)
<b>Net Change in Fund Balance</b>	29,900	560,582	530,682
<b>Fund Balance</b> - Beginning of year	297,113	297,113	-
<b>Fund Balance</b> - End of year	<u>\$ 327,013</u>	<u>\$ 857,695</u>	<u>\$ 530,682</u>

**Village of Franklin Park, Illinois**

Other Supplemental Information  
Budgetary Comparison Schedules - Nonmajor Governmental Funds  
(Continued)  
Resurrection TIF Fund

**Year Ended April 30, 2021**

	Original and Final Budget (Unaudited)	Actual	Variance with Original and Final Budget (Unaudited)
<b>Revenue</b>			
Taxes	\$ 8,000	\$ 9,827	\$ 1,827
Investment income	-	4	4
Total revenue	8,000	9,831	1,831
<b>Expenditures</b> - Current - Community and economic development	7,900	8,803	(903)
<b>Net Change in Fund Balance</b>	100	1,028	928
<b>Fund Balance</b> - Beginning of year	9,231	9,231	-
<b>Fund Balance</b> - End of year	<u>\$ 9,331</u>	<u>\$ 10,259</u>	<u>\$ 928</u>

## Village of Franklin Park, Illinois

### Other Supplemental Information Budgetary Comparison Schedules - Nonmajor Governmental Funds (Continued) Capital Fund

Year Ended April 30, 2021

	Original and Final Budget (Unaudited)	Actual	Variance with Original and Final Budget (Unaudited)
<b>Revenue</b>			
Intergovernmental	\$ 2,082,558	\$ 1,423,366	\$ (659,192)
Investment income	-	492	492
Total revenue	2,082,558	1,423,858	(658,700)
<b>Expenditures - Capital outlay</b>	3,650,643	1,555,807	2,094,836
<b>Excess of Expenditures Over Revenue</b>	(1,568,085)	(131,949)	1,436,136
<b>Other Financing Sources - Transfers in</b>	1,319,085	324,000	(995,085)
<b>Net Change in Fund Balance</b>	(249,000)	192,051	441,051
<b>Fund Balance (Deficit) - Beginning of year</b>	(309,698)	(309,698)	-
<b>Fund Balance (Deficit) - End of year</b>	<u>\$ (558,698)</u>	<u>\$ (117,647)</u>	<u>\$ 441,051</u>

## Village of Franklin Park, Illinois

### Other Supplemental Information Combining Statement of Net Position Nonmajor Enterprise Funds

**April 30, 2021**

	Garbage Fund	Commuter Parking Lot Fund	Total Nonmajor Enterprise Funds
<b>Assets</b>			
Current assets:			
Cash and investments	\$ -	\$ 47,655	\$ 47,655
Receivables:			
Customer receivables	286,958	-	286,958
Allowance for doubtful accounts	(107,823)	-	(107,823)
Total current assets	179,135	47,655	226,790
Noncurrent assets - Capital assets - Assets subject to depreciation	-	4,253	4,253
Total assets	179,135	51,908	231,043
<b>Liabilities</b>			
Current liabilities:			
Accounts payable	170,997	670	171,667
Accrued liabilities and other	1,253	-	1,253
Total liabilities	172,250	670	172,920
Noncurrent liabilities - Advances from other funds	217,857	-	217,857
<b>Net Position (Deficit)</b>			
Net investment in capital assets	-	4,253	4,253
Unrestricted	(210,972)	46,985	(163,987)
Total net position (deficit)	<b>\$ (210,972)</b>	<b>\$ 51,238</b>	<b>\$ (159,734)</b>

## Village of Franklin Park, Illinois

### Other Supplemental Information Combining Statement of Revenue, Expenses, and Changes in Net Position Nonmajor Enterprise Funds

Year Ended April 30, 2021

	<u>Garbage Fund</u>	<u>Commuter Parking Lot Fund</u>	<u>Total Nonmajor Enterprise Funds</u>
<b>Operating Revenue</b> - Other sales to customers	\$ 1,164,486	\$ 14,331	\$ 1,178,817
<b>Operating Expenses</b>			
Repairs and maintenance	63,833	17,637	81,470
Billing and administrative costs	-	2,326	2,326
Supplies and services	1,765,780	-	1,765,780
Depreciation	-	2,278	2,278
Total operating expenses	<u>1,829,613</u>	<u>22,241</u>	<u>1,851,854</u>
<b>Operating Loss</b>	(665,127)	(7,910)	(673,037)
<b>Nonoperating Revenue</b> - Investment income	-	110	110
<b>Transfers In</b>	<u>400,000</u>	<u>-</u>	<u>400,000</u>
<b>Change in Net Position</b>	(265,127)	(7,800)	(272,927)
<b>Net Position</b> - Beginning of year	<u>54,155</u>	<u>59,038</u>	<u>113,193</u>
<b>Net Position (Deficit)</b> - End of year	<u><u>\$ (210,972)</u></u>	<u><u>\$ 51,238</u></u>	<u><u>\$ (159,734)</u></u>

## Village of Franklin Park, Illinois

### Other Supplemental Information Combining Statement of Cash Flows Nonmajor Enterprise Funds

Year Ended April 30, 2021

	Garbage Fund	Commuter Parking Lot Fund	Total Nonmajor Enterprise Funds
<b>Cash Flows from Operating Activities</b>			
Receipts from customers	\$ 1,182,588	\$ 14,331	\$ 1,196,919
Payments to suppliers	(1,800,445)	(34,511)	(1,834,956)
Net cash and cash equivalents used in operating activities	(617,857)	(20,180)	(638,037)
<b>Cash Flows from Noncapital Financing Activities</b>			
Transfers from other funds	400,000	-	400,000
Loans received from other funds	217,857	-	217,857
Net cash and cash equivalents provided by noncapital financing activities	617,857	-	617,857
<b>Cash Flows Provided by Investing Activities - Interest received on investments</b>	-	110	110
<b>Net Decrease in Cash and Cash Equivalents</b>	-	(20,070)	(20,070)
<b>Cash and Cash Equivalents - Beginning of year</b>	-	67,725	67,725
<b>Cash and Cash Equivalents - End of year</b>	<u>\$ -</u>	<u>\$ 47,655</u>	<u>\$ 47,655</u>
<b>Classification of Cash and Cash Equivalents - Cash and investments</b>	<u>\$ -</u>	<u>\$ 47,655</u>	<u>\$ 47,655</u>
<b>Reconciliation of Operating Loss to Net Cash from Operating Activities</b>			
Operating loss	\$ (665,127)	\$ (7,910)	\$ (673,037)
Adjustments to reconcile operating loss to net cash from operating activities:			
Depreciation	-	2,278	2,278
Changes in assets and liabilities:			
Receivables	18,102	-	18,102
Accounts payable	29,168	(14,548)	14,620
Total adjustments	47,270	(12,270)	35,000
Net cash and cash equivalents used in operating activities	<u>\$ (617,857)</u>	<u>\$ (20,180)</u>	<u>\$ (638,037)</u>

## Village of Franklin Park, Illinois

### Other Supplemental Information Statement of Fiduciary Net Position Fiduciary Funds

April 30, 2021

	Pension Trust Funds		
	Police Pension Fund	Firefighters' Pension Fund	Total Pension Trust Funds
<b>Assets</b>			
Cash and investments	\$ 1,303,707	\$ 2,326,340	\$ 3,630,047
Investments:			
Certificates of deposit	-	2,234,426	2,234,426
U.S. government securities	5,026,432	3,798,524	8,824,956
Stocks	-	3,585,801	3,585,801
Bonds	5,266,351	5,139,180	10,405,531
Insurance contracts	2,010,370	3,406,538	5,416,908
Equity mutual funds	23,275,702	16,284,817	39,560,519
Receivables - Accrued interest receivable	56,253	42,547	98,800
Prepaid expenses	5,944	2,171	8,115
Total assets	36,944,759	36,820,344	73,765,103
<b>Liabilities - Accounts payable</b>	9,244	12,075	21,319
<b>Net Position Restricted for Pensions</b>	<b>\$ 36,935,515</b>	<b>\$ 36,808,269</b>	<b>\$ 73,743,784</b>

## Village of Franklin Park, Illinois

### Other Supplemental Information Statement of Changes in Fiduciary Net Position Fiduciary Funds

**Year Ended April 30, 2021**

	Pension Trust Funds		
	Police Pension Fund	Firefighters' Pension Fund	Total Pension Trust Funds
<b>Additions</b>			
Investment income (loss):			
Interest and dividends	\$ 744,721	\$ 478,884	\$ 1,223,605
Net increase in fair value of investments	7,831,470	7,082,775	14,914,245
Investment costs	(39,573)	(86,920)	(126,493)
Net investment income	8,536,618	7,474,739	16,011,357
Contributions:			
Employer contributions	3,013,432	2,924,475	5,937,907
Employee contributions	461,914	387,913	849,827
Total contributions	3,475,346	3,312,388	6,787,734
Total additions	12,011,964	10,787,127	22,799,091
<b>Deductions</b>			
Benefit payments	3,551,067	3,294,138	6,845,205
Administrative expenses	59,080	48,931	108,011
Total deductions	3,610,147	3,343,069	6,953,216
<b>Net Increase in Net Position</b>	8,401,817	7,444,058	15,845,875
<b>Net Position Restricted for Pensions - Beginning of year</b>	28,533,698	29,364,211	57,897,909
<b>Net Position Restricted for Pensions - End of year</b>	<b>\$ 36,935,515</b>	<b>\$ 36,808,269</b>	<b>\$ 73,743,784</b>

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## Statistical Section

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# Statistical Section

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

The statistical section is organized into the following main categories:

## Financial trends

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

## Revenue capacity

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

## Debt capacity

These schedules present information to help the reader assess the affordability of the Village's current level of outstanding debt and the Village's ability to issue additional debt in the future.

## Demographic and economic information

These schedules help the reader understand the environment within which the Village's financial activities take place.

## Operating information

These schedules contain service and infrastructure data to help the reader understand how the information in the Village's financial report relates to the services the Village provides and the activities it performs.

Net Position by Component

Last Ten Fiscal Years

April 30, 2021

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Governmental Activities:</b>										
Net investment in capital assets	\$ 11,757,677	\$ 17,508,955	\$ 14,868,344	\$ 13,388,031	\$ 18,662,293	\$ 5,666,521	\$ 12,343,036	\$ 12,658,461	\$ 15,064,868	\$ 16,446,342
Restricted	3,799,427	6,834,254	9,323,838	7,994,528	12,038,490	15,171,188	10,233,393	11,774,606	10,742,377	16,834,191
Unrestricted	<u>(6,909,672)</u>	<u>(13,619,431)</u>	<u>(15,782,479)</u>	<u>(19,038,997)</u>	<u>(83,050,292)</u>	<u>(79,823,060)</u>	<u>(83,889,438)</u>	<u>(91,010,646)</u>	<u>(98,378,129)</u>	<u>(102,738,836)</u>
Total net position	<u>\$ 8,647,432</u>	<u>\$ 10,723,778</u>	<u>\$ 8,409,703</u>	<u>\$ 2,343,562</u>	<u>\$ (52,349,509)</u>	<u>\$ (58,985,351)</u>	<u>\$ (61,313,009)</u>	<u>\$ (66,577,579)</u>	<u>\$ (72,570,884)</u>	<u>\$ (69,458,303)</u>
<b>Business Type Activities:</b>										
Net investment in capital assets	17,398,876	19,658,946	20,235,039	21,548,646	20,032,993	22,196,229	23,359,454	20,736,857	24,714,909	28,384,377
Unrestricted	<u>1,305,343</u>	<u>(2,322,891)</u>	<u>(4,519,411)</u>	<u>(3,959,270)</u>	<u>(2,943,234)</u>	<u>(4,914,578)</u>	<u>(3,434,493)</u>	<u>896,794</u>	<u>(1,089,115)</u>	<u>(2,161,132)</u>
Total net position	<u>\$ 18,704,219</u>	<u>\$ 17,336,055</u>	<u>\$ 15,715,628</u>	<u>\$ 17,589,376</u>	<u>\$ 17,089,759</u>	<u>\$ 17,281,651</u>	<u>\$ 19,924,961</u>	<u>\$ 21,633,651</u>	<u>\$ 23,625,794</u>	<u>\$ 26,223,245</u>
<b>Primary government in total:</b>										
Net investment in capital assets	\$ 29,156,553	\$ 37,167,901	\$ 35,103,383	\$ 34,936,677	\$ 38,695,286	\$ 27,862,750	\$ 35,702,490	\$ 33,395,318	\$ 39,779,777	\$ 44,830,719
Restricted	3,799,427	6,834,254	9,323,838	7,994,528	12,038,490	15,171,188	10,233,393	11,774,606	10,742,377	16,834,191
Unrestricted	<u>(5,604,329)</u>	<u>(15,942,322)</u>	<u>(20,301,890)</u>	<u>(22,998,267)</u>	<u>(85,993,526)</u>	<u>(84,737,638)</u>	<u>(87,323,931)</u>	<u>(90,113,852)</u>	<u>(99,467,244)</u>	<u>(104,899,968)</u>
Total net position	<u>\$ 27,351,651</u>	<u>\$ 28,059,833</u>	<u>\$ 24,125,331</u>	<u>\$ 19,932,938</u>	<u>\$ (35,259,750)</u>	<u>\$ (41,703,700)</u>	<u>\$ (41,388,048)</u>	<u>\$ (44,943,928)</u>	<u>\$ (48,945,090)</u>	<u>\$ (43,235,058)</u>

Source: Village records

Changes in Governmental Net Position

Last Ten Fiscal Years

April 30, 2021

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
GOVERNMENTAL ACTIVITIES										
Program revenues:										
Charges for services:										
General government	\$ 1,245,000	\$ 1,147,340	\$ 1,203,703	\$ 1,152,455	\$ 1,080,167	\$ 1,090,292	\$ 1,160,878	\$ 1,242,960	\$ 1,117,496	\$ 1,065,751
Public safety	1,685,651	1,549,883	1,560,086	1,567,639	1,579,121	2,095,634	1,708,811	1,511,459	1,482,039	1,971,449
Public health	-	-	-	-	-	-	-	-	-	-
Community development	21,520	48,000	41,966	43,646	68,876	151,426	246,752	138,893	42,600	26,543
Building department	744,387	1,387,839	1,757,858	974,311	1,793,971	1,926,846	2,156,435	3,374,411	1,335,548	1,133,472
Operating grants	643,744	660,914	177,986	273,191	523,197	125,230	195,494	188,945	199,807	588,186
Capital grants	399,659	608,470	848,722	402,383	2,341,212	3,425	6,804,041	1,259,515	2,073,810	1,145,339
General revenues:										
Property taxes	16,423,457	16,407,482	16,534,573	15,775,584	16,789,148	16,525,969	16,624,212	18,662,081	19,633,228	23,005,306
Gain on sale of fixed assets	81,129	-	-	-	-	711,294	15,281	196,261	21,360	-
Sales	1,822,068	1,812,946	1,864,656	3,533,108	3,526,606	3,545,638	2,884,676	3,672,502	3,758,148	4,366,774
Income	1,564,958	1,719,780	1,747,711	1,880,238	1,858,279	1,736,125	1,657,272	1,895,462	1,803,208	2,381,483
Utility	3,326,161	3,006,323	3,149,578	3,253,334	3,336,785	3,626,361	3,627,173	3,728,923	3,788,939	3,720,205
Replacement	683,801	723,740	758,485	391,709	561,371	515,324	431,194	734,599	804,116	712,028
Hotel/Motel	9,118	19,403	13,125	29,492	20,500	21,600	29,820	45,897	31,840	-
Motor fuel	456,903	436,647	452,602	449,295	468,938	464,677	468,097	465,376	676,518	656,396
Other taxes	318,338	201,847	423,312	503,250	503,250	496,499	536,493	598,781	858,512	967,336
Investment	11,550	10,640	13,060	4,026	10,236	11,934	36,746	68,930	69,915	19,202
Miscellaneous	749,602	787,443	660,651	1,149,835	1,245,586	1,268,014	1,178,225	943,658	897,247	779,454
Transfers	(10,687,072)	-	-	(1,797,200)	337,499	1,219,471	(1,637,450)	(1,983,250)	(1,629,625)	(893,875)
Total revenue	<u>19,499,974</u>	<u>30,528,697</u>	<u>31,208,074</u>	<u>29,586,296</u>	<u>36,044,742</u>	<u>35,535,759</u>	<u>38,124,150</u>	<u>36,745,403</u>	<u>36,964,706</u>	<u>41,645,049</u>
Expenses:										
General government	5,750,635	5,347,045	6,948,033	7,413,324	6,781,421	6,669,245	6,873,490	6,243,724	6,875,899	7,147,353
Public safety	15,890,927	15,349,819	16,068,460	16,575,860	19,363,330	20,150,692	20,771,281	22,414,463	25,951,009	22,994,584
Highway and street	3,925,578	4,014,364	5,440,731	5,989,498	6,496,078	7,264,894	6,976,892	5,857,118	5,543,742	4,931,975
Public health	296,695	315,110	311,396	261,028	305,170	308,466	287,574	296,347	278,573	257,536
Community development	1,174,033	797,279	1,056,993	979,425	1,181,574	751,113	1,240,528	1,297,220	2,129,384	1,416,277
Building department	1,324,691	955,867	743,800	637,096	706,794	754,907	996,216	853,913	846,272	553,480
Interest on long-term debt	1,705,253	1,672,867	1,926,590	2,221,206	1,478,077	1,981,317	1,668,377	1,427,540	1,333,132	1,231,263
Total expenses	<u>(30,067,812)</u>	<u>(28,452,351)</u>	<u>(32,496,003)</u>	<u>(34,077,437)</u>	<u>(36,312,444)</u>	<u>(37,880,634)</u>	<u>(38,814,358)</u>	<u>(38,390,325)</u>	<u>(42,958,011)</u>	<u>(38,532,468)</u>
(DECREASE) INCREASE IN NET POSITION	\$ <u>(10,567,838)</u>	\$ <u>2,076,346</u>	\$ <u>(1,287,929)</u>	\$ <u>(4,491,141)</u>	\$ <u>(267,702)</u>	\$ <u>(2,344,875)</u>	\$ <u>(690,208)</u>	\$ <u>(1,644,922)</u>	\$ <u>(5,993,305)</u>	\$ <u>3,112,581</u>

Source: Village records

# Village of Franklin Park, Illinois

## Changes in Business Type Net Position

Last Ten Fiscal Years

April 30, 2021

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>BUSINESS-TYPE ACTIVITIES</b>										
Program revenues:										
Operating grants	78,399	13,500	-	-	-	-	\$ -	\$ -	\$ -	\$ -
Capital grants	-	-	275,000	-	1,216,820	1,305,911	-	-	278,198	371,361
Water**	4,332,873	7,466,510	8,494,967	11,123,390	11,572,648	11,401,925	11,782,302	12,799,249	13,211,679	13,204,020
Sewer**	2,264,922	-	-	-	-	-	-	-	-	-
Garbage collection	1,309,180	1,166,731	1,163,533	1,074,891	1,163,229	1,247,583	1,217,502	1,176,300	1,140,862	1,164,486
Commuter parking lot	62,131	68,342	64,735	68,817	73,091	71,227	76,198	77,181	77,524	14,331
General revenues:										
Property taxes	-	-	162,455	128,174	-	-	-	-	-	-
Gain on sale of fixed assets	-	-	-	-	-	-	23,200	-	-	-
Unrestricted investment earnings	4,292	1,083	887	813	594	998	2,642	17,833	20,279	3,529
Transfers	10,687,072	-	-	1,797,200	(337,499)	(1,219,471)	1,637,450	1,983,250	1,629,625	893,875
Other	2,815	234,182	-	-	105,538	-	-	-	-	-
<b>Total revenue</b>	<b>18,741,684</b>	<b>8,950,348</b>	<b>10,161,577</b>	<b>14,193,285</b>	<b>13,794,421</b>	<b>12,808,173</b>	<b>14,739,294</b>	<b>16,053,813</b>	<b>16,358,167</b>	<b>15,651,602</b>
Expenses:										
Water <sup>(1)</sup>	5,183,861	8,617,185	10,055,096	12,028,106	12,612,949	11,001,938	12,014,582	12,448,077	12,431,705	11,236,758
Sewer <sup>(1)</sup>	2,495,388	-	-	-	-	-	-	-	-	-
Garbage collection	1,427,903	1,671,864	1,547,781	1,733,030	1,676,440	1,595,849	1,646,983	1,660,011	1,674,252	1,795,152
Commuter parking lot	17,958	29,463	56,028	133,401	53,407	18,494	71,869	36,481	260,067	22,241
<b>Total expenses</b>	<b>(9,125,110)</b>	<b>(10,318,512)</b>	<b>(11,658,905)</b>	<b>(13,894,537)</b>	<b>(14,342,796)</b>	<b>(12,616,281)</b>	<b>(13,733,434)</b>	<b>(14,144,569)</b>	<b>(14,366,024)</b>	<b>(13,054,151)</b>
<b>(DECREASE) INCREASE IN</b>										
<b>NET POSITION</b>	<b>\$ 9,616,574</b>	<b>\$ (1,368,164)</b>	<b>\$ (1,497,328)</b>	<b>\$ 298,748</b>	<b>\$ (548,375)</b>	<b>\$ 191,892</b>	<b>\$ 1,005,860</b>	<b>\$ 1,909,244</b>	<b>\$ 1,992,143</b>	<b>\$ 2,597,451</b>

(1) In FY 2013, the water and sewer funds were combined.

Source: Village records

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
TOTAL GOVERNMENTAL AND BUSINESS-TYPE ACTIVITIES										
Program revenues:										
Charges for services:										
General government	\$ 1,245,000	\$ 1,147,340	\$ 1,203,703	\$ 1,152,455	\$ 1,080,167	\$ 1,090,292	\$ 1,160,878	\$ 1,242,960	\$ 1,117,496	\$ 1,065,751
Public safety	1,685,651	1,549,883	1,560,086	1,567,639	1,579,121	2,095,634	1,708,811	1,511,459	1,482,039	1,971,449
Public health	-	-	-	-	-	-	-	-	-	-
Community development	21,520	48,000	41,966	43,646	68,876	151,426	246,752	138,893	42,600	26,543
Building department	744,387	1,387,839	1,757,858	974,311	1,793,971	1,926,846	2,156,435	3,374,411	1,335,548	1,133,472
Water <sup>(1)</sup>	4,332,873	-	-	-	-	-	-	-	-	-
Sewer <sup>(1)</sup>	2,264,922	-	-	-	-	-	-	-	-	-
Garbage collection	1,309,180	1,166,731	1,163,533	1,074,891	1,163,229	1,247,583	1,217,502	1,176,300	1,140,862	1,164,486
Commuter parking lot	62,131	68,342	64,735	68,817	73,091	71,227	76,198	77,181	77,524	14,331
Charges for services/water, sewer <sup>(1)</sup>	-	7,466,510	8,494,967	11,123,390	11,572,648	11,401,925	11,782,302	12,799,249	13,211,679	13,204,020
Operating grants	722,143	674,414	177,986	273,191	523,197	125,230	195,494	188,945	199,807	588,186
Capital grants	399,659	608,470	1,123,722	402,383	3,558,032	1,309,336	6,804,041	1,259,515	2,352,008	1,516,700
General revenues:										
Property taxes	16,423,457	16,407,482	16,697,028	15,903,758	16,789,148	16,525,969	16,624,212	18,662,081	19,633,228	23,005,306
Gain on sale of fixed assets	81,129	-	-	-	-	711,294	38,481	196,261	21,360	-
Sales	1,822,068	1,812,946	1,864,656	3,533,108	3,526,606	3,545,638	2,884,676	3,672,502	3,758,148	4,366,774
Income	1,564,958	1,719,780	1,747,711	1,880,238	1,858,279	1,736,125	1,657,272	1,895,462	1,803,208	2,381,483
Utility	3,326,161	3,006,323	3,149,578	3,253,334	3,336,785	3,626,361	3,627,173	3,728,923	3,788,939	3,720,205
Replacement	683,801	723,740	758,485	391,709	561,371	515,324	431,194	734,599	804,116	712,028
Hotel/Motel	9,118	19,403	13,125	29,492	20,500	21,600	29,820	45,897	31,840	-
Motor fuel	456,903	436,647	452,602	449,295	468,938	464,677	468,097	465,376	676,518	656,396
Other taxes	749,602	201,847	423,312	503,250	503,250	496,499	536,493	598,781	858,512	967,336
Investment	15,842	11,723	13,947	4,839	10,830	12,932	39,388	86,763	90,194	22,731
Miscellaneous	321,153	1,021,625	660,651	1,149,835	1,351,124	1,268,014	1,178,225	943,658	897,247	779,454
Total revenue	38,241,658	39,479,045	41,369,651	43,779,581	49,839,163	48,343,932	52,863,444	52,799,216	53,322,873	57,296,651

(1) In FY 2013, the water and sewer funds were combined.

Source: Village records

Village of Franklin Park, Illinois

Changes in Net Position (Continued)

Last Ten Fiscal Years

April 30, 2021

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
TOTAL GOVERNMENTAL AND BUSINESS-TYPE ACTIVITIES										
Expenses:										
General government	5,750,635	5,347,045	6,948,033	7,413,324	6,781,421	6,669,245	6,873,490	6,243,724	6,125,899	7,147,353
Public safety	15,890,927	15,349,819	16,068,460	16,575,860	19,363,330	20,150,692	20,771,281	22,414,463	25,951,009	22,994,584
Highway and street	3,925,578	4,014,364	5,440,731	5,989,498	6,496,078	7,264,894	6,976,892	5,857,118	5,543,742	4,931,975
Public health	296,695	315,110	311,396	261,028	305,170	308,466	287,574	296,347	278,573	257,536
Community development	1,174,033	797,279	1,056,993	979,425	1,181,574	751,113	1,240,528	1,297,220	2,129,384	1,416,277
Building department	1,324,691	955,867	743,800	637,096	706,794	754,907	996,216	853,913	846,272	553,480
Interest on long-term debt	1,705,253	1,672,867	1,926,590	2,221,206	1,478,077	1,981,317	1,668,377	1,427,540	1,333,132	1,231,263
Water <sup>(1)</sup>	5,183,861	8,617,185	10,055,096	12,028,106	12,612,949	11,001,938	12,014,582	12,448,077	12,431,705	11,236,758
Sewer <sup>(1)</sup>	2,495,388	-	-	-	-	-	-	-	-	-
Garbage collection	1,427,903	1,671,864	1,547,781	1,733,030	1,676,440	1,595,849	1,646,983	1,660,011	1,674,252	1,795,152
Commuter parking lot	17,958	29,463	56,028	133,401	53,407	18,494	71,869	36,481	260,067	22,241
Total expenses	<u>(39,192,922)</u>	<u>(38,770,863)</u>	<u>(44,154,908)</u>	<u>(47,971,974)</u>	<u>(50,655,240)</u>	<u>(50,496,915)</u>	<u>(52,547,792)</u>	<u>(52,534,894)</u>	<u>(56,574,035)</u>	<u>(51,586,619)</u>
(DECREASE) INCREASE IN NET POSITION	\$ <u>(951,264)</u>	\$ <u>708,182</u>	\$ <u>(2,785,257)</u>	\$ <u>(4,192,393)</u>	\$ <u>(816,077)</u>	\$ <u>(2,152,983)</u>	\$ <u>315,652</u>	\$ <u>264,322</u>	\$ <u>(3,251,162)</u>	\$ <u>5,710,032</u>
NET (EXPENSE) REVENUE										
Governmental activities	(10,567,838)	2,076,346	(1,287,929)	(4,491,141)	(267,702)	(2,344,875)	(690,208)	(1,644,922)	(5,993,305)	3,112,581
Business-type activities	<u>9,616,574</u>	<u>(1,368,164)</u>	<u>(1,497,328)</u>	<u>298,748</u>	<u>(548,375)</u>	<u>191,892</u>	<u>1,005,860</u>	<u>1,909,244</u>	<u>1,992,143</u>	<u>2,597,451</u>
TOTAL NET (EXPENSE) REVENUE	\$ <u>(951,264)</u>	\$ <u>708,182</u>	\$ <u>(2,785,257)</u>	\$ <u>(4,192,393)</u>	\$ <u>(816,077)</u>	\$ <u>(2,152,983)</u>	\$ <u>315,652</u>	\$ <u>264,322</u>	\$ <u>(4,001,162)</u>	\$ <u>5,710,032</u>

(1) In FY 2013, the water and sewer funds were combined.

Source: Village records

Village of Franklin Park, Illinois

Fund Balances, Governmental Funds

Last Ten Fiscal Years

April 30, 2021

	2012 <sup>(1)</sup>	2013	2014	2015	2016 <sup>(2)</sup>	2017	2018	2019	2020	2021
<b>GENERAL FUND</b>										
Nonspendable	\$ 496,818	\$ -	\$ 4,502,513	\$ 3,284,583	\$ 3,230,574	\$ 2,978,902	\$ 3,047,711	\$ 4,731,701	\$ 4,351,309	\$ 4,935,624
Restricted	-	-	-	942,117	1,139,897	1,788,115	1,103,151	1,624,660	1,970,613	2,778,084
Assigned	-	-	-	-	699,631	1,820,445	-	-	2,679,737	-
Reserved	-	-	-	-	-	-	-	-	-	-
Unreserved/Unassigned	<u>4,235,992</u>	<u>4,637,538</u>	<u>1,043,763</u>	<u>1,527,609</u>	<u>1,829,251</u>	<u>603,069</u>	<u>3,728,095</u>	<u>3,886,140</u>	<u>555,392</u>	<u>3,166,643</u>
<b>SUBTOTAL, GENERAL FUND</b>	<b>\$ 4,732,810</b>	<b>\$ 4,637,538</b>	<b>\$ 5,546,276</b>	<b>\$ 5,754,309</b>	<b>\$ 6,899,353</b>	<b>\$ 7,190,531</b>	<b>\$ 7,878,957</b>	<b>\$ 10,242,501</b>	<b>\$ 9,557,051</b>	<b>\$ 10,880,351</b>
Percentage change from prior year	57.2%	-2.0%	19.6%	3.8%	19.9%	4.2%	9.6%	30.0%	-6.7%	13.8%
<b>ALL OTHER GOVERNMENT FUNDS</b>										
Nonspendable	\$ -	\$ -	\$ 2,253,776	\$ 2,700,723	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	10,512,997	6,834,254	7,742,113	6,404,466	10,507,979	13,271,232	8,566,414	9,533,849	9,975,958	14,276,803
Assigned	157,179	-	-	-	-	-	-	-	-	-
Reserved	-	-	-	-	-	-	-	-	-	-
Unreserved, reported in:										
Working Cash Fund	-	-	-	-	-	-	-	-	-	-
Nonmajor governmental funds	-	-	-	-	-	-	-	-	-	-
Unassigned	<u>(3,494,223)</u>	<u>(6,387,511)</u>	<u>(6,370,840)</u>	<u>(7,900,854)</u>	<u>(7,294,319)</u>	<u>(6,931,885)</u>	<u>(5,309,423)</u>	<u>(4,255,640)</u>	<u>(3,783,577)</u>	<u>(3,646,798)</u>
<b>SUBTOTAL, ALL OTHER</b>										
<b>GOVERNMENTAL FUNDS</b>	<b>\$ 7,175,953</b>	<b>\$ 446,743</b>	<b>\$ 3,625,049</b>	<b>\$ 1,204,335</b>	<b>\$ 3,213,660</b>	<b>\$ 6,339,347</b>	<b>\$ 3,256,991</b>	<b>\$ 5,278,209</b>	<b>\$ 6,192,381</b>	<b>\$ 10,630,005</b>
Percentage change from prior year	-26.9%	-93.8%	711.4%	-66.8%	166.8%	97.3%	-48.6%	62.1%	17.3%	71.7%
<b>TOTAL GOVERNMENTAL FUNDS</b>	<b>\$ 11,908,763</b>	<b>\$ 5,084,281</b>	<b>\$ 9,171,325</b>	<b>\$ 6,958,644</b>	<b>\$ 10,113,013</b>	<b>\$ 13,529,878</b>	<b>\$ 11,135,948</b>	<b>\$ 15,520,710</b>	<b>\$ 15,749,432</b>	<b>\$ 21,510,356</b>
Percentage change from prior year	-7.1%	-57.3%	80.4%	-24.1%	45.3%	33.8%	-17.7%	39.4%	1.5%	36.6%

(1) In 2012, the Village implemented GASB 54, hence the difference in presentation.

(2) In 2016, the Village updated the treatment of long-term advances between nonspendable and the appropriate category.

Source: Village records

## Changes in Fund Balances, Governmental Funds

	<b>Last Ten Fiscal Years</b>									
	<b>April 30, 2021</b>									
	2012	2013	2014	2015 <sup>(1)</sup>	2016	2017	2018 <sup>(2)</sup>	2019	2020	2021
<b>REVENUE</b>										
Property taxes	\$ 16,423,457	\$ 16,407,482	\$ 16,534,573	\$ 15,775,584	\$ 16,789,148	\$ 16,525,969	\$ 16,624,212	\$ 18,662,081	\$ 19,633,228	\$ 23,005,306
Sales taxes	1,822,068	1,812,946	1,775,018	3,395,131	3,520,123	3,555,471	3,551,969	3,672,502	3,758,148	4,058,863
Income taxes	1,564,958	1,747,711	1,747,711	1,880,238	1,858,279	1,736,125	1,657,272	1,895,462	1,803,208	2,381,483
Utility taxes	3,326,161	3,006,323	3,149,578	3,253,334	3,324,013	3,626,361	3,627,173	3,728,923	3,788,939	4,028,116
Other taxes	1,474,570	1,540,321	1,639,556	1,388,434	1,581,849	1,510,137	1,595,746	1,850,920	2,375,861	2,939,869
Licenses, permits, and fees	1,520,581	2,146,680	2,541,873	1,731,576	2,555,694	2,806,391	1,750,840	1,661,172	1,309,956	1,224,488
Grant revenue	1,043,403	1,269,384	911,323	632,482	2,250,020	63,007	5,767,484	1,786,316	1,734,160	1,777,181
Other revenue	879,855	787,443	660,651	1,149,835	1,245,586	1,268,014	1,178,225	944,593	910,107	779,454
Fines and forfeitures	710,478	642,096	702,856	602,130	1,021,446	1,062,621	1,020,469	859,854	871,219	851,424
Investment income	11,550	10,640	13,060	4,026	10,236	11,934	36,746	68,930	69,915	19,202
Charges for services	1,465,499	1,344,286	1,434,269	1,447,437	1,293,248	1,460,834	2,673,046	3,817,072	1,912,618	2,355,674
<b>TOTAL REVENUE</b>	<b>30,242,580</b>	<b>30,715,312</b>	<b>31,110,468</b>	<b>31,260,207</b>	<b>35,449,642</b>	<b>33,626,864</b>	<b>39,483,182</b>	<b>38,947,825</b>	<b>38,167,359</b>	<b>43,421,060</b>
<b>EXPENDITURES</b>										
General government	7,354,957	5,842,913	6,271,192	6,701,850	6,341,680	6,116,993	6,359,163	5,835,820	5,902,914	6,047,374
Public safety	12,572,830	12,339,169	13,052,482	13,749,138	14,415,882	15,023,159	14,680,329	15,770,353	17,106,567	17,696,234
Highway and street	1,833,201	3,619,559	3,391,986	4,011,473	5,255,893	4,688,270	4,400,212	2,986,699	2,967,322	2,932,271
Public health	270,011	284,092	438,747	387,475	416,657	349,016	287,574	296,347	277,922	257,536
Community development	1,134,631	750,628	1,054,030	952,549	1,199,849	747,289	1,033,470	1,297,705	2,101,550	1,525,489
Building department	717,285	639,927	733,376	631,437	699,738	744,303	930,602	803,556	785,454	780,958
Debt service:										
Principal	580,000	680,000	862,847	1,115,194	1,345,820	1,411,114	1,802,772	1,667,500	1,724,500	1,835,250
Interest and other charges	1,473,778	1,733,573	1,926,850	2,236,761	1,752,387	1,991,278	2,114,780	2,094,031	2,035,632	1,801,231
Capital outlay	5,028,591	11,622,002	4,214,102	798,659	5,499,308	1,658,396	8,598,004	2,272,014	2,823,642	2,749,961
<b>TOTAL EXPENDITURES</b>	<b>(30,965,284)</b>	<b>(37,511,863)</b>	<b>(31,945,612)</b>	<b>(30,584,536)</b>	<b>(36,927,214)</b>	<b>(32,729,818)</b>	<b>(40,206,906)</b>	<b>(33,024,025)</b>	<b>(35,725,503)</b>	<b>(35,626,304)</b>
<b>EXCESS (DEFICIENCY) OF</b>										
REVENUE OVER EXPENDITURES	\$ (722,704)	\$ (6,796,551)	\$ (835,144)	\$ 675,671	\$ (1,477,572)	\$ 897,046	\$ (723,724)	\$ 5,923,800	\$ 2,441,856	\$ 7,794,756

(1) The discrepancy between ending FY 2014 fund balance and beginning FY 2015 fund balance is due to a prior period adjustment.

(2) The discrepancy between ending FY 2017 fund balance and beginning FY 2018 fund balance is due to a prior period adjustment.

Source: Village records

Changes in Fund Balances, Governmental Funds

(Continued)

Last Ten Fiscal Years

April 30, 2021

	2012	2013	2014	2015 <sup>(1)</sup>	2016	2017	2018 <sup>(2)</sup>	2019	2020	2021
OTHER FINANCING SOURCES (USES)										
Bond proceeds	\$ 9,975,000	\$ -	\$ -	\$ 9,475,000	\$ 4,294,442	\$ 9,010,769	\$ 3,835,000	\$ -	\$ -	\$ -
Bond premium	504,324	-	162,188	507,323	-	881,021	163,948	-	-	-
Bond issuance costs	(482,352)	-	-	-	-	-	-	-	-	-
Payment to bond refunding escrow agent	-	-	-	(9,580,000)	-	(9,302,736)	(4,185,000)	-	-	-
Proceeds from capital lease	414,856	-	-	81,525	-	-	938,145	-	-	-
Proceeds from debt issue	-	-	4,760,000	-	-	-	-	-	157,991	-
Proceeds from sale of fixed assets	81,129	-	-	-	-	711,294	17,399	175,500	8,500	-
Transfers in	4,820,372	2,209,053	2,390,609	1,108,376	1,529,327	2,496,695	4,282,785	1,867,307	1,885,864	1,766,075
Transfers out	(15,507,444)	(2,209,053)	(2,390,609)	(2,905,576)	(1,191,828)	(1,277,224)	(5,920,235)	(3,850,557)	(4,265,489)	(3,799,907)
Transfers of assets held for resale	-	-	-	-	-	-	835,202	268,712	-	-
Total other financing sources (uses)	<u>(194,115)</u>	<u>-</u>	<u>4,922,188</u>	<u>(1,313,352)</u>	<u>4,631,941</u>	<u>2,519,819</u>	<u>(32,756)</u>	<u>(1,539,038)</u>	<u>(2,213,134)</u>	<u>(2,033,832)</u>
NET CHANGES IN FUND BALANCES	(916,819)	(6,796,551)	4,087,044	(637,681)	3,154,369	3,416,865	(756,480)	4,384,762	228,722	5,760,924
FUND BALANCES, BEGINNING OF YEAR	<u>12,825,582</u>	<u>11,908,763</u>	<u>5,112,212</u>	<u>7,596,325</u>	<u>6,958,644</u>	<u>10,113,013</u>	<u>11,892,428</u>	<u>11,135,948</u>	<u>15,520,710</u>	<u>15,749,432</u>
FUND BALANCES, END OF YEAR	<u>\$ 11,908,763</u>	<u>\$ 5,112,212</u>	<u>\$ 9,199,256</u>	<u>\$ 6,958,644</u>	<u>\$ 10,113,013</u>	<u>\$ 13,529,878</u>	<u>\$ 11,135,948</u>	<u>\$ 15,520,710</u>	<u>\$ 15,749,432</u>	<u>\$ 21,510,356</u>
CAPITAL EXPENDITURES	\$ (5,028,591)	\$ (11,622,002)	\$ (4,214,102)	\$ (798,659)	\$ (5,499,308)	\$ (1,658,396)	\$ (7,949,261)	\$ (1,325,672)	\$ (2,189,933)	\$ (1,657,001)
RATIO OF TOTAL DEBT SERVICE EXPENDITURES TO NONCAPITAL EXPENDITURES										
	7.92%	9.32%	10.06%	11.25%	9.86%	10.95%	12.14%	11.87%	11.21%	10.71%

(1) The discrepancy between ending FY 2014 fund balance and beginning FY 2015 fund balance is due to a prior period adjustment.

(2) The discrepancy between ending FY 2017 fund balance and beginning FY 2018 fund balance is due to a prior period adjustment.

Source: Village records

## Village of Franklin Park, Illinois

# Assessed Value and Actual Value of Taxable Property

Last Ten Calendar (Tax) Years

<u>Tax Year</u>	<u>Residential Property</u>	<u>Commercial Property</u>	<u>Industrial Property</u>	<u>Railroad Property</u>	<u>Total Taxable AV</u>	<u>Tax Rate</u>	<u>Estimated Actual Value</u>	<u>Annual Pct Change</u>
2011	277,073,007	69,949,873	392,761,273	12,156,276	751,940,429	1.929%	2,255,821,287	-10.8%
2012	252,904,351	63,586,726	364,046,541	11,619,958	692,157,576	2.134%	2,076,472,728	-8.0%
2013	203,744,556	57,678,100	338,349,141	11,367,184	611,138,981	2.392%	1,833,416,943	-11.7%
2014	207,907,076	70,309,015	329,610,860	12,524,400	620,351,351	2.457%	1,861,054,053	1.5%
2015	201,761,915	66,412,589	309,925,712	15,655,405	593,755,621	2.483%	1,781,266,863	-4.3%
2016	240,028,064	73,805,744	335,457,335	16,191,132	665,482,275	2.235%	1,996,446,825	12.1%
2017	232,261,283	77,951,556	348,204,019	16,723,657	675,140,515	2.284%	2,025,421,545	1.5%
2018	226,055,247	75,299,579	338,053,914	16,968,632	656,377,372	2.413%	1,969,132,116	-2.8%
2020	245,056,135	87,153,148	478,922,588	17,329,757	828,461,628	2.003%	2,485,384,884	26.2%
2021	238,765,806	103,463,399	537,690,755	17,717,237	897,637,197	1.946%	2,692,911,591	8.35%

Source: Cook County Clerk's Office

**Village of Franklin Park, Illinois**

**Representative Property Tax Rates  
All Direct and Overlapping Governments  
Last Ten Calendar (Tax) Years**

Tax Levy Year	<u>2011<sup>(1)</sup></u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Village Direct Rate										
Corporate	0.4375	0.4196	0.4375	0.3997	0.4146	0.3536	0.3563	0.3623	0.2957	0.2811
Bond & Interest	0.4358	0.5222	0.5568	0.5387	0.5117	0.4553	0.4392	0.4524	0.3569	0.3299
Garbage	-	-	-	-	-	-	-	-	-	-
Police Pension	0.1788	0.2094	0.2821	0.2786	0.3223	0.2910	0.3439	0.3831	0.3461	0.3328
Fire Pension	0.1687	0.2008	0.2749	0.2786	0.2931	0.2647	0.2709	0.3263	0.2930	0.3098
Fire Pension(2)	-	-	-	-	0.0260	0.0234	0.0239	0.0253	-	-
IMRF	-	-	0.0276	-	-	-	-	-	-	-
Street & Bridge	0.1000	0.0967	0.1000	0.0819	0.0850	0.0767	0.0772	0.0785	0.0641	0.0609
Fire Protection	0.3176	0.3424	0.2700	0.3997	0.4147	0.3849	0.3860	0.3925	0.3232	0.3156
Police Protection	0.2902	0.3424	0.3489	0.3997	0.4147	0.3849	0.3860	0.3925	0.3232	0.3156
Civil Defense	-	-	-	-	-	-	-	-	-	-
Social Security	-	-	-	-	-	-	-	-	-	-
Auditing	-	-	0.0064	-	-	-	-	-	-	-
Liability Insurance	-	-	0.0257	-	-	-	-	-	-	-
Street Lighting	-	-	0.0119	-	-	-	-	-	-	-
Crossing Guards	-	-	-	-	-	-	-	-	-	-
Water and Sewage	-	-	0.0500	-	-	-	-	-	-	-
Working Cash	-	-	-	-	-	-	-	-	-	-
CBOE Medicare	-	-	-	-	-	-	-	-	-	-
<b>Total Direct Rate</b>	<b>1.9286</b>	<b>2.1335</b>	<b>2.3918</b>	<b>2.3769</b>	<b>2.4823</b>	<b>2.2345</b>	<b>2.2834</b>	<b>2.4129</b>	<b>2.0022</b>	<b>1.9457</b>

## Village of Franklin Park, Illinois

# Representative Property Tax Rates All Direct and Overlapping Governments (Continued)

Tax Levy Year	Last Ten Calendar (Tax) Years									
	<u>2011<sup>(1)</sup></u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Overlapping Rates										
Consolidated Elections	0.0250	-	0.0310	-	0.0340	-	0.0310		0.0300	
Cook County Forest Preserve District	0.0580	0.0630	0.0690	0.0690	0.0690	0.0630	0.0620	0.0600	0.0590	0.0580
County of Cook	0.4620	0.5310	0.5600	0.5680	0.5520	0.5330	0.4960	0.4890	0.4540	0.4530
Suburban Cook County TB Sanitarium District	-	-	-	-						
Leyden Township Road & Bridge	0.1300	0.1470	0.1720	0.1750	0.1830	0.1630	0.1660	0.1760	0.1530	0.1560
Leyden Township General Assistance	0.0040	0.0050	0.0060	0.0060	0.0070	0.0070	0.0080	0.0090	0.0080	0.0090
Leyden Township	0.0930	0.1050	0.1240	0.1270	0.1330	0.1190	0.1220	0.1290	0.1130	0.1150
Triton Community College District 504	0.2670	0.2690	0.3250	0.3360	0.3520	0.3300	0.3060	0.3240	0.3060	0.2820
Community High School District 212	2.5090	2.8300	3.2640	3.3190	3.4710	3.1150	3.1540	3.0150	2.8650	2.8890
School District 84	4.3430	4.5860	4.9610	5.6270	5.9490	5.3180	5.4680	5.8800	4.6930	4.6310
Metropolitan Water Reclamation District	0.3200	0.3700	0.4170	0.4300	0.4260	0.4060	0.4020	0.3960	0.3890	0.3780
Franklin Park Public Library	0.2130	0.2380	0.2750	0.2760	0.2920	0.2640	0.2750	0.2920	0.2490	0.2230
<u>Franklin Park Park District</u>	<u>0.4990</u>	<u>0.5620</u>	<u>0.6410</u>	<u>0.6400</u>	<u>0.6820</u>	<u>0.6330</u>	<u>0.6490</u>	<u>0.6790</u>	<u>0.5600</u>	<u>0.5510</u>
Total Overlapping Rate	8.9230	9.7060	10.8450	11.5730	12.1500	10.9510	11.1390	11.4490	9.8790	9.7450
Total Direct and Overlapping Tax Rates	10.8516	11.8395	13.2368	13.9499	14.6323	13.1855	13.4224	13.8619	11.8812	11.6907

(1) Separate supplementary levy, authorized by P.A. 93-0689

Principal Taxpayers

Calendar (Tax) Years 2020

Tax Year 2010

<u>Taxpayer</u>	<u>Business/Service</u>	<u>Equalized Assessed Valuation</u>	<u>% of EAV</u>
Albertons Prop Tax	Real Estate Investments	6,912,780	0.92%
Center Point Properties	Real Estate Investments	6,446,321	0.86%
GRE Belmont LLC	Real Estate Investments	3,504,733	0.47%
United States Tobacco	Tobacco	3,256,115	0.43%
Realty Associates Fund	Real Estate Investments	2,418,713	0.32%
Nestle USA	Candy and Confectionary	2,256,909	0.30%
Sloan Valve	Flush Valve Manufacturer	2,190,963	0.29%
AM Castle	Cold Finishing & Metal Shops	1,973,492	0.26%
Life Fitness	Fitness Equipment	1,950,105	0.26%
Entropy Consortium LLC	Real Estate Investments	1,381,010	0.18%
		<u>\$ 32,291,141</u>	<u>4.29%</u>

Tax Year 2020

<u>Taxpayer</u>	<u>Business/Service</u>	<u>Equalized Assessed Valuation</u>	<u>% of EAV</u>
C0 Prologis	Industrial	18,792,237	2.14%
Morgan Stanley	Industrial	18,549,798	2.11%
New Albertsons	Grovery	18,075,464	2.06%
CV II Illinois	Industrial	17,811,203	2.03%
Digital Grand	Industrial	16,233,603	1.85%
PPF Ind Franklin Park	Industrial	12,627,012	1.44%
WPT Belmont	Industrial	11,386,980	1.30%
CP Logistics County LLC	Industrial	9,039,600	1.03%
Entropy Consortium LLC	Industrial	8,416,296	0.96%
Lowell Family	Industrial	7,943,598	0.90%
		<u>\$ 138,875,791</u>	<u>15.82%</u>

(1) Includes property parcels with 2020 equalized assessed valuations over approximately \$100,000.  
Includes property parcels with 2010 equalized assessed valuations over approximately \$300,000.

(2) Uses the Village's 2020 Equalized Assessed Valuation of \$877,813,832  
Uses the Village's 2010 Equalized Assessed Valuation of \$752,206,746

Data Source: Office of the Cook County Clerk & Bond Offering Statements

## Village of Franklin Park, Illinois

# Property Tax Levies and Collections

Last Ten Fiscal Years

<u>Tax Levy Years</u>	<u>Extended Tax Levy</u>	<u>Amount Collected</u>	<u>Percent of Levy</u>
2010	14,341,551	13,631,416	95.05%
2011	14,502,714	13,754,605	94.84%
2012	14,766,598	14,105,780	95.52%
2013	14,617,714	13,851,658	94.76%
2014	14,745,097	14,056,205	95.33%
2015	14,737,748	14,044,611	95.30%
2016	14,869,879	14,542,434	97.80%
2017	15,420,209	15,030,781	97.47%
2018	15,838,386	15,378,480	97.10%
2019	16,594,086	16,032,463	96.62%

Source: Cook County Clerk's Office and Cook County Treasurer's Office

## Village of Franklin Park, Illinois

## Sales Tax Receipt Analysis by Sector

Last Ten Calendar Years

Municipal Sales Tax	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014<sup>(1)</sup></u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
General Merchandise	\$ 38,661	\$ 24,617	\$ 49,077	\$ 69,819	\$ 89,545	\$ 86,948	83,029	\$ 79,205	\$ 69,092	\$ 47,977
Food	270,598	260,534	237,992	309,935	459,615	434,410	493,935	565,074	602,521	414,649
Drinking and Eating Places	164,454	165,456	172,241	276,663	416,578	449,516	470,957	515,749	545,906	287,640
Apparel	7,168	7,094	4,561	52,097	79,876	73,629	67,611	69,078	64,192	29,783
Furniture & H.H. & Radio	286,661	249,462	53,412	193,141	12,432	23,253	63,552	58,350	43,506	14,437
Lumber, Bldg, Hardware	119,609	133,967	641,694	513,618	(868,949)	527,227	495,882	514,521	507,567	185,314
Automotive & Filling Stations	286,720	141,359	341,974	495,760	689,154	548,430	615,415	664,850	619,113	283,338
Drugs & Misc. Retail	63,067	317,291	(55,817)	522,029	1,897,745	522,542	476,867	474,417	476,310	384,845
Agriculture & All Others	426,697	325,327	264,421	350,094	505,280	523,217	464,559	474,503	536,881	324,066
<u>Manufacturers</u>	<u>164,793</u>	<u>199,581</u>	<u>(50,627)</u>	<u>270,764</u>	<u>332,234</u>	<u>307,303</u>	<u>331,215</u>	<u>304,976</u>	<u>338,305</u>	<u>188,463</u>
	\$ 1,828,428	\$ 1,824,688	\$ 1,658,928	\$ 3,053,920	\$ 3,613,510	\$ 3,496,475	\$ 3,563,023	\$ 3,720,723	3,803,394	\$ 2,160,513

(1) The significantly higher levels of sales tax revenue is principally due to the Village's imposition of a one percent non-home rule sales tax during FY15, which generated \$1.2 million during FY15.

Source: Illinois Department of Revenue

## Village of Franklin Park, Illinois

### Direct and Overlapping Sales Tax Rates

**Last Ten Fiscal Years**

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Direct										
Village of Franklin Park	0.00%	0.00%	0.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Overlapping										
State of Illinois	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%
Cook County Home Rule	1.00%	1.00%	0.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%
<u>Regional Transportation Authority</u>	<u>1.00%</u>	<u>1.00%</u>	<u>1.00%</u>	<u>1.25%</u>	<u>1.25%</u>	<u>1.00%</u>	<u>1.00%</u>	<u>1.00%</u>	<u>1.00%</u>	<u>1.00%</u>
	8.25%	8.25%	8.00%	10.25%	10.25%	10.00%	10.00%	10.00%	10.00%	10.00%

Source: Cook County Treasurer and Regional Transportation Authority

Village of Franklin Park, Illinois

Ratios of Total Debt to Equalized Assessed Valuation and  
Personal Income and Total Debt Per Capita

Last Ten Fiscal Years

Fiscal Year	Estimated Population	Equalized Assessed Valuation (EAV)	Governmental General Obligation Bonded Debt <sup>(1)</sup>	Business-Type General Obligation Bonded Debt <sup>(1)</sup>	Ratio of Total Bonded Debt to EAV	Business-Type Illinois EPA Loans	Capital Financing Loans	Governmental Leases Payable	Total Debt	Ratio of Total Debt to EAV	Total Personal Income	Ratio of Bonded Debt to Personal Income	Ratio of Total Debt to Personal Income	Total Debt Per Capita
2012	18,333	751,940,429	36,650,000	14,515,000	6.8%	4,815,398	-	1,230,217	57,210,615	7.6%	376,468,155	9.7%	15.2%	3,120.64
2013	18,333	692,157,576	38,970,000	13,430,000	7.6%	3,944,037	-	697,699	57,041,736	8.2%	376,468,155	10.4%	15.2%	3,111.42
2014	18,333	611,138,981	40,070,000	21,035,000	10.0%	3,046,670	-	493,635	64,645,305	10.6%	429,774,286	9.3%	15.0%	3,526.17
2015	18,333	620,351,351	39,989,185	20,602,710	9.8%	2,218,098	-	359,966	63,169,959	10.2%	440,554,952	9.1%	14.3%	3,445.70
2016	18,333	593,755,621	38,639,015	26,184,508	10.9%	1,462,350	4,768,442	242,776	71,297,091	12.0%	441,018,648	8.8%	16.2%	3,889.00
2017	18,333	665,482,275	37,482,758	27,538,517	9.8%	841,290	5,152,047	160,668	71,175,280	10.7%	455,410,053	8.2%	15.6%	3,882.36
2018	18,333	656,377,372	35,598,545	25,888,870	9.4%	485,387	4,858,560	1,029,117	67,860,479	10.3%	455,410,053	7.8%	14.9%	3,701.55
2019	18,333	656,377,372	33,792,756	29,144,590	9.6%	245,857	4,566,877	847,586	68,597,666	10.5%	455,410,053	7.4%	15.1%	3,741.76
2020	18,333	828,461,628	31,929,967	27,187,585	7.1%	-	4,187,814	716,206	64,021,572	7.7%	455,410,053	7.0%	14.1%	3,492.15
2021	18,333	877,813,832	29,956,428	25,076,324	6.3%	835,555	3,723,401	702,793	60,294,501	6.9%	455,410,053	6.6%	13.2%	3,288.85

(1) Net of amortizing premiums and discounts beginning in 2015

Source: Village records

Schedule of Bonded Debt Retirement

April 30, 2021

<u>Fiscal Year</u>	<u>Amortization</u>	Percent Retired	
		<u>Annually</u>	<u>Cumulatively</u>
2022	4,070,000	7.66%	7.66%
2023	4,210,000	7.92%	15.57%
2024	3,320,000	6.24%	21.82%
2025	3,210,000	6.04%	27.86%
2026	3,075,000	5.78%	33.64%
2027	3,175,000	5.97%	39.61%
2028	3,370,000	6.34%	45.95%
2029	3,520,000	6.62%	52.57%
2030	3,680,000	6.92%	59.49%
2031	3,850,000	7.24%	66.74%
2032	3,170,000	5.96%	72.70%
2033	3,310,000	6.23%	78.92%
2034	3,015,000	5.67%	84.60%
2035	3,115,000	5.86%	90.45%
2036	1,610,000	3.03%	93.48%
2037	1,695,000	3.19%	96.67%
2038	<u>1,770,000</u>	<u>3.33%</u>	<u>100.00%</u>
	53,165,000	100.00%	

Source: Village records

## Village of Franklin Park, Illinois

# Schedule of Direct and Overlapping Debt

April 30, 2021

<u>Government</u>	<u>Debt</u>	Percentage Applicable to the Village of <u>Franklin Park</u>	Village of Franklin Park <u>Share of Debt</u>
<b>Direct Debt</b>			
Village of Franklin Park Leases Payable	\$ 702,793	100.00%	\$ 702,793
Village of Franklin Park Loans Payable	3,436,902	100.00%	3,436,902
Village of Franklin Park General Obligation	<u>29,956,428</u>	<u>100.00%</u>	<u>29,956,428</u>
<b>Total Direct Debt</b>	<b>\$ 34,096,123</b>		<b>\$ 34,096,123</b>
<b>Overlapping Debt:</b>			
Cook County	2,596,351,750	0.487%	12,644,233
Cook County Forest Preserve	85,505,000	0.487%	416,409
Metropolitan Water Reclamation District	2,563,828,340	0.496%	12,716,589
Leyden Township Fire Protection District	1,419,900	20.422%	289,972
Northlake Public Library District	2,630,000	1.557%	40,949
Bensenville Park District	846,260	3.001%	25,396
Park District of Franklin Park	1,076,675	99.766%	1,074,156
Veterans Park District	0	14.070%	0
School District 81	51,530,000	8.421%	4,339,341
School District 83	32,080,000	35.243%	11,305,954
School District 84	12,126,037	94.628%	11,474,626
School District 84 1/2	5,255,000	5.552%	291,758
High School District 212	24,400,000	31.419%	7,666,236
Community College District #504	<u>0</u>	<u>8.557%</u>	<u>0</u>
<b>Total Overlapping Debt</b>	<b>5,377,048,962</b>		<b>62,285,619</b>
<b>Total Direct and Overlapping Debt</b>	<b>\$ 5,411,145,085</b>		<b>\$ 96,381,742</b>

Overlapping debt was calculated by determining the percentage of each overlapping government's EAV located within the Village's boundaries versus the total EAV for each government (excluding railroad valuation and incremental TIF valuation), then applying that percentage to the debt outstanding.

(1) Cook County determines the degree of overlap on the basis of equalized assessed valuation (EAV)

(2) Excludes Principal of outstanding General Obligation Bonds and Debt Certificates which are expected to be paid from sources other than general taxation.

Source: Cook County Clerk's Office

## Village of Franklin Park, Illinois

## Debt Limit

April 30, 2021

Tax Year 2020 Equalized Assessed Valuation (including TIF districts)	\$	944,049,808
Debt limit percentage		8.625%
Current debt limit		<u>81,424,296</u>
Outstanding debt:		
G.O. Alternate Revenue Bonds of 2011	\$	6,805,000
G.O. Alternate Revenue Bonds of 2014A		2,325,000
G.O. Alternate Revenue Bonds of 2014B		1,460,000
G.O. Alternate Revenue Bonds of 2015A		6,140,000
G.O. Limited Tax Debt Certificates, Series 2013		11,770,000
G.O. Limited Tax Debt Certificates, Series 2015		6,855,000
G.O. Limited Tax Debt Certificates, Series 2016		2,545,000
G.O. Alternate Revenue Bonds, Series 2016A		8,570,000
G.O. Alternate Revenue Bonds, Series 2018		1,715,000
G.O. Alternate Revenue Bonds, Series 2018A		4,980,000
Unamortized bond premiums		2,172,291
Unamortized bond discounts		<u>(304,539)</u>
Total direct debt		55,032,752
Less debt not subject to debt limit*		<u>(11,745,000)</u>
Debt subject to debt limit		43,287,752
<b>Debt Margin</b>	<b>\$</b>	<b><u>38,136,544</u></b>

*\*Pursuant to the provisions of the Debt Reform Act, alternate revenue bonds do not count against the statutory 8.625 percent of EAV limit unless the government fails to abate the associated property tax levies. The Series 2014B, 2016A, and 2018 are such bonds.*

Demographic Statistics

Last Ten Calendar Years

Calendar Year	Estimated Population <sup>(1)</sup>	Estimated Per Capita Income <sup>(2)</sup>	School Enrollment <sup>(3)</sup>	Annual Average Unemployment Rate <sup>(4)</sup>	Estimated Median Household Income <sup>(2)</sup>	Estimated Median Age <sup>(2)</sup>	Estimated College Graduate % <sup>(2)</sup>
2011	18,333	20,535	3,173	13.7%	54,437	35.6	12.8%
2012	18,333	22,983	3,246	12.1%	56,098	35.6	14.6%
2013	18,333	22,983	3,556	10.2%	56,098	36.8	12.0%
2014	18,333	23,938	3,251	7.3%	54,063	38.1	12.2%
2015	18,333	24,056	3,390	5.1%	56,985	38.2	15.9%
2016	18,333	24,841	3,362	5.0%	55,926	35.6	13.8%
2017	18,333	26,245	4,300	4.4%	57,288	39.4	18.3%
2018	18,808	26,077	4,253	3.3%	60,019	N.A	18.8%
2019	18,138	26,513	4,305	3.7%	62,861	39.1	19.4%
2020	18,467	26,547	4,402	9.4%	63,971	39.1	18.2%

(1) Based on census data

(2) Based on American FactFinder data for 2000 and American Community Survey five-year estimates for 2008-2012 transitioned from data end points of 2000 and 2009; 2012-2016 Community Survey 5-year Estimates

(3) Source: Illinois School Districts 81, 83, 84, 84 1/2 and 212

(4) Source: Illinois Department of Employment Security

## Village of Franklin Park, Illinois

### Major Employers Located Within Village Limits

Employer	Type of Business or Property	2020 Largest Employers		2010 Largest Employers	
		Approximate Number Employed	Data Source	Approximate Number Employed	Data Source
The Hill Group	Plumbing & Fixtures Equipment Manufacturing	837	(1)	900	(2)
Canadian Pacific Railway	Railroad yard	800	(1)	800	(2)
Sloan Valve Company	Commercial Restroom Products	760	(1)	750	(2)
Ferraro USA	Candy and Confectionery	750	(1)	750	(2)
Koch Foods	Poultry Processor	500	(1)		
Life Fitness, Inc.	Fitness Equipment Manufacturer	450	(1)	450	(2)
DB Schenker	Global Logistics	409	(1)		
United Parcel Services	Package Delivery Services	300	(1)	600	(2)
Moss Inc	Custom Large Format Fabric Décor	250	(1)		
Transcedia	Plastic Extrusions	250	(1)	550	(2)
Fresh Express Corporation	Produce Processing			557	(2)
Bretford, Inc	Office Furniture			500	(2)
DHL Global	International Freight Consolidation			450	(2)

2020 Sources:

(1) Official Statement of the Village that lists as its source, *The Village*

2010 Source:

Official Statement of the Village that lists as its source, *The Village*

Operating Information and Indicators

Last Ten Calendar Years

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<b>FIRE PROTECTION</b>										
Fire responses	115	109	74	96	92	89	84	91	83	102
Rescue/emergency responses	1,630	1,620	1,271	1,647	1,859	1,624	1,708	1,679	1,603	1,652
Other incidents	1,422	1,350	1,119	1,456	1,255	1,533	1,584	1,971	1,886	1,814
Injuries/fatalities	9	1	-	1	2	4	10	2	9	10
Mutual aid given	180	274	235	306	277	306	466	137	129	138
Mutual aid received	309	189	71	101	88	87	118	72	56	32
<b>POLICE PROTECTION</b>										
Parking violations	6,440	5,541	3,371	8,541	6,282	7,504	5,461	6,728	6,404	5,731
Traffic citations	2,287	1,679	4,677	3,839	1,575	3,236	2,587	2,007	2,044	1,449
Arrests <sup>(1)</sup>	696	939	1,195	703	674	689	636	530	517	730
<b>MUNICIPAL WATER &amp; SEWER SYSTEM</b>										
Water/Sewer Customers, Residential	4,709	4,709	4,630	4,709	4,646	4,664	4,664	4,698	4,663	4,671
Water/Sewer Customers, Commercial/Industrial	1,112	1,112	1,216	1,220	1,214	1,233	1,233	1,237	1,250	1,249
Metered Fire Line Customers	184	184	171	184	186	186	186	184	188	188
Annual Water Main Breaks	52	47	90	60	31	59	71	92	76	62
Potable Water Pumped, Millions of Gallons	946.0	931.6	1,134.1	1,154.7	1,008.7	959.9	994.2	643.8	885.3	917.0

Source: Village records

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<b>FIRE PROTECTION</b>										
Number of stations	3	3	3	3	3	3	3	3	3	3
Fire fighting vehicles	5	5	5	4	4	4	5	5	6	6
Ambulances	2	2	3	3	3	3	3	3	3	3
<b>POLICE PROTECTION</b>										
Number of stations	1	1	1	1	1	1	1	1	1	1
Vehicles	24	19	17	19	21	22	24	24	23	23
<b>PUBLIC WORKS</b>										
Streets, miles	75.0	75.0	75.0	75.0	75.0	75.0	75.0	75.0	75.0	75.0
Alleys, miles	18.9	18.9	19.2	19.2	19.2	19.2	19.2	19.2	19.2	19.2
Vehicles	28	27	35	41	105	23	23	23	24	24
<b>MUNICIPAL WATER SYSTEM</b>										
Sanitary sewer pipe, miles	35.5	35.5	34.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0
CSO/storm sewer pipe, miles	65.5	65.5	66.0	66.0	66.0	66.0	66.0	66.0	66.0	85.0
Water mains, miles	86.0	86.0	86.0	86.0	86.0	86.0	86.0	86.0	86.0	83.2
Pump stations	3	3	3	3	3	3	3	3	3	3
Water storage tanks	7	7	7	7	7	7	7	7	7	7
Water storage capacity, millions of gallons	15.7	15.7	15.7	15.7	15.7	15.7	15.7	15.7	15.7	15.7
Sanitary/storm lift stations	9	9	6	6	6	6	6	6	6	9
Number of fire hydrants	876	881	872	872	891	891	891	891	891	986
Vehicles	10	10	12	16	18	16	16	16	16	15
Other major equipment	17	18	18	10	12	8	8	8	8	7

Source: Village records

## Village of Franklin Park, Illinois

### Full-Time Equivalent Employees

Last Ten Calendar Years

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
FIRE PROTECTION										
Sworn personnel	38	40	39	42	43	43	42	43	43	40
Civilian personnel	0.5	-	-	-	-	-	-	-	-	-
POLICE PROTECTION										
Sworn personnel	43	46	39	45	47	46	45	48	49	45
Civilian personnel	22.0	27.0	27.0	26.0	24.0	24.0	22.0	17.0	16.0	20.0
PUBLIC WORKS										
Supervisory personnel	3	3	4	4	4	4	4	4	4	4
Non-supervisory personnel	9.0	8.0	8.0	8.0	12.5	11.0	15.0	15.0	14.0	13.0
MUNICIPAL WATER SYSTEM										
Supervisory personnel	3	3	2	2	2	2	2	2	3	2
Non-supervisory personnel	6.0	5.0	7.0	7.0	13.5	12.0	10.0	10.0	9.0	10.0

Source: Village records

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of  
Financial Statements Performed in Accordance with *Government Auditing Standards*

**Independent Auditor's Report**

To Management, the Honorable President,  
and Members of the Board of Trustees  
Village of Franklin Park, Illinois

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Village of Franklin Park, Illinois (the "Village") as of and for the year ended April 30, 2021 and the related notes to the financial statements, which collectively comprise the Village's basic financial statements and have issued our report thereon dated October 18, 2022. Our report includes a reference to other auditors who audited the financial statements of the Police Pension Fund and the Firefighters' Pension Fund, as described in our report on the Village of Franklin Park, Illinois' financial statements. The financial statements of the Police Pension Fund and the Firefighters' Pension Fund were not audited in accordance with *Government Auditing Standards*, and, accordingly, this report does not include reporting on internal control over financial reporting or on instances of reportable noncompliance associated with the Police Pension Fund and the Firefighters' Pension Fund.

**Internal Control Over Financial Reporting**

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies, and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings as Finding 2021-001, that we consider to be a material weakness.

**Compliance and Other Matters**

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

To Management, the Honorable President,  
and Members of the Board of Trustees  
Village of Franklin Park, Illinois

### **The Village's Response to the Finding**

The Village's response to the finding identified in our audit is described in the accompanying schedule of findings. The Village's response was not subjected to the other auditing procedures applied in the audit of the financial statements, and, accordingly, we express no opinion on it.

### **Purpose of This Report**

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

*Plante & Moran, PLLC*

October 18, 2022

Section I - Financial Statement Audit Findings

Reference Number	Finding
2021-001	<p><b>Finding Type</b> - Material weakness</p> <p><b>Criteria</b> - The Village should have proper segregation between the general informational technology (IT) and general ledger (GL) applications.</p> <p><b>Condition</b> - The segregation of duties surrounding the IT system and GL application is not sufficient to mitigate risks.</p> <p><b>Context</b> - During the testing of the IT controls over financial applications, it was noted that the assistant comptroller has administrative rights allowing them to create new users, make user changes, and post journal entries.</p> <p><b>Cause</b> - Appropriate segregation of duties is not established surrounding financial applications and the IT system.</p> <p><b>Effect</b> - There is a risk that a fictitious user could be creating journal entries or that changes could be made to another user's profile to allow someone other than that user to post journal entries.</p> <p><b>Recommendation</b> - We recommend management review the current IT system access rights to identify where key controls can be improved upon and properly segregated.</p> <p><b>Views of Responsible Officials and Planned Corrective Actions</b> - The Village concurs with the finding and will examine current IT access rights to determine if any changes are necessary.</p>