Village of Ford Heights, Illinois
Annual Financial Report
For the Year Ended April 30, 2024

LEGACY SHORE GROUP PLLC
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CHICAGO, ILLINOIS 60615

VILLAGE OF FORD HEIGHTS, ILLINOIS
TABLE OF CONTENTS
APRIL 30, 2024

VILLAGE OF FORD HEIGHTS, ILLINOIS
TABLE OF CONTENTS
APRIL 30, 2024

Legacy Shore Group, LLC

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Village of Ford Heights, Illinois

Opinions

We have audited the accompanying financial statements of the governmental activities, and business-type activities, each major fund, and the aggregate remaining fund information of the Village of Ford Heights, Illinois (the Village) as of and for the year ended April 30, 2024, and the related notes to the financial statements, which collectively comprise of the Village's basic financial statements as listed in the table of contents.

Summary of Opinions

Opinion Unit	Type of Opinion
Governmental Fund	Adverse
Business-type Activities	Disclaimer
Motor Fuel Tax Fund	Disclaimer
Road and Bridge Fund	Disclaimer

Adverse Opinion on Governmental Fund

In our opinion, because of the significance of the matter discussed in the Basis for Adverse, Qualified, and Unmodified Opinions section of our report, the financial statements referred to above do not present fairly the financial position of the Governmental Activities of the Village of Ford Heights, Illinois, as of April 30, 2024, or the changes in financial position or cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America

Basis for Adverse, Qualified, and Unmodified Opinions

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

Matter Giving Rise to Adverse Opinion on Governmental Fund and Qualified Opinion on Business-type Activities

Management has not included the Governmental Fund in the Village of Ford Heights, Illinois's financial statements. Accounting principles generally accepted in the United States of America require the Governmental Activities to be presented as a major fund, thus increasing that activity's assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues, and expenses, and changing its net position. The amount by which this departure would affect the assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position, revenues, and expenses of the business-type activities and the omitted major fund has not been determined.

Specifically,' The Annual Tax Levy was Not Booked, prior end adjustments were not posted, Write off of Disposed Police Vehicles and Equipment was not posted There were no reciprocal journal entries for Interfund transfers. Monthly bank reconciliations were not performed

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Basis for Disclaimer of Opinion

Disclaimer of Opinion on the Motor Fuel Fund, Road and Bridge Fund and Water and Sewer Fund

We do not express an opinion on the financial statements of the Motor Fuel Fund, Road and Bridge Fund and Water and Sewer Fund of the Village of Ford Heights, Illinois in the Basis for Disclaimer of Opinion on the Aggregate Discretely Presented Component Units section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial statements of the aggregate discretely presented component units.

Basis for Disclaimer of Opinion on the Motor Fuel Tax Fund, Road and Bridge Fund and the Water and Sewer Fund

Road and Bridge recorded only $1,600 of transactions for the year ended April 30, 2024
Water and Sewer Fund recorded no monthly Accounts Receivable revenue from the billing module for the year ended April 30, 2024.

As a result, we did not have sufficient information to express an opinion on these funds

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for Motor Fuel Tax recorded no transactions for the year ended April 30, 2024.

In performing an audit in accordance with generally accepted auditing standards, we:

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

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village's ability to continue as a going concern for a reasonable period.

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

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

Other Reporting Required by *Government Auditing Standards*
In accordance with *Government Auditing Standards*, we have also issued our report dated August 20, 2025, on our consideration of the Village's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and 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's 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's internal control over financial reporting and compliance.

Supplementary Information
In accordance with *Government Auditing Standards*, we have also issued our report dated April 24. 2026, on our consideration of the Village of Ford Heights, Illinois's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and 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's 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's internal control over financial reporting and compliance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise of the Village of Ford Heights' basic financial statements. The combining and individual fund financial statements presented on pages 33-34are presented for the purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements of to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. Due to not obtaining sufficient appropriate audit evidence, we were unable to apply certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America. As such, we do not express an opinion or provide any assurance on the information

Legacy Shore Group, PLLC

Legacy Shore Group, PLLC
Chicago, Illinois
April 24, 2026

Legacy Shore Group, LLC

INDEPENDENT AUDITOR'S 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*

To the Board of Trustees
Village of Ford Heights, Illinois

We have audited, in accordance with the 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, each major fund and the aggregate remaining fund information of the Village of Ford Heights, Illinois (the Village), as of and for the year ended April 30, 2024, and the related notes to financial statements, which collectively comprise the Village's basic financial statements and have issued our report thereon dated April 24, 2026.

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) to determine the 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 identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2024-1, through 2024-6 that we consider to be material weaknesses.

During our audit we identified the following material weaknesses in internal control over financial reporting:

2024-1 ***Condition*****: Financial Statements Material Misstatements**: The financial statements of the Village were not GAAP or GAGAS compliant. The financial statements were both incomplete and incorrect. These departures caused material misstatements in Accounts Receivable, Fixed Asset valuation Interfund Balances and both Revenue and Expense. GASB requires financial statements to be presented fairly in accordance with Generally Accepted Accounting Principles (GAAP). Incomplete or incorrect statements breach core GASB principles such as accurate measurement, proper valuation of assets, and recognition of revenues/expenses (e.g., **GASB Statement No. 34** and **GASB Statement No. 63**).

2024-2 Condition: Cash Reconciliation Issues: GASB Standards Impact: GASB requires accurate reporting of cash and cash equivalents, along with proper reconciliation to ensure financial integrity. Failure to reconcile cash balances can result in misstated financial positions, violating GASB's standards for transparency and accountability (e.g., **GASB Statement No. 34**). The Village's cash balance did not reconcile with the General Ledger, resulting in significant discrepancies.

2024-3 Condition: Interfund Balances:

- **GASB Standards Impact:** GASB standards emphasize the proper classification and reporting of interfund balances and transactions. Unsubstantiated or outdated entries undermine the accuracy of financial statements, conflicting with **GASB Statement No. 54**, which requires clear fund balance classifications and proper documentation

2024-4 Condition: Payroll: The Village payroll recorded in the General Ledger does not agree to the amounts reported on the payroll tax returns (941's) This results in improper classification in the various funds and misallocations based on various operating functions.

2024-5 Condition: Accounts Payable: Accounts Payable were not properly reconciled to the books and records. GASB requires the reconciliation of Accounts Payable and failure to do so can result in misstated financial position.

2024-6 Condition: Accounts Receivable: Accounts Receivable for the Water Fund and Taxes Receivable were not properly reconciled to the books and records. GASB requires the reconciliation of Accounts Receivable and failure to do so can result in misstated financial position.

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 determination of financial statement amounts. 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*

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.

Legacy Shore Group, PLLC
Legacy Shore Group, PLLC
Chicago, Illinois
April 24, 2026

As management of the Village of Ford Heights, Illinois (the "Village"), we offer readers of the financial statements of the Village this narrative overview and analysis of the financial activities of the Village, for the fiscal year ended April 30, 2024. The discussion and analysis of the Village's financial performance provide an overall review of the Village's financial activities for the year ended April 30, 2024. The management of the Village encourages readers to consider the information presented herein in conjunction with the basic financial statements to enhance their understanding of the Village's financial performance. Certain comparative information between the current year and the prior year is required to be presented in the management's discussion and analysis as is included in this year's narrative. All amounts, unless otherwise indicated, are expressed in millions of dollars.

Financial Summary

- The total assets of the Village as reported in the Statement of Net Position exceeded its liabilities at the close of the most recent fiscal year by **$5.2 million**. Total net position increased by **$249,510** during the year.
- As of the close of the most recent fiscal year, the Village's governmental funds reported combined ending fund of **$2.4 million**. Of this sum, **$4.2 million** the fund balance for the General Fund,

Overview of the Financial Statements

The discussion and analysis are intended to serve as an introduction to the Village's basic financial statements. The basic financial statements are comprised of four components:

- Government-wide financial statements
- Proprietary financial statements.
- Notes to the basic financial statements
- Required Supplementary Information
- Combining and Individual Fund Financial Statement

This report also contains other supplementary information in addition to the basic financial statements.

Notes to the Basic Financial Statements

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the Government-Wide and Fund Financial Statements. The notes to the financial statements can be found on pages 19-30 of this report.

Infrastructure Assets

Historically, a government's largest group of assets (infrastructure — buildings, other structures, etc.) had not been reported or depreciated in governmental financial statements. The Village implemented GASB 34 in fiscal year 2004 and since then reports infrastructure assets within the Governmental column of the Government-Wide Statements. Additionally, the government must select either to (1) depreciate these assets over their estimated useful lives or (2) develop a system of asset management designed to maintain the service delivery potential to near perpetuity. If the government develops the asset management system (the modified approach) which periodically (at least every third year), by category, measures and demonstrates its maintenance of locally established levels of service standards, the government may record its cost of maintenance in lieu of depreciation. The Village has chosen not to depreciate assets over their useful lives.

Government — Wide Financial Analysis

Condensed Statement of Net Position (in millions):

		Governmental Activities
		2024
Current Assets	$	.4
Capital Assets		3.8
Total Assets		4.2
Noncurrent Liabilities		-
Total Liabilities		.06
Inv. in Capital Assets, Net of Debt		2.4
Restricted		1.8
Unrestricted		
Prior Period Adjustment		
Total Net Position		4.2
Total Liabilities and Net Position	$	4.2

The following table reflects the Condensed Statement of Activities:

Change in Net Position

		Governmental Activities
		2024
Revenues:		
Program Revenues:	$	1.1
Other Taxes		
Grants		
Total Revenues		**1.1**
Expenses:		
General Government		
Total Expenses		1.6
Change in Net Position	$	(.5)

Revenues

The Village's governmental activities had revenues of $ 3.9 million in fiscal year 2024. Included in this sum are the following:

Source		Amount	Percent of Total
Utility Tax	$		
Grants		-0-	
Total Revenues	$		

Expenses

The total cost of all programs and services for Governmental activities was $.3 million. Village expenses are predominantly related to four functions: General Government, Building/Code Enforcement, Public Safety and Streets and Sanitation.

Governmental Activities Expenses (in millions)

General Government	$	1.1
Total Expenses	$	2.1

Financial Analysis of the Village's Governmental Funds

The Village uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

Government Funds: 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.

The Village major funds include the General Fund, Roads and Bridge Fund, Motor Fuel Tax Fund, and TIF Fund.

At the end of the current fiscal year, the Village's governmental funds reported a combined (major and non-major) ending fund of **$5.2 million**.

General Fund Budgetary Highlights

In compliance with reporting standards, both the original and final amended budget (which are equal) is presented in the financial statements. The difference in actual revenues from projected total revenues equaled approximately $ 07 million over budget in the General Fund for the year ended April 30, 2024. The actual General Fund expenditures for fiscal year 2022 were under budget by approximately $**.03** million.

Capital Asset and Debt Administration

Capital Assets

At the end of fiscal year 2024, the Village had total capital assets (net of accumulated depreciation) **of $3.8** million, invested in a broad range of capital assets including buildings, equipment, and furniture. More detailed information about the Village's capital assets is presented in Note 6 of the financial statements.

Capital Assets (net of depreciation)
(in millions of dollars)

	Governmental Activities
	2024
Governmental Activities	$ 3.8
Business-Type Activities	1.0
Total	$ 4.8

Request for Information

This financial report is designed to provide the Village citizens, taxpayers, and creditors with a general overview of the Village's finances and to demonstrate the Village's accountability for the money it receives. If you have questions about this report, or need additional financial information, contact the Village's Treasurer Office at 1343 Ellis Ave, Ford Heights, Illinois 60411.

VILLAGE OF FORD HEIGHTS ILLINOIS
GOVERNMENT -WIDE FINANCIAL STATEMENTS
STATEMENT OF NET POSITION
April 30, 2024

	Governmental Activities	Business - Type Activities	Total
Assets			
Current Assets			
Cash and Cash Equivalents	$ 231,220	$ 23,028	$ 254,248
Undeposited funds	$ 175,185		175,185
Accounts Receivable	$ (2,877)		(2,877)
Interfund Balances			-
Total Current Assets	403,528	23,028	426,556
Noncurrent Assets			
Capital Assets, net	3,853,518	973,553	4,827,071
Total Noncurrent Assets	3,853,518	973,553	4,827,071
Prepaid Expenses			
Prepaid Insurance			-
Total Assets	$ 4,257,046	$ 996,581	$ 5,253,627
Liabilities, Deferred Inflows of Resources and Net Position			
Current Liabilities			
Accounts Payable	$ 38,831	$ 617,775	$ 656,606
Payroll Taxes	(32,756)	32,756	-
Other Liabilities			-
Interfund Balances			-
Notes Payable - Current			-
Total Current Liabilities	6,075	650,531	656,606
Noncurrent Liabilities			
Notes Payable - Noncurrent	33,177	2,177,299	2,210,476
Repayment Agreement			-
Total Noncurrent Liabilities	33,177	2,177,299	2,210,476
Total Liabilities	39,252	2,827,830	2,867,082
Net Position			
Invested in Capital Assets, Net of Related Debt	2,386,545		2,386,545
Restricted			
Unrestricted	1,831,249	(1,831,249)	-
Prior Period Adjustment			
Total Net Position	4,217,794	(1,831,249)	2,386,545
Total Liabilities, Deferred Inflow of Resources and Net Position	$ 4,257,046	$ 996,581	$ 5,253,627

The accompanying notes are an integral part of these financial statements

VILLAGE OF FORD HEIGHTS, ILLINOIS
STATEMENT OF ACTIVITIES
For the Year Ended April 30, 2024

		Program Revenues			Net (Expense) Revenue and Changes in Net Position - Primary Government		
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Primary Government							
Governmental Activities:							
General Government	$ 1,603,161	$ -	$ -	$ -	$ (1,603,161)	$ -	$ (1,603,161)
Total Government Activities	1,603,161	-	-	-	(1,603,161)	-	(1,603,161)
Water	514,600	689,073				174,473	
Sewer	19,162	51,944				32,783	
Total Business-Type Activities	533,762	741,017				207,256	
Total Primary Government	$ 2,136,923	$ 741,017			$ (1,603,161)	$ 207,456	$ (1,395,705)
General Revenues							
Taxes:							
State of Illinois					212,719	-	212,719
Head Tax					40,974	-	40,974
Grants					418,540	-	418,540
Licenses/Fees					235,653	-	235,653
Permits					143,912	-	143,912
Miscellaneous					17,883		17,883
Total General Revenues					1,069,681	-	1,069,681
							-
Increase (Decrease) in Net Position					(533,480)	207,456	(326,024)
Prior Period					(438)		(438)
Net Position April 30, 2023					4,790,964	(1,624,648)	3,166,316
car disposals							
change in fund balance							
Net Position April 30, 2024					$ 4,257,046	$ (1,417,192)	$ 2,839,854

The accompanying notes are an integral part of these financial statements

VILLAGE OF FORD HEIGHTS, ILLINOIS
GOVERNMENTAL FUNDS
BALANCE SHEET
For the Year Ended April 30, 2024

	General	Road and Bridge	Nonmajor Governmental Funds	Total
Assets and Deferred Outflows of Resources				
Current Assets				
Cash and Cash Equivalents	$ 229,112	$ 21,195	$ 3,941	$ 254,248
Due fom Other funds				
Undeposited Funds	175,185			175,185
Accounts Receivable	(2,877)			(2,877)
Total Assets	401,420	21,195	3,941	426,556
Deferred Outflows of Resources				
Total Assets and Deferred Outflows of Resources	$ 401,420	$ 21,195	$ 3,941	$ 426,556
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities				
Current Liabilities				
Accounts Payable	$ 38,831			$ 38,831
Payroll Taxes				
Other Liabilities				
Interfund Payables	(127,211)			(127,211)
Notes Payable				
Total Liabilities	(88,380)	21,195	3,941	(63,244)
Deferred Inflows of Resources				
Total Liabilities and Deferred Inflows of Resources				
Fund Balances				
Restricted				
Unrestricted	489,800		3,941	493,741
Total Fund Balances				
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 401,420	$ 21,195	$ 3,941	$ 426,556

The accompanying notes are an integral part of these financial statements

VILLAGE OF FORD HEIGHTS, ILLINOIS
RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
For the Year Ended April 30, 2024

Total Fund Balances - Governmental Funds	
Amounts Reported for Governmental Activities in the Statement of Net Position Are Different Because:	
Capital Assets used in Governmental Activities Are Not Financial Resources and Therefore Are Not Reported as Assets in the Governmental Funds.	
Capital Assets, net	
Other Adjustments to Reconcile	-
Long Term Liabilities are not included in the Governmental Funds because they are not current economic resources:	
Notes Payable - Noncurrent	(33,177)
Total Net Position - Governmental Activities	$ -

The accompanying notes are an integral part of these financial statements

VILLAGE OF FORD HEIGHTS, ILLINOIS
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
For the Year Ended April 30, 2024

	General Fund	Road and Bridge Fund	Other Nonmajor Governmenta l Funds	Total
Revenues				
State of Illinois- Income Tax	302,363			302,363
Real Estate Tax	171,961			
Motor Fuel Tax	40,578			
Local Fees/Fines	143,912	1,705		145,617
License/ Permits	235,653			235,653
State Sales Tax	129,260			
Miscellaneous/Other Income	44,069			44,069
Total Revenues	1,067,796	1,705		1,069,501
Expenditures				
Current				
General Government	1,603,161			1,603,161
Total Expenditures	1,603,161	1,705		1,604,866
Excess/(Deficiency) of Revenues over Expenditures	(535,185)	1,705		(533,480)
Other Financing Sources/(Uses)				
Transfers In	-	-	-	-
Transfers Out	-	-		-
Total Other Financing Sources/(Uses)	-	-	-	-
Increase/(Decrease) In Fund Balances	(535,185)	1,705	-	(533,480)
Fund Balance (Deficit) – April 30, 2023	$ 4,751,274		-	4,751,274
Fund Balance (Deficit) – April 30, 2024	$ 4,216,089	1,705	$ -	$ 4,217,794

VILLAGE OF FORD HEIGHTS, ILLINOIS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Year Ended April 30, 2024

Increase in Fund Balances - Government Funds	$ (533,480)
Amounts Reported for Governmental Activities in the Statement of Activities Are Different Because:	
Other Financing Uses Includes Transfer from the General Fund to the Fire Pension Trust Fund	-
Increase In Net Position - Statement of Activities	$ (533,480)

The accompanying notes are an integral part of these financial statements

VILLAGE OF FORD HEIGHTS
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
For the Year Ended April 30,2024

	Business - Type Activities - Water Fund	Business - Type Activities - Sewer Fund	Total
Assets and Deferred Outflow of Resources			
Current Assets			
Cash and Cash Equivalents	$ 22	$ 23,006	$ 23,028
Fixed Assets	970,253	3,300	973,553
Total Assets	970,275	26,306	996,581
Deferred outflow of resources			
Total Assets and Deferred Outflows of Resources	$ 970,275	$ 26,306	$ 996,581
Liabilities and Deferred Inflows of Resources			
Current Liabilities			
Accounts Payable	$ 617,775		$ 617,775
Customer Deposits	32,756		32,756
Total Current Liabilities	650,531		650,531
Noncurrent Liabilities			
Notes Payable	2,177,299		2,177,299
Total Non-current liabilities	2,177,299		2,177,299
Total Liabilities	2,728,830		2,728,830
Deferred Inflows of Resources			
Total Liabilities and Deferred Inflows of Resources	2,728,830		2,728,830
Net Position			
Unrestricted-Adjusted	(1,831,249)	26,306	(1,804,943)
Total Net Position			
Total Liabilities and Net Position	$ 897,581	$ 26,306	$ 996,581

The accompanying notes are an integral part of these financial statements

VILLAGE OF FORD HEIGHTS, ILLINOIS
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
For the Year Ended April 30, 2024

	Business - Type Activities		
	Water Fund	Sewer Fund	Total
Operating Revenues			
Charges for Services	689,073	51,944	741,017
Other Revenues			
Total Operating Revenues	689,073	51,944	741,017
Operating Expenses			
Salaries/Payroll	27,321		27,321
Professional/Legal Services	25,913	1,828	27,741
Utilities & Water Purchases	304,225		304,225
Office, Operating and Maintenance Supplies	43,229	17,333	60,562
Miscellaneous	10,712		10,712
Interest Expense	103,200		103,200
Total Operating Expenses	514,600	19,161	533,761
Operating Income	174,473	32,783	207,256
Net Increase/(Decrease) In Net Position	174,473	32,783	207,256
Net Position as of April 30, 2023-Adjusted	795,802	(6,477)	789,325
Net Position as of April 30, 2024	$ 970,275	$ 26,306	$ 996,581

The accompanying notes are an integral part of these financial statements

VILLAGE OF FORD HEIGHTS, ILLINOIS
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
For the Year Ended April 30, 2024

	Business - Type Activities		
	Water Fund	Sewer Fund	Total
Cash Flow From Operating Activities			
Receipt From Customers			
Payments to Suppliers	$ (80,373)		(80,373)
Payment Adjustments	(21,192)	21,847	655
Net Cash Provided By Operating Activities	(101,565)	21,847	(79,718)
Cash Flows From Noncapital Investing Activities			
Fixed Asset Adjustments			
Net Cash Provided By Investing Activities			
Cash Flows From Capital Financing Activities			
Principal Paid on Bond	(500)		(500)
Net Cash Used By Financing Activities	(102,065)	21,847	(80,218)
Cash as of April 30, 2023	$ 102,087	1,159	103,246
Cash as of April 30, 2024	$ 22	$ 23,006	$ 23,028

Reconciliation of Operating Income to Net Cash Provided by Operating Activities			
Operating Income			
Adjustments to Reconcile Operating Income to Net Cash Provided By/(Used In) Operating Activities			
Depreciation Expense			
Changes in Assets and Liabilities			
Receivables			
Due To Other Funds			
Net Cash Provided By Operating Activities			

1. Organization Description

The Village of Ford Heights, Illinois (The Village) was incorporated in January, 1948 under the provision of the Illinois Revised Statutes, as amended. The Village is governed by an elected Village mayor and six members Village Board of Trustees. The Village provides general governmental services as well as water facilities and services, streets and sanitation services, recreational services, for the residents of the Village.

2. Summary of Significant Accounting Policies

Basis of Presentation

The government-wide financial statements are prepared in accordance with accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is responsible for establishing accounting principles generally accepted in the United States of America for state and local governments through its pronouncements (Statements and Interpretations). The more significant of the Village's accounting policies established in accounting principles generally accepted in the United States of America and used by the Village are described below.

Financial Reporting Entity-

The Village has adopted the provision of GASB Statement No. 14, The Financial Reporting Entity (as amended by GASB Statement No. 61, The Financial Reporting Omnibus - an Amendment of GASB Statements No. 14 , under which these financial statements include all organizations, activities, functions, funds and component units for which the Village is financially accountable. Component units are legally separate organizations for which the primary government is financially accountable or other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading. The primary government is financially accountable if (1) it appoints a voting majority of the organization's governing body and it is able to impose its will on that organization, (2) it appoints a voting majority of the organization's governing body and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government, (3) the organization is fiscally dependent on and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. Certain legally separate, tax exempt organizations should also be reported as a component unit if all of the following criteria are met: (1) the economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents; (2) the primary government or its component units, is entitled to, or has the ability to access, a majority of the economic resources received or held by the separate organization; and (3) the economic resources received or held by an individual organization that the primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to the primary government. Pursuant to this criterion, no component units were identified for inclusion in the accompanying financial statements. Also, the Village is not included as a component unit in any other governmental reporting entity, as defined by GASB pronouncements.

In accordance with GASB Statement No. 20, "Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that Use Proprietary Fund Accounting," the Village applies all GASB pronouncements and all Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins issued on or before November 30, 1989, unless they conflict with GASB pronouncements.

Government-Wide Financial Statements

The Village's basic financial statements include both government-wide (reporting the Village as a whole) and fund financial statements (reporting the Village's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The Village's general administrative services, building code enforcement, streets and sanitation, road and bridge, motor fuel tax, tax increment financing, community development public improvements, economic development, and parks and recreation and are classified as governmental activities. The Village's water and sewer services are classified as business-type activities.

In the government-wide Statement of Net Position, both the governmental and business-type activities columns are: (a) presented on a consolidated basis by column, and (b) reported on a full accrual, economic resource basis, which recognizes all long-term assets/deferred outflows and receivables as well as long-term debt/deferred inflows and obligations.

The Village's net position is reported in three (3) parts: net investment in capital assets; restricted; and unrestricted. The Village first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the Village's functions and business-type activities (general government, public safety, public works, streets and improvements, water and sewer, etc.). The functions are supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges for services, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, which include 1) changes to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

The net costs (by function or business-type activity) are normally covered by general revenue (property, sales and use taxes, certain intergovernmental revenues, permits and charges for services, etc.).

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

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

Governmental Funds

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the Village:

General Fund – The General Fund is the general operating fund of the Village. It is used to account for all financial resources except those required to be accounted for in another fund. The General Fund is a major fund.

Special Revenue Funds – Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Village maintains six nonmajor special revenue funds.

Proprietary Funds

The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position, and cash flows. The accounting principles generally accepted in the United States of America applicable are those similar to businesses in the private sector. The following is a description of the proprietary funds of the Village:

Enterprise Funds – Enterprise funds are required to account for operations for which a fee is charged to external users for goods or services and the activity is (a) financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges, or (c) establishes fees and charges based on a pricing policy designed to recover similar costs. The Village maintains two enterprise funds. The Water Fund is used to account for the provision of water services to residents of the Village. All activities necessary to provide these such services are accounted for in this fund. The Sewer Fund is used to account for the provision of sanitary sewer waste collection and transmission services to residents of the Village. All activities necessary to provide such services are accounted for in this fund.

Measurement Focus

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

In the government-wide Statement of Net Position and the Statement of Activities, both governmental and business-like activities are presented using the economic resources measurement focus and the accrual basis of accounting. In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus, is used as appropriate:

a. All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

b. All proprietary funds utilize an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent, financial, or nonfinancial) associated with their activities are reported. Proprietary fund equity is classified as net position.

Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, both governmental and business-type activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability/deferred inflow is incurred, or economic asset used. Revenues, expenses, gains, losses, assets/deferred outflows, and liabilities/deferred inflows resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when "measurable and available." Measurable means knowing or being able to reasonably estimate the amount. Available

Basis of Accounting continued

means collectible within the current period or within sixty (60) days after year-end. The Village recognizes property taxes when they become both measurable and available in accordance with GASB Codification Section P70.

A sixty (60) day availability period is used for revenue recognition for all other governmental fund revenues. Income tax will exceed the sixty (60) day recognition period due to the State of Illinois and the long delay with releasing these funds. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are recognized when due.

In applying the susceptible to accrual concept under the modified accrual basis, those revenues susceptible to accrual are property taxes, sales and use taxes, franchise taxes, licenses, interest revenue, and charges for services. All other revenues are not susceptible to accrual because generally they are not measurable until received in cash. All proprietary and fiduciary funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred, or economic asset used. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues 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 revenues of the Village's enterprise funds are charges to customers for sales and services. The Village also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system.

Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Budgets

The Village adopts its budget in accordance with the accrual basis of accounting. Annual appropriated budgets are adopted for all funds. All annual appropriations lapse at fiscal year-end.

Encumbrances

Encumbrance accounting is not used by the Village.

Cash and Cash Equivalents

For purposes of the Statement of Cash Flows for proprietary funds, the Village considers all highly liquid investments with maturities of three (3) months or less when purchased to be cash equivalents, excluding amounts invested with the Illinois Treasurer's Illinois Funds.

Investments

State statutes authorize the Village to invest in obligations of the U. S. Treasury, certain highly rated commercial paper, corporate bonds, repurchase agreements, and the State Treasurer's Investment Pool.

Receivables

In the government-wide financial statements, receivables consist of all revenues earned at year end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivables balances for governmental activities include property taxes, sales and use taxes, and utility taxes. Business-type activities report utility charges as their major receivables.

Interfund Activity

Interfund activity is reported as either loans, services provided, reimbursements or transfers. On fund financial statements, receivables and payables resulting from short-term interfund loans or interfund services provided and used are classified as "Due to/Due from". Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers which are reported as other financing sources/uses in governmental funds and after nonoperating revenues/ expenses in enterprise funds. Interfund balances within governmental activities and within business-type activities are eliminated on the government-wide statement of net position. The only interfund balances which remain on the government-wide statement of net position are those between governmental and business-type activities. These amounts are reflected as "Internal Balances".

Capital Assets

Capital assets purchased or acquired with an original cost of $5,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. General capital assets are long-lived assets of the Village as a whole. Infrastructure such as streets, traffic signals and signs are capitalized. In the case of the initial capitalization of general infrastructure assets (i.e., those reported by the governmental activities) the government chose to include all such items regardless of their acquisition date. The valuation basis for general capital assets is historical cost, or where historical cost is not available, estimated historical cost based on replacement costs.

Capital assets in the proprietary funds are capitalized in the fund in which they are utilized. The valuation basis for proprietary fund capital assets is the same as that which is used for the general capital assets. Donated capital assets are capitalized at estimated fair market value on the date donated.

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

Assets	Years
Building and Improvements	30 – 40 years
Infrastructure	30 – 50 years
Land Improvements	20 years
Machinery and Equipment	5 – 15 years
Licensed Vehicles	3 – 20 years

Deferred Outflows/Inflows of Resources

Deferred outflow/inflow of resources represents an acquisition of net position that applies to a future period and therefore will not be recognized as an outflow of resources (expense)/inflow of resources (revenue) until that future time.

Compensated Absences

The Village accrues accumulated unpaid vacation and associated employee-related costs when earned (or estimated to be earned) by the employee. In accordance with GASB Statement No. 16, Accounting for Compensated Absences, no liability is recorded for non-vesting accumulation rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulated sick leave that is estimated to be taken as "terminal leave" prior to retirement. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

In general, an employee must utilize all vacation days upon the anniversary date. The Village assumes that accumulated vacation days are payable using current resources; therefore, there is no liability reported in the government-wide financial statements.

Long-Term Debt

All long-term obligations to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term obligations consist primarily of bonds and notes payable, liabilities, and net other post-employment benefit obligations payable.

Long-term obligations for governmental funds are not reported as liabilities in the fund financial statements. The face value of debts (plus any premiums) is reported as other financing sources and payments of principal and interest are reported as expenditures. The accounting in proprietary funds is the same as it is in the government-wide statements.

For the government-wide statements and proprietary fund statements, bond premiums and discounts are amortized over the life of the issue using the straight-line method. The balance at year end is shown as an increase or decrease in the liability section of the statement of net position.

Fund Balance/Net Position

Government-Wide Financial Statements

Equity is classified as net position and displayed in three (3) components:

a. Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets.

b. Restricted net position – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

c. Unrestricted net position – All other net position that does not meet the definition of "restricted" or "invested in capital assets, net of related debt." It is the Village's policy to first use restricted net position prior to the use of unrestricted net position when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

Fund Financial Statements

Fund balance is the difference between assets and liabilities in a governmental fund. The Village reports a governmental fund's fund balance into the following classifications.

1. Non-spendable – Fund balances that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact.

2. Restricted – Fund balances that are subject to constraints imposed by external parties or enabling legislation.

3. Unrestricted – Include the follow sub-classifications:

    a. Committed – Amounts are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision-making authority. Fund balance amounts are committed through a formal action (ordinance) of the Village Council. This formal action must occur prior to the end of the reporting period, but the amount of the commitment, which will be subject to the constraints, may be determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the Village Council that originally created the commitment.

    b. Assigned – Fund balances that are intended to be used for specific purposes that do not meet the criteria to be classified as restricted or committed. Although there is no formal policy in place, the authority to assign fund balances has been delegated to the Village's Treasurer consistent with the intentions of the council. Assignments may take place after the end of the reporting period.

    c. Unassigned – The residual classification for the general fund. This fund balance that has not been reported in any other fund that can report a positive unassigned fund balance. Other governmental funds would report deficit fund balance as unassigned.

Proprietary fund equity is classified the same as in the government-wide statements.

Use of Estimates

The preparation of the 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 amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

The Village develops budgetary information for expenditures and revenue. Budgetary information for the General Fund, Special Revenue, and Proprietary, is adopted annually for the fiscal year in a budget ordinance as required by the laws of the State of Illinois. The Village adopted the provisions of 65 ILCS 5/8-2-9.1 through 8-9-2.10. All annual budgets lapse at fiscal year-end. Expenditures of each fund may not exceed the total budgeted for that fund.

The Village Administrator submits to the Village Board Of Trustees a proposed operating budget for the fiscal year commencing the following May 1. The operating budget includes proposed expenditures and the means of financing them.

- Public hearings are conducted by the Village to obtain taxpayer comments.
- Subsequently, the budget is legally enacted through passage of an ordinance.
- Formal budgetary integration is employed as a management control device during the year for all funds.

Use of Estimates(continued)

- Budgets, as described above, are adopted on a basis consistent with accounting principles generally accepted in the United States of America.
- Legal level of budgetary control is at the department level in the General Fund or fund level for all other funds.
- Budgetary authority lapses at year-end.
- State law requires that "expenditures be made in conformity with the budget." Transfers between line items in cost centers may be made by administrative action. Any amount to be transferred between cost centers and/or funds would require Board approval.
- Budgeted amounts are as originally adopted, with the exception of Board approved budget amendments which are reflected in the financial statements.

Risk Management

The Village is exposed to various risk of loss related to torts, theft of, damage to, and destruction of assets. errors and omissions; injuries to employees; and natural disasters for which the Village carries commercial insurance. There have been no significant reductions in coverage from the prior year.

Related Party Transactions

There were no material related party transactions with the Village officials or employees during the year ended April 30, 2024.

3. Cash and Investments

Illinois Statutes authorize the Village to make deposits/investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreement to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three (3) highest classifications by at least two (2) standard rating services, and the Illinois Funds Investment Pool.

The Village has adopted an investment policy. That policy follows the state statute for allowable investments.

Deposits

Separate bank accounts are maintained for all Village funds, which are all held at financial institutions. At April 30, 2024, the total amount of the Village's cash deposits, (including fiduciary fund deposits) was **$231,220.** The entire carrying amount was covered by federal depository insurance or collateral held by the Village's agent.

Deposits in each local financial institution are insured by the FDIC in the amount of $250,000 for time and savings accounts (including NOW accounts) and $250,000 for demand deposit accounts (interest-bearing and non-interest bearing). In addition, if deposits are held in an institution outside of the state in which the government is located, insured amounts are further limited to a total of $250,000 for the combined amount of all deposit accounts.

Investments

The Village invests in the Illinois Funds Money Market Fund which consists of monies invested by individual participants that are pooled together and invested in U.S. Treasury bills and notes backed by the full faith and credit of the U.S. Treasury. The individual participants maintain separate investment accounts representing a proportionate share of the pool assets and its respective collateral; therefore, no collateral is identified with each individual participant's account. The Village's did not have any funds in the Illinois Funds at April 30, 2024.

Custodial Credit Risk

In the case of deposits, this is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. The Village's investment policy does not address custodial credit risk for deposits. At year-end, the entire amount of the bank balance of deposits was covered by federal depository or collateral held by the Village's agent.

The Illinois Funds is an investment pool managed by the State of Illinois, Office of the Treasurer which allows governments within the State to pool their funds for investment purposes. Illinois Funds is not registered with the Securities and Exchange Commission (SEC) as an investment company but does operate in a matter consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in Illinois Funds are valued at Illinois Funds' share price, the price for which the investment could be sold. The Illinois Funds has earned Standard & Poor's highest rating (AAA).

4. Property Taxes-

The Village must file its tax levy ordinance by the last Tuesday in December of each year. The Village's 2024Levy Ordinance was approved by the Board of Trustees at the December 2021 board meeting. Property taxes attach an enforceable lien on property as of January 1. Taxes are levied on January 1 and payable in two (2) installments on or about March 1 and September 1. The Village annually establishes a legal right to revenue from property tax assessments upon enactment of a tax levy ordinance by its Village Board. However, proceeds from a specific levy become fully available in the next subsequent fiscal year. It is the Village's budgetary practice to consider the proceeds from a given tax levy as being available to finance operations of the fiscal year in which the majority of the levy is collected, which is during the months of March and October. Accordingly, taxes are recognized when received.

Property taxes are recognized under the modified accrual basis of accounting. The current year tax levy is recorded as property taxes receivable and deferred inflows of resources – property taxes. As the taxes become available to finance current expenditures, they are recognized as revenues.

5. Capital Assets

	4/30/2024 Balance	Prior Period Adjustments	Additions	Retirements	4/30/2024 Balances
Governmental Activities: Non-Depreciable Assets Land	$ 25,000				$ 25,000
Depreciable Assets Buildings and Improvements	3,828,518				3,828,518
Vehicles					
Total Depreciable Assets	$ 3,853,518				$3,853,518
Total Depreciable Capital Assets, Net	$ 3,853,518				$3,853,518
Governmental Activities Capital Assets, Net	$ 3,853,518				$3,853,518
Business-type activities:					
Depreciable Assets Buildings	$ 973,553				$ 973,553
Business-type Activities Capital Assets, net	$ 973,553				$ 973,553

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

	Amount
Governmental Activities	
General Government	$
Total Governmental Activities	$

The Village did not record depreciation as required by GAAP

6. Retirement Fund Commitments

Plan Description

The Village's employer plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information.

The Village of Ford Heights does not participate in the state of Illinois statutory pension plan.

As of the date of the audit report, the Village did not provide an update to the IMRF actuarial report.

Funding Policy – GASB 68

The employer 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 the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

7. Bonds Payable and Interest Payments

The following is a schedule of future principal and interest payments to retire long-term obligations outstanding at April 30, 2024, associated with business-type activities:

Fiscal Year	Principal	Interest	Total
2024-2025	90,730	94,277	185,007
2026-2030	290,000	115,798	405,798
2031-2035	350,000	177,754	527,754
2036-2040	370,000	137,929	507,929
2041-2045	410,000	93,829	503,829
2046-2051	615,040	43,599	658,639
Total	2,125,770	663,186	2,788,956

The information regarding Bonds Payable and the associated interest payments were not made available prior to the issuance of this report.

8. Stewardship, Compliance, Accountability

Budgetary Information

The Village follows these procedures in establishing the budgeting data reflected in the financial statements:

1. The Finance Department submits to the Board of Trustees a proposed appropriation for the fiscal year. The appropriation includes proposed expenditures and funding resources for the fiscal year.
2. Hearings are conducted to obtain comments.
3. The appropriation is legally enacted through passage of an ordinance.
4. The appropriation includes anticipated expenditures to be adopted for all funds.
5. Appropriations are adopted on a basis consistent with generally accepted accounting principles.

The level of control (level at which expenditures may not exceed appropriations) is the Fund. All budget appropriations lapse at the end of the fiscal year.

Excess Expenditures – Budget vs. Actual and Deficit Fund Equity

The Village budgets revenue, expenditures/expenses and transfers based on anticipated funds to be received. Budgets reflect gains or losses, by fund, for each fiscal year.

The following governmental funds had a fund balance at April 30, 2024:

Fund	Fund Balance
Business Type Activities	$ (1,831,249)

Compliance

During prior fiscal years, the Board passed resolutions allowing for the short-term borrowing of TIF funds by the general fund to meet financial obligations to be repaid by the end of the fiscal year in which the resolution was passed. As of the fiscal year, the general fund does not have any payment obligations to the tax increment financing fund.

9. Risk Management

The Village is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets, efforts and omissions, natural disasters, and injuries to the Village's employees. The Village maintains commercial insurance for its general liability, property and casualty, workers' compensation, and all-risk coverages. The policies are subject to various deductibles. For all programs, there has been no significant reduction in insurance coverage from coverage in the prior year. Insurance settlements have not exceeded insurance coverage for each of the past three fiscal years.

10. Recently Implemented Accounting Pronouncements

GASB Statement No. 98, The Annual Comprehensive Financial Report, will be effective for the Village beginning with its year ending April 30, 2024. This Statement was developed in response to concerns raised by stakeholders that common pronunciation of the acronym for comprehensive annual financial report sounds like a profoundly objectionable racial slur. The Village adopted GASB statement No. 98 effective in fiscal year 2021 and there was no effect upon its financial statements.

11. Subsequent Events

Management of the Village has reviewed and evaluated subsequent events from April 30, 2024, the financial statement date, through April 24, 2026, and the date the financial statements were available to be issued.

As of the date that the financial statements were available for distribution, the Village Mayor was indicted and convicted of theft of Village funds. The Mayor subsequently resigned and was replaced by a sitting Board member.

VILLAGE OF FORD HEIGHTS, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended April 30, 2024

	Final Budget	Actual (Budgetary Basis)	Variance Over/(Under)
Revenues			
Real Estate Taxes	$ 450,000	212,719	$ (237,281)
Motor Fuel Tax			-
State Gaming Taxes	127,000		(127,000)
Other State Taxes-Income Sales, Etc	470,000	459,514	(10,486)
Licenses	170,000	235,653	65,653
Fees and Service Charges	50,000	143,912	93,912
Miscellaneous		17,883	17,883
Other Revenue	1,267,000	1,069,681	(197,319)
Expenditures			
Current			
General Government	1,131,200	$ 1,603,161	471,961
Total Expenditures	135,800	(533,480)	(397,680)
Excess/(Deficiency) of Revenues over Expenditures	-		
Other Financing Sources/(Uses)			
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources/(Uses)	-	-	-
Increase/(Decrease) In Fund Balances	$ 135,800	$ (533,480)	$ (397,680)
Fund Balance as of April 30, 2023-Asjusted		4,654,726	
Fund Balance as of April 30, 2024		$ 4,257,046	

The accompanying notes are an integral part of these financial statements

VILLAGE OF FORD HEIGHTS, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
ROAD AND BRIDGE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended April 30, 2023

	Final Budget	Actual (Budgetary Basis)	Variance Over/(Under)
Revenues			
Property Taxes			
Vehicle License			
Refuse/Garbage			
Fees, Fines, Stickers	293,416	1,759	295,175
Total Revenues	293,416	1,759	295,175
Expenditures			
Current			
General Government- R & M	296,934	3,000	(293,934)
Total Expenditures	296,934	3,000	293,934
Excess/(Deficiency) of Revenues over Expenditures			-
Other Financing Sources/(Uses)			
Transfers In			-
Transfers Out			-
Total Other Financing Sources/(Uses)			-
Increase/(Decrease) In Fund Balances		(1,241)	$ -
Fund Balance - April 30, 2023		103,246	
Fund Balance - April 30, 2024		$ 102,005	

The accompanying notes are an integral part of these financial statements

VILLAGE OF FORD HEIGHTS, ILLINOIS
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
For the Year Ended April 30, 2024

	Residential Rehab	Total 2023
Assets		
Current Assets		
Cash		$ 3,941
Total Assets	$ -	$ 3,941
Liabilities, Deferred Inflows of Resources and Fund Balances		
Liabilities		
Notes Payable	$ -	$ -
Total Liabilities	-	-
Deferred Inflows of Resources		
Total Liabilities and Deferred Inflows of Resources	-	-
Fund Balances		
Restricted		
Unrestricted		3,941
Total Fund Balances		
Total Liabilities and Fund Balances	$ -	$ 3,941

The accompanying notes are an integral part of these financial statements

VILLAGE OF FORD HEIGHTS, ILLINOIS
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
For the Year Ended April 30, 2024

	Residential Rehab	Total Nonmajor Governmental Funds
Revenues		
Grants		
Fees		2,935
Total Revenues		$ 2,935
Expenditures		
Current		
General Government-Program Expenses	-	-
Total Expenditures	-	-
Excess/(Deficiency) of Revenues over Expenditures		5,870
Other Financing Sources/(Uses)		
Transfers In	-	-
Transfers Out		
Total Other Financing Sources/(Uses)		
Increase/(Decrease) In Fund Balances		
Fund Balance - April 30, 2023	3,941	3,941
Fund Balance - April 30, 2023		

The accompanying notes are an integral part of these financial statements

1. Budget and Budgetary Accounting

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

- The Treasurer submits to the Board of Trustees a proposed operating budget for the fiscal year. The operation budget includes proposed expenditures and the means of financing them.
- Budget hearings are held.
- The budget is legally enacted through passage of an ordinance.
- The budget may be amended by the Board of Trustees.
- Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America, except for enterprise funds which do not budget for depreciation.

The level of control (level at which expenditures may not exceed budget/appropriations) is the Fund. Budget/appropriations lapse at year-end. The Village legally adopts budgets for all funds.

2024-1

Condition: The 2024 Financial Statements are incorrect and materially misstated

Criteria: The financial statements of the Village were not GAAP or GAGAS compliant

Effect: Financial statements are incorrect which results in a disclaimer of opinion.

Cause: Village has not employed a comptroller/ chief financial officer

Recommendation:

I recommend the following:

Hire Accountant / CFO with skills, knowledge and experience to prepare compliant municipal financial statements.

Village Response: The Village intends to hire sufficient accounting staff.

2024-2

Condition: Current Bank Reconciliation

Criteria: Bank reconciliation should be compared to the general ledger monthly.

Effect: Financial statements are incorrect which results in a disclaimer of opinion.

Cause: The Village has not employed a comptroller/ chief financial officer

Recommendations:

I recommend the following:

Hire Accountant / CFO with skills, knowledge and experience to prepare compliant municipal financial statements.

Village Response

The village intends to hire sufficient accounting staff.

2024-3

Condition: Inter fund Account Balances

Criteria: Unable to identify and determine correct interfund balances, both opening balances and current period transactions.

Cause: The Village has not employed a comptroller/ chief financial officer

Effect: Financial statements are incorrect which results in a disclaimer of opinion.

Recommendation:

I recommend the following: Hire Accountant / CFO with skills, knowledge and experience to prepare compliant municipal financial statements.

Village Response: The Village intends to hire sufficient accounting staff.

2024-4

Condition: Payroll: The Village payroll recorded in the General Ledger does not agree to the amounts reported on the payroll tax returns (941's)

Criteria: The Village General Ledger, 941's, and W2's should all reconcile during the reporting period

Cause: Village has not employed a comptroller/ chief financial officer

Effect: Financial statements are incorrect which results in a disclaimer of opinion.

Recommendation:

I recommend the following: Hire Accountant / CFO with skills, knowledge and experience to prepare compliant municipal financial statements.

Village Response: The Village intends to hire sufficient accounting staff.