VILLAGE OF JUSTICE, ILLINOIS

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2024

Prepared By:

HEARNE & ASSOCIATES, P.C.
Certified Public Accountants &
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Village of Justice, Illinois

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Independent Auditors' Report

Honorable Mayor and
Members of the Board of Trustees
Village of Justice, Illinois

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Justice, Illinois (the Village) as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village, as of December 31, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of 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.

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Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and *Government 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 of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements. The combining and individual nonmajor fund financial statements and the Illinois Grant Accountability and Transparency Act Consolidated Year End Financial Report are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such 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. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the Illinois Grant Accountability and Transparency Act Consolidated Year End Financial Report are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Schedules

The other 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 thereon.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 28, 2025 on our consideration of the Village's internal controls over financial reporting and on our tests of its compliance with certain provision 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.

Hearne & Associates, P.C.

August 28, 2025
Mokena, IL

Hearne & Associates, P.C.
Certified Public Accountants

The Village of Justice's (the "Village") Management's Discussion and Analysis (MD&A) is designed to: (1) assist the reader in focusing on significant financial issues; (2) provide an overview of the Village's financial activity; (3) identify changes in the Village's financial position (its ability to address the next and subsequent year challenges); (4) identify any material deviations from the financial plan (the approved budget); and (5) identify individual fund issues or concerns.

Since the Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the Village's financial statements (beginning on page 15).

Using the Financial Section of this Comprehensive Annual Report

The management of the Village of Justice offers readers of the Village's Financial Statements, this narrative overview and analysis of the financial activities of the Village for the fiscal year ended December 31, 2024. This correspondence is intended to serve as an introduction to the Village's basic financial statements, which comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

Financial Highlights

- The total assets and deferred outflows of resources exceeded the total liabilities and deferred inflows of resources by $8,254,484 as of December 31, 2024. This compares to the prior year balance of $4,862,201 as of December 31, 2023. The total governmental activities ended with a Net Position of $7,353,269 and the business-type activities ended with a Net Position of $901,215.
- The Village of Justice's total net position increased by $3,392,283 at fiscal year-end December 31, 2024. Governmental activities increased by a total of $3,326,607 and the business-type activities had an increase of $65,676.
- As of December 31, 2024, the governmental funds reported combined fund balances of $11,051,466, a decrease of $952,337 in comparison with the prior year. Of this amount, $5,958,128 is available for spending at the Village's discretion (unassigned fund balance).
- At the end of the current fiscal year ending December 31, 2024, unassigned fund balance for the general fund was $7,710,265, or approximately 87.42% of total general fund expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

This management discussion and analysis section is intended to serve as an introduction to the Village's basic financial statements. The basic financial statements are comprised of three components:

- Government-wide financial statements,
- Fund financial statements, and
- Notes to the basic financial statements.

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

Government-Wide Financial Statements

The government-wide financial statements (see pages 15-16) are designed to emulate the corporate sector in that all governmental and business-type activities are consolidated into columns which add to a total for

the Primary Government. The focus of the Statement of Net Position (the "Unrestricted Net Position") is designed to be similar to bottom line results for the Village and its governmental and business-type activities. This statement combines and consolidates the governmental funds current financial resources (short-term spendable resources) with capital assets and long-term obligations using the accrual basis of accounting and economic resources measurement focus.

The Statement of Activities (see page 16) is focused on both the gross and net cost of various activities (including governmental and business-type), which are supported by the government's general taxes and other resources. This is intended to summarize and simplify the user's analysis of the cost of various governmental services to various business-type activities.

The government-wide financial statements can be divided into two types of activities: governmental and business-type. Governmental activities present the functions of the Village that are principally supported by taxes and intergovernmental revenues. Business-type activities present the functions that are intended to recover all or a significant portion of their costs through user fees and charges. The Village's governmental activities include functions like general government, public safety, public works, community support and TIF development. The Village's sewer is included as a business-type activity.

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 funds of the Village can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near- term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the Village's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Village maintains eight individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Motor Fuel Tax Fund and Capital Projects Fund all of which are considered to be major funds. Data from the remaining governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining schedules elsewhere in this report.

The Village adopts an annual budget for the General Fund, the Motor Fuel Tax Fund, the LNC TIF #2 Debt Service Fund, Local Motor Fuel Tax Fund, LNC TIF #2 Expense - Debt Service Fund, TIF #4 Fund and the TIF #5 Fund. A budgetary comparison statement has been provided for each major fund to demonstrate compliance with this budget.

Proprietary funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Village's proprietary fund presents the activities and balances in the Sewer Fund, which is considered to be a major fund, using the accrual basis of accounting and economic resources measurement focus. Proprietary funds provide the same type of information as the government-wide financial statements, but in greater detail. The proprietary funds reflect the private-sector type operation, where the fee for service typically covers all or most of the cost of operation and maintenance including depreciation.

Fiduciary funds are used to account for resources held for the benefit of parties outside the Village. Fiduciary funds are not reflected in the government-wide financial statement 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 for the government-wide 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.

Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Village's contributions and funding progress of the Illinois Municipal Retirement Fund and Police Pension Funds and budget to actual comparisons of the General Fund and major special revenue funds.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Position

Net Position serves over time as a useful indicator of a government's financial position. In the case of the Village, for governmental activities and business-type activities assets exceeded liabilities by $7,353,269 and $901,215, respectively as of December 31, 2024.

A significant portion of the Village's net position reflects its investment in capital assets (i.e., land, land improvements, streets and bridges, storm sewers, water mains, buildings, and vehicles); less any related debt used to acquire those assets that are still outstanding. The Village uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the Village's investment in its capital assets are reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

Table 1
Condensed Statement of Net Position
As of December 31, 2024

	Governmental Activities	Business-Type Activities	Total Primary Government
Current Assets	$ 15,722,806	$ 714,210	$ 16,437,016
Non Current Assets	12,435,938	573,715	13,009,653
Total Assets	28,158,744	1,287,925	29,446,669
Deferred Outflows of Resources	6,490,562	67,408	6,557,970
Current Liabilities	2,180,622	34,646	2,215,268
Non Current Liabilities	19,425,109	188,476	19,613,585
Total Liabilities	21,605,731	223,122	21,828,853
Deferred Inflows of Resources	5,690,306	230,996	5,921,302
Net Position:			
Net Investment in Capital Assets	11,385,794	564,071	11,949,865
Restricted	5,059,704	-	5,059,704
Unrestricted	(9,092,229)	337,144	(8,755,085)
Total Net Position	$ 7,353,269	$ 901,215	$ 8,254,484

Condensed Statement of Net Position
As of December 31, 2023

	Governmental Activities	Business-Type Activities	Total Primary Government
Current Assets	$ 15,120,841	$ 631,461	$ 15,752,302
Non Current Assets	8,685,944	606,412	9,292,356
Total Assets	23,806,785	1,237,873	25,044,658
Deferred Outflows of Resources	5,289,546	101,579	5,391,125
Current Liabilities	1,844,565	39,374	1,883,939
Non Current Liabilities	18,054,846	314,179	18,369,025
Total Liabilities	19,899,411	353,553	20,252,964
Deferred Inflows of Resources	5,170,258	150,360	5,320,618
Net Position:			
Net Investment in Capital Assets	7,519,238	573,118	8,092,356
Restricted	5,178,607	-	5,178,607
Unrestricted	(8,671,183)	262,421	(8,408,762)
Total Net Position	$ 4,026,662	$ 835,539	$ 4,862,201

For more detailed information see the Statement of Net Position (page 15). The Village's combined net position (which is the Village's equity) increased to $8,254,484. This is a result of program and general revenues exceeding expenditures for the fiscal year. Net position of the Village's governmental activities is $7,353,269 as of December 31, 2024.

Normal Impacts

There are six basic (normal) transactions that will affect the comparability of the Statement of Net Position summary presentation.

Net Results of Activities - This will impact (increase/decrease) current assets and unrestricted net position.

Borrowing for Capital - which will increase current assets and long-term debt.

Spending Borrowed Proceeds on New Capital - which will reduce current assets and increase capital assets. There is a second impact, an increase in investment in capital assets and an increase in related net debt which will not change the net investment in capital assets.

Spending of Non-borrowed Current Assets on New Capital - which will (a) reduce current assets and increase capital assets and (b) will reduce unrestricted net position and increase net investment in capital assets.

Principal Payment on Debt - which will (a) reduce current assets and reduce long-term debt and (b) reduce unrestricted net position and increase the net investment in capital assets.

Reduction of Capital Assets through Depreciation - which will reduce capital assets and net investment in capital assets.

Current Year Impacts

The Village's total assets increased by $4,402,011 from the prior year mainly due to completion and recognition of multiple projects as capital assets. The Village's liabilities increased by $1,575,889, mainly due to an increase in the police net pension expense in the amount of $1,100,991.

In the current year, the Village's total net position increased by $3,326,607. In the prior year, the net position increased by $3,178,466. The changes in net position are further analyzed in the next section.

Changes in Net Position

The following charts compare the revenue and expenses for the current fiscal year.

Table 2
Condensed Statement of Activities
As of December 31, 2024

	Governmental Activities	Business-Type Activities	Total Primary Government
REVENUES			
Program Revenues:			
Charges for Services	$ 2,493,506	$ 860,118	$ 3,353,624
Operating Grants and Contributions	198,708	12,435	211,143
Capital Grants and Contributions	2,699,855	-	2,699,855
General Revenues:			
Property Taxes	3,141,153	-	3,141,153
Motor Fuel Taxes	617,584	-	617,584
Sales Taxes	662,783	-	662,783
Income Taxes	2,615,641	-	2,615,641
Other Taxes	1,119,801	-	1,119,801
Other General Revenues	1,165,178	(30,074)	1,135,104
Total Revenues	14,714,209	842,479	15,556,688
EXPENSES			
General Government	2,544,370	-	2,544,370
Public Safety	6,510,758	-	6,510,758
Public Works	1,964,856	-	1,964,856
Community Support	248,473	-	248,473
Interest	119,145	-	119,145
Sewer	-	776,803	776,803
Total Expenses	11,387,602	776,803	12,164,405
Change in Net Position	3,326,607	65,676	3,392,283
Beginning Net Position	4,026,662	835,539	4,862,201
Ending Net Position	$ 7,353,269	$ 901,215	$ 8,254,484

Condensed Statement of Activities
As of December 31, 2023

	Governmental Activities	Business-Type Activities	Total Primary Government
REVENUES			
Program Revenues:			
Charges for Services	$ 2,321,708	$ 745,620	$ 3,067,328
Operating Grants and Contributions	104,702	6,720	111,422
Capital Grants and Contributions	66,295	-	66,295
General Revenues:			
Property Taxes	2,998,361	-	2,998,361
Motor Fuel Taxes	629,413	-	629,413
Sales Taxes	645,948	-	645,948
Income Taxes	2,621,843	-	2,621,843
Other Taxes	1,268,020	-	1,268,020
Other General Revenues	1,152,942	(40,233)	1,112,709
Total Revenues	11,809,232	712,107	12,521,339
EXPENSES			
General Government	1,263,568	-	1,263,568
Public Safety	5,223,658	-	5,223,658
Public Works	1,812,193	-	1,812,193
Community Support	187,441	-	187,441
Interest	188,676	-	188,676
Sewer	-	667,337	667,337
Total Expenses	8,675,536	667,337	9,342,873
Change in Net Position	3,133,696	44,770	3,178,466
Beginning Net Position	892,966	790,769	1,683,735
Ending Net Position	$ 4,026,662	$ 835,539	$ 4,862,201

There are eight basic impacts on revenues and expenses as reflected below:

Revenues:

Economic Condition - which can reflect a declining, stable, or growing economic environment and has a substantial impact on state income, sales, and utility tax revenue, as well as public spending habits for building permits, elective user fees and volumes of consumption.

Increase/Decrease in Village Board Approved Rates - while certain tax rates are set by statute, the Village Board has significant authority to impose and periodically increase/decrease rates (water, wastewater, impact fee, building fees, home rule sales tax, etc.)

Changing Patterns in Intergovernmental and Grant Revenue (both recurring and non-recurring) - certain recurring revenues (state shared revenues, etc.) may experience significant changes periodically while non-recurring (or one-time) grants are less predictable and often distorting in their impact on year-to-year comparisons.

Market Impacts on Investment Income - the Village's investment portfolio is managed using a similar average maturity to most governments. Market conditions may cause investment income to fluctuate.

Expenses:

Introduction of New Programs - within the functional expense categories (Public Safety, Public Works, General Government, etc.) individual programs may be added or deleted to meet changing community needs.

Increase in Authorized Personnel - changes in service demand may cause the Village Board to increase/decrease authorized staffing. Staffing costs (salary and related benefits) represent 80% of the Village's operating costs.

Salary Increases (annual adjustments and merit) - the ability to attract and retain human and intellectual resources requires the Village to strive to approach a competitive salary range position in the marketplace.

Inflation - while overall inflation appears to be reasonably modest, the Village is a major consumer of certain commodities such as supplies, fuels and parts. Some functions may experience unusual commodity specific increases.

CURRENT YEAR IMPACTS

Revenues:

For the fiscal year ended December 31, 2024, revenues from all activities totaled $15,556,688, a 24.24% increase from 2023. The increase is mainly from a large increase in the amount of Capital Grants received by the Village. The Village has a diversified revenue structure and depends on several key revenue sources to help pay for the services it provides.

Expenses:

The Village's total expenses for all activities for the year ended December 31, 2024 and 2023 were $12,164,405 and $9,342,873, respectively or an increase of $2,821,532 The main increase was in governmental activities due primarily to the increase in infrastructure projects.

FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS

Governmental Funds

At December 31, 2024, the governmental funds (as presented on the balance sheet on page 17) reported a combined fund balance of $11,051,466 compared to $12,003,803 in 2023. This $952,340 decrease was primarily due to Capital Projects expenses in the amount of $4,228,991.

General Fund Budgetary Highlights

At the first Village Board meeting in January, the Mayor submits to the Village Council a proposed operating budget for the fiscal year commencing on January 1. The operating budget includes proposed expenditures and the means to finance them. The Village had no budget amendments in fiscal year 2024. Below is a table that reflects the original budget and the actual activity for the revenues and expenditures for the General Fund.

Table 3
General Fund Budgetary Highlights

	Original and Final Budget	Actual	Variance
Revenues:			
Property Taxes	$ 1,873,200	$ 1,782,555	$ (90,645)
Other Taxes	4,365,500	4,398,225	32,725
Grants	-	198,708	198,708
Charges for Service	1,950,680	2,245,321	294,641
Other	246,900	621,811	374,911
Total	$ 8,436,280	$ 9,246,620	$ 810,340
Expenditures:			
General Government	$ 1,659,135	$ 1,878,213	$ 219,078
Public Safety	5,960,495	5,285,075	(675,420)
Public Works	1,236,741	1,154,328	(82,413)
Community Support	281,855	247,980	(33,875)
Debt Service	231,607	250,221	18,614
Capital Outlay	31,500	3,167	(28,333)
Total	$ 9,401,333	$ 8,818,984	$ (582,349)

As shown in Table 3, the General Fund had budget expenditures that exceeded actual expenditures by $582,349. This overage was primarily due to the Public Safety actual expenses being below budget by $675,420. The revenues were over budget by $810,340 due overages in other taxes, grants, charges for service and other revenue.

CAPITAL ASSETS

At the end of the fiscal year 2024, the Village had a combined total of capital assets of $13,009,653 invested in a broad range of capital assets including land, land improvements, buildings, vehicles, equipment, furniture and infrastructure (see table 4 below). Additional information can be found in Note 4 of the Notes to the Basic Financial Statements.

Table 4
Change in Capital Assets
Net of Depreciation

	Balance December 31, 2023	Net Additions/ Deletions	Balance December 31, 2024
Governmental Activities:			
Land	$ 808,856	$ -	$ 808,856
Construction in progress	-	292,619	292,619
Land Improvements	4,220,170	3,502,209	7,722,379
Buildings	3,076,612	(64,639)	3,011,973
Equipment	478,967	38,514	517,481
Subscription Asset	101,339	(18,709)	82,630
Total Capital Assets	$ 8,685,944	$ 3,749,994	$ 12,435,938
Business-Type Activities:			
Land	$ 81,724	$ -	$ 81,724
Buildings	186,357	(11,133)	175,224
Equipment	42,700	(11,709)	30,991
Infrastructure	295,631	(9,855)	285,776
Total Capital Assets	$ 606,412	$ (32,697)	$ 573,715

DEBT OUTSTANDING

The debt administration discussion covers two types of debt reported by the Village's financial statements. The Village's governmental activities consist of various bonds. As of December 31, 2024, the Village's outstanding governmental activities debt amounted to $20,228,348. Of this amount, $1,837,906 is due to Bond Obligations, $556,717 were due for compensated absences, $74,789 were due for subscription liabilities and $17,758,936 is related to pension liability and other post-employment benefits.

Debt was decreased in the Village business-type activity during 2024 by $139,374 to $206,567. The business activity debt is paid primarily by revenues generated by the Sewer Department for Sewer Charges for service. (More detailed information about the Village's long-term liabilities is presented in Note 5 to the financial statements.)

Table 5
Changes in Long-Term Debt

	December 31, 2023	Issuances	Reductions	December 31, 2024
Governmental Activities:				
Bonds	$ 2,980,647	$ -	$ 1,142,741	$ 1,837,906
Compensated Absences*	687,191	-	130,474	556,717
SBITA Liability	92,251	-	17,463	74,788
IMRF Net Pension Obligation	108,773	-	2,323	106,450
Police Net Pension Obligation	13,110,518	2,721,234	-	15,831,752
Net OPEB Liability	2,366,195	-	545,461	1,820,734
Total Governmental Activities	$ 19,345,575	$ 2,721,234	$ 1,838,462	$ 20,228,347
Business-Type Activities:				
Bonds	$ 33,294	$ -	$ 23,650	$ 9,644
Compensated Absences*	40,562	1,672	-	42,234
IMRF Net Pension Obligation	18,851	-	729	18,122
Net OPEB Liability	253,234	-	116,667	136,567
Total Enterprise Activities	$ 345,941	$ 1,672	$ 141,046	$ 206,567

*The change in compensated absences liability is presented as a net change.

See Note 5 to the financial statements for detail of debt activity and debt outstanding as of December 31, 2024.

FACTORS BEARING ON THE VILLAGE'S FUTURE

The general economic conditions of southwestern Cook County and the Chicago metropolitan statistical area are affected by the national economic downturn. The unemployment rate for the period ending December 31, 2024, is 5.2% County-wide (Local Area Unemployment Statistics LAUS web site). As with most governmental agencies, the Village is having continued difficulty in meeting its obligations as they come due. The increases in revenues cannot keep pace with the increases in costs related to salaries and other operating expenses.

The Village is a non-home rule community that levies taxes in accordance with the Property Tax Extension limitation law. The Village must operate within the current revenue projections. Because of this, they will closely monitor expenses to make sure the Village does not fall behind in their payments to vendors.

REQUESTS FOR INFORMATION

This financial report is designed to provide the Village's 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 Hall:

Mayor Kris Wasowicz
7800 South Archer Road
Justice, Illinois 60458

BASIC FINANCIAL STATEMENTS

Village of Justice, Illinois
Statement of Net Position
December 31, 2024

	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and Cash Equivalents	$ 9,097,256	$ 1,709,993	$ 10,807,249
Receivables - Net of Allowances:			
Trade	58,703	163,725	222,428
Property Taxes	1,905,641	-	1,905,641
Other Taxes	727,401	-	727,401
Grants	1,744,723	-	1,744,723
Lease	995,936	-	995,936
Interfund Balances	1,159,508	(1,159,508)	-
Prepaid Expenses	33,638	-	33,638
Capital Assets not Being Depreciated	1,101,475	81,724	1,183,199
Capital Assets Being Depreciated, net	11,251,833	491,991	11,743,824
SBITA Assets	82,630	-	82,630
Total Assets	28,158,744	1,287,925	29,446,669
Deferred Outflows of Resources			
Related to IMRF Pension	191,081	41,005	232,086
Related to Police Pension	5,859,657	-	5,859,657
Related to OPEB	439,824	26,403	466,227
Total Deferred Outflows of Resources	6,490,562	67,408	6,557,970
Liabilities			
Accounts Payable	563,055	16,351	579,406
Deposits Payable	144,991	-	144,991
Accrued Interest Payable	669,338	204	669,542
Long-term obligations, due within one year:			
Compensated Absences	111,343	8,447	119,790
SBITA Liability	17,943	-	17,943
Alternate Revenue Bonds	225,356	9,644	235,000
TIF Junior Reveue Lien Bonds Payable	448,596	-	448,596
Long-term Obligations, due in over one year:			
Compensated Absences	445,374	33,787	479,161
SBITA Liability	56,845	-	56,845
Alternate Revenue Bonds	750,000	-	750,000
TIF Junior Revenue Lien Bonds Payable	413,954	-	413,954
Net Pension Obligation	15,938,202	18,122	15,956,324
Net OPEB Obligation	1,820,734	136,567	1,957,301
Total Liabilities	21,605,731	223,122	21,828,853
Deferred Inflows of Resources			
Property Taxes	1,876,944	-	1,876,944
Leases	931,899	-	931,899
Unavailable Revenue - Grants	355,111	-	355,111
Related to IMRF Pension	44,621	-	44,621
Related to Police Pension	550,090	-	550,090
Related to OPEB	1,931,641	230,996	2,162,637
Total Deferred Inflows of Resources	5,690,306	230,996	5,921,302
Net Position			
Net Investment in Capital Assets	11,385,794	564,071	11,949,865
Restricted for:			
Motor Fuel Tax	2,767,129	-	2,767,129
Asset Forfeiture	572,870	-	572,870
Debt Service	1,136,835	-	1,136,835
TIF Development	582,870	-	582,870
Unrestricted	(9,092,229)	337,144	(8,755,085)
Total Net Position	$ 7,353,269	$ 901,215	$ 8,254,484

See Notes to the Basic Financial Statements

Village of Justice, Illinois

Statement of Activities

Year Ended December 31, 2024

Functions/Programs	Expenses	Program Revenues: Charges for Service	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense), Revenue and Change in Net Position: Governmental Activities	Net (Expense), Revenue and Change in Net Position: Business-Type Activities	Net (Expense), Revenue and Change in Net Position: Total Primary Government
Governmental Activities:							
General Government	$ 2,544,370	$ 1,557,923	$ -	$ -	$ (986,447)	$ -	$ (986,447)
Public Safety	6,510,758	935,583	198,708	-	(5,376,467)	-	(5,376,467)
Public Works	1,964,856	-	-	2,699,855	734,999	-	734,999
Community Support	248,473	-	-	-	(248,473)	-	(248,473)
Interest on Long-term Debt	119,145	-	-	-	(119,145)	-	(119,145)
Total Governmental Activities	11,387,602	2,493,506	198,708	2,699,855	(5,995,533)	-	(5,995,533)
Business-Type Activities:							
Sewer	776,803	860,118	12,435	-	-	95,750	95,750
Total Business-Type Activities	776,803	860,118	12,435	-	-	95,750	95,750
Total Primary Government	$ 12,164,405	$ 3,353,624	$ 211,143	$ 2,699,855	(5,995,533)	95,750	(5,899,783)
General Revenues:							
Taxes:							
Property					3,141,153	-	3,141,153
Motor Fuel					617,584	-	617,584
Sales					662,783	-	662,783
Income					2,615,641	-	2,615,641
Utility					377,395	-	377,395
Cannabis					142,338	-	142,338
Telecommunication					80,166	-	80,166
Other					519,902	-	519,902
Interest					457,168	129,923	587,091
Gain on Sale of Capital Assets					157,717	-	157,717
Other General Revenues					390,293	3	390,296
Internal Balance Transfers					160,000	(160,000)	-
Total General Revenues					9,322,140	(30,074)	9,292,066
Change in Net Position					3,326,607	65,676	3,392,283
Net Position, Beginning of Year,					4,026,662	835,539	4,862,201
Net Position, End of Year					$ 7,353,269	$ 901,215	$ 8,254,484

See Notes to the Basic Financial Statements

Village of Justice, Illinois
Balance Sheet -
Governmental Funds
December 31, 2024

	Major Funds				
	General	Motor Fuel Tax	Capital Projects	Non-Major Funds	Total Governmental Funds
Assets					
Current Assets					
Cash and Cash Equivalents	$ 3,565,587	$ 2,650,958	$ 168,330	$ 2,712,381	$ 9,097,256
Receivables, net of allowances:					
Trade	58,703	-	-	-	58,703
Property Taxes	1,905,641	-	-	-	1,905,641
Other Taxes	665,692	47,314	-	14,395	727,401
Grant	-	-	1,467,184	277,539	1,744,723
Leases	995,936	-	-	-	995,936
Prepaid Expenses	33,638	-	-	-	33,638
Due from Other Funds	3,647,470	-	-	-	3,647,470
Total Assets	$ 10,872,667	$ 2,698,272	$ 1,635,514	$ 3,004,315	$ 18,210,768
Liabilities					
Current Liabilities:					
Accounts Payable	$ 174,930	$ 25,084	$ 329,897	$ 33,144	$ 563,055
Deposits	144,991	-	-	-	144,991
Due to Other Funds	-	-	1,874,210	613,752	2,487,962
Total Liabilities	319,921	25,084	2,204,107	646,896	3,196,008
Deferred Inflows of Resources					
Deferred Revenues:					
Property Taxes	1,876,944	-	-	-	1,876,944
Unavailable Revenue - Leases	931,899	-	-	-	931,899
Unavailable Revenue - Grants	-	-	1,154,451	-	1,154,451
Total Deferred Inflows of Resources	2,808,843	-	1,154,451	-	3,963,294
Fund Balances					
Nonspendable:					
Prepaid Expenses	33,638	-	-	-	33,638
Restricted for:					
Motor Fuel Tax	-	2,673,188	-	93,941	2,767,129
Asset Forfeiture	-	-	-	572,870	572,870
Debt Service	-	-	-	1,136,835	1,136,835
TIF Development	-	-	-	582,866	582,866
Unassigned	7,710,265	-	(1,723,044)	(29,093)	5,958,128
Total Fund Balances	7,743,903	2,673,188	(1,723,044)	2,357,419	11,051,466
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 10,872,667	$ 2,698,272	$ 1,635,514	$ 3,004,315	$ 18,210,768

See Notes to the Basic Financial Statements

Village of Justice, Illinois

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

December 31, 2024

Total Fund Balances - Governmental Funds		$11,051,466
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the funds:		
Capital Assets	$ 22,821,472	
Accumulated Depreciation	(10,468,164)	
Right of Use - Subscription-Based Assets	112,252	
Accumulated Amortization	(29,622)	
		12,435,938
Some amounts reported in the Statement of Net Position do not require nor provide current financial resources; and therefore, are not reported in the governmental funds. These amounts consist of:		
Alternate Revenue Bonds		(975,356)
TIF Junior Revenue Lien Bonds		(862,550)
Accrued Interest Payable		(669,338)
SBITA Lease Liabilities		(74,788)
Compensated Absences		(556,717)
Net OPEB Liability		(1,820,734)
Net Pension Liability - IMRF		(106,450)
Net Pension Liability - Police Pension		(15,831,752)
Deferred Outflows of Resources Related to Pensions		6,490,562
Deferred Inflows of Resources Related to Pensions		(2,526,352)
Revenues are recognized for governmental activities when earned regardless of availability:		799,340
Net Position of Governmental Activities		$ 7,353,269

See Notes to the Basic Financial Statements

Village of Justice, Illinois

Statement of Revenues, Expenditures and Changes in Fund Balances -

Governmental Funds

Year Ended December 31, 2024

	Major Funds				
	General	Motor Fuel Tax	Capital Projects	Non-Major Funds	Total Governmental Funds
Revenues					
Property Taxes	$ 1,782,555	$ -	$ -	$ 1,358,598	$ 3,141,153
Replacement Taxes	27,467	-	-	-	27,467
Other Taxes	4,370,758	560,072	-	57,512	4,988,342
State and Local Grants	48,150	-	1,724,480	-	1,772,630
Federal Grants	150,558	-	176,035	-	326,593
Licenses, Permits, and Fees	842,094	-	-	-	842,094
Fines and Forfeits	1,209,795	-	-	248,186	1,457,981
Charges For Service	193,432	-	-	-	193,432
Interest	233,018	120,550	8,646	94,954	457,168
Miscellaneous	388,793	-	-	1,500	390,293
Total Revenues	9,246,620	680,622	1,909,161	1,760,750	13,597,153
Expenditures					
Current:					
General Government	1,878,213	-	-	225,266	2,103,479
Public Safety	5,285,075	-	-	200,074	5,485,149
Public Works	1,154,328	280,268	-	85,126	1,519,722
Community Support	247,980	-	-	-	247,980
Debt Service:					
Principal	208,813	-	-	951,391	1,160,204
Interest and Other Charges	41,408	-	-	80,274	121,682
Capital Outlay	3,167	-	4,225,824	-	4,228,991
Total Expenditures	8,818,984	280,268	4,225,824	1,542,131	14,867,207
Excess of Revenues Over Expenditures	427,636	400,354	(2,316,663)	218,619	(1,270,054)
Other Financing Sources (Uses)					
Sale of Capital Assets	157,717	-	-	-	157,717
Transfers from Other Funds	262,305	-	-	-	262,305
Transfers to Other Funds	-	(27,305)	-	(75,000)	(102,305)
Total Other Financing Sources (Uses)	420,022	(27,305)	-	(75,000)	317,717
Net Change in Fund Balance	847,658	373,049	(2,316,663)	143,619	(952,337)
Fund Balance, Beginning of Year	6,896,245	2,300,139	593,619	2,213,800	12,003,803
Fund Balance, End of Year	$ 7,743,903	$ 2,673,188	$ (1,723,044)	$ 2,357,419	$ 11,051,466

See Notes to the Basic Financial Statements

Village of Justice, Illinois
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures
and Changes in Fund Balances of Governmental Funds to the Statement of Activities
Year Ended December 31, 2024

Net change in fund balance - Total Governmental Funds			$ (952,337)
Amounts reported for governmental activities in the Statement of Activities are different because:			
Governmental funds report capital outlays as expenditures paid while governmental activities report depreciation expense to allocate those expenditures over the lives of the assets. This is the amount by which depreciation exceeded capital outlay in the current period.			
	Capital Outlay	$ 4,504,302	
	Depreciation Expense	(735,599)	
	Amortization Expense	(18,709)	
			3,749,994
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.			
	Alternate revenue bonds	$ 1,142,741	
			1,142,741
The issuance of new bonds is recorded as other financing sources in the governmental funds, but the issuance of new debt increases long-term			
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported in the governmental funds.			
	Change in Compensated Absences	$ 130,474	
	Change in SBITA Liabilities	17,463	
	Change in Net OPEB Obligation	64,373	
	Change in Net Pension Obligation	(1,140,623)	
	Change in Accrued Interest	(484,818)	
			(1,413,131)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the governmental funds.			799,340
Change in net position of governmental activities			$ 3,326,607

See Notes to the Basic Financial Statements

Village of Justice, Illinois
Statement of Net Position
Proprietary Fund
December 31, 2024

	Proprietary Funds Sewer
Assets	
Current Assets:	
Cash	$ 1,709,993
Accounts Receivable:	
Customers, net	163,725
Total Current Assets	1,873,718
Noncurrent Assets:	
Property and Equipment	3,326,891
Less: Accumulated Depreciation	(2,753,176)
Total Noncurrent Assets	573,715
Total Assets	2,447,433
Deferred Outflows of Resources	
Pension Related	41,005
OPEB Related	26,403
Total Deferred Outflows of Resources	67,408
Liabilities and Net Position	
Current Liabilities:	
Accounts Payable	16,351
Accrued Interest Payable	204
Due To Other Funds	1,159,508
Long-term Obligations, due within one year:	
Compensated Absences	8,447
Alternate Revenue Bonds	9,644
Total Current Liabilities	1,194,154
Long-term Obligations, due in more than one year:	
Compensated Absences	33,787
Net Pension Liability	18,122
Net OPEB Liability	136,567
Total Long-term Liabilities	188,476
Total Liabilities	1,382,630
Deferred Inflows of Resources	
OPEB Related	230,996
Total Deferred Inflows of Resources	230,996
Net Position	
Net Investment in Capital Assets	564,071
Unrestricted	337,144
Total Net Position	$ 901,215

See Notes to the Basic Financial Statements

Village of Justice, Illinois
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Fund
Year Ended December 31, 2024

	Proprietary Fund Sewer
Operating Revenues	
Charges for Services	$ 860,118
Miscellaneous	3
Total Operating Revenues	860,121
Operating Expenses	
Personnel Services	559,820
Operations	183,068
Depreciation	32,697
Total Operating Expenses	775,585
Operating Income (Loss)	84,536
Nonoperating Revenue (Expense)	
Grant Revenue	12,435
Interest Income	129,923
Interest Expense	(1,218)
Transfer to the General Fund	(160,000)
Total Nonoperating Revenue (Expense)	(18,860)
Change in Net Position	65,676
Net Position, Beginning of the Year	835,539
Net Position, End of the Year	$ 901,215

See Notes to the Basic Financial Statements

Village of Justice, Illinois
Statement of Cash Flows
Proprietary Fund
Year Ended December 31, 2024

	Proprietary Fund Sewer
Cash Flows from Operating Activities	
Receipts from Customers	$ 814,793
Payments to Employees	(560,737)
Payments to Suppliers	(174,125)
Net Cash Provided by (Used in) Operating Activities	79,931
Cash Flows from Noncapital Financing Activities	
Transfers To Other Funds	(623,323)
Grant Revenue Received	12,435
Net Cash Used in Noncapital Financing Activities	(610,888)
Cash Flows from Capital and Related Financing Activities	
Bonds Principal Payments	(23,650)
Interest Payments	(1,218)
Net Cash (Used in) Capital and Related Financing Activities	(24,868)
Cash Flows from Capital and Related Investing Activities	
Purchase of Capital Assets	-
Interest Income	129,923
Net Cash (Used in) Capital and Related Investing Activities	129,923
Net Increase (Decrease) in Cash	(425,902)
Cash, Beginning of the Year	2,135,895
Cash, End of the Year	$ 1,709,993
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities:	
Operating Income (Loss)	$ 84,536
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:	
Depreciation Expense	32,697
Changes in Accrued Assets	(47,917)
Changes in Accrued Liabilities	10,615
Total Adjustments	(4,605)
Net Cash Provided by (Used in) Operating Activities	$ 79,931

See Notes to the Basic Financial Statements

Village of Justice, Illinois
Statement of Fiduciary Net Position -
Police Pension Fund
Year Ended December 31, 2024

	Police Pension
Assets	
Cash and Cash Equivalents	$ 3,993,726
Investments, at Fair Value:	
Investment in Illinois Police Officers' Pension Investment Fund	14,933,499
Prepaid Expenses	2,772
Total Assets	$ 18,929,997
Liabilities	
Accounts Payable	$ -
Net Position	
Net Position Restricted for Pensions	$ 18,929,997

See Notes to the Basic Financial Statements

Village of Justice, Illinois
Statement of Changes in Fiduciary Net Position
Police Pension Fund
Year Ended December 31, 2024

	Police Pension
Additions	
Contributions:	
Employer Contributions	$ 816,949
Employee Contributions	241,517
Irregular Contributions & Non Recurring Income	562,517
Total Contributions	1,620,983
Investment Income:	
Net Change in Fair Value of Investments	1,233,396
Interest Income	274,769
Less: Investment Expense	(8,478)
Net Investment Income (Loss)	1,499,687
Total Additions	3,120,670
Deductions	
Benefits	1,079,843
Refund of Contributions	107,720
Administrative Expenses	50,128
Total Deductions	1,237,691
Change in Plan Net Position	1,882,979
Net Position Restricted for Pensions - Beginning Balance	17,047,018
Net Position Restricted for Pensions - Ending Balance	$ 18,929,997

See Notes to the Basic Financial Statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

The Village of Justice, Illinois (Village) was incorporated on October 17, 1911. The Village is a municipal non-home rule corporation governed by an elected mayor and six-member Board of Trustees. The Village's major operations include police protection, highway and street maintenance and reconstruction, building code enforcement, public improvements, economic development, planning and zoning, sewer services, and general administrative services.

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

Financial Reporting Entity

The Village's financial reporting entity comprises the following:

Primary Government:

Village of Justice, Illinois

In determining the financial reporting entity, the Village complies with the provisions of GASB Statement No. 61, "The Financial Reporting Omnibus – an Amendment of GASB Statements No. 14 and No. 34," and includes all component units that have a significant operational or financial relationship with the Village. Based upon the criteria set forth in the GASB Statement No. 61, there are no component units included in the reporting entity.

Police Pension Employees Retirement System

The Village's police employees participate in the Police Pension Employees Retirement System (PPERS). PPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the Village's President, one elected pension beneficiary and two elected police employees constitute the pension board. The participants are required to contribute a percentage of salary as established by state statute and the Village is obligated to fund all remaining PPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of contribution levels. Although it is legally separate from the Village, the PPERS is reported as if it were part of the primary Village because its sole purpose is to provide retirement benefits for the Village's police employees. The PPERS is reported as a pension trust fund.

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 police protection, highway and street maintenance and reconstruction, building code enforcement, public improvements, economic development, planning and zoning, and general administrative services are classified as governmental activities. The Village's sewer services are classified as business-type activities.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 Statement of Net Position presents the Village's non-fiduciary assets and liabilities with the difference reported in three categories:

- **Net investment in capital assets** consists of capital assets, net of accumulated depreciation and reduced by outstanding balances for bonds and other debt that are attributable to the acquisition, construction, or improvement of those assets.
- **Restricted net position** results when constraints placed on net position use, are either externally imposed by creditors, grantors, contributors, and the like, or imposed by law through constitutional provisions or enabling legislation.
- **Unrestricted net position** consists of net position that does not meet the criteria of the two preceding categories.

When both restricted and unrestricted resources are available for use, it is the Village's policy to use restricted resources first to finance qualifying activities, then unrestricted resources as they are needed.

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, 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 recorded as a transfer 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.

Fiduciary funds are excluded from the government-wide financial statements.

Fund Financial Statements

The financial transactions of the Village are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets/deferred outflows, liabilities/deferred inflows, fund equity, revenues and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

GASB Statement No. 34 sets forth minimum criteria (percentage of the assets/deferred outflows, liabilities/deferred inflows, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The Village electively added funds, as major funds, which either have debt outstanding or a specific community focus. The nonmajor funds are combined in a column in the fund financial statements. A fund is considered major if it is the primary operating fund of the Village or meets the following criteria:

- Total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- Total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The various funds are reported by generic classification within the financial statements. The following fund types are used by the Village:

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 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 are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Village maintains one major special revenue fund, the Motor Fuel Tax Fund. The other remaining four funds are considered nonmajor special revenue funds. The Motor Fuel Tax Fund is used to account for revenue sources that are legally restricted for road maintenance projects.

Debt service funds are used to account for the accumulation of funds for the periodic payment of principal and interest on general long-term debt. The LNC TIF #2 Expense Debt Service Fund is treated as a nonmajor fund and is used for the accumulation of resources for the payment of general long-term debt principal, interest and related costs in association with the Tax Increment Financing District #2. In the prior year, the LNC TIF #2 Expense Debt Service Fund was considered major.

Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by business-type/proprietary funds). The Village maintains one major capital projects fund.

Proprietary Funds

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 one major enterprise fund, the Sewer Fund, which is used to account for the activities of the Village which operate the sewer system.

Fiduciary Funds

Fiduciary funds are used to report assets held in a trustee or agency capacity by the Village for others and therefore are not available to support Village programs. The reporting focus is on net position and changes in net position and is reported using accounting principles similar to proprietary funds.

Pension trust funds are used to account for assets held in a trustee capacity by the Village for pension benefit payments. The Police Pension Funds account for the accumulation of resources to pay pension costs. Resources are contributed by police force members at rates fixed by state statutes and by the government through an annual property tax levy.

The assets of the fiduciary funds are being held for the benefit of a third party (pension participants) and cannot be used to address activities or obligations of the Village; therefore, this fund is not incorporated into the government-wide statements.

Measurement Focus and Basis of Accounting and Financial Statement Presentation

Governmental funds financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter, to pay liabilities of the current period. For this purpose, the Village considers revenues to be available if they are collected within 90 days of the end of the current fiscal year (60 days for property taxes).

Significant revenue sources which are susceptible to accrual include property taxes, other taxes, grants, charges for services, and interest. All other revenue sources are considered to be measurable and available only when cash is received.

Expenditures generally are recorded when the liability is incurred, as under accrual accounting. However, compensated absences are recorded only when payment is due (upon employee retirement or termination). General capital asset acquisitions are reported as expenditures in governmental funds.

Proprietary funds are accounted for on the flow of economic resources measurement focus and use the accrual basis of accounting. Under this basis of accounting and measurement focus, the Village applies all GASB pronouncements.

Proprietary funds distinguish operating revenues and expenses from nonoperating 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 revenue of the Sewer Enterprise Fund is charges to the customers for sales and services. The operating expenses for enterprise funds and internal service 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 revenue and expenses.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The accrual basis of accounting is utilized by the proprietary and fiduciary funds. Under this method, revenues are recognized when earned and expenses, including pension contributions, benefits paid, and refunds paid, are recognized at the time liabilities are incurred. Earned, but unbilled services in the enterprise fund are accrued and reported in the financial statements. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with the proprietary fund's principal ongoing operations.

Assets, Liabilities, Deferred Inflows of Resources and Net Position or Equity

Cash and Cash Equivalents

Cash and cash equivalents on the Statement of Net Position are considered to be cash on hand, or cash deposited with a financial institution. For the purpose of the proprietary funds "Statement of Cash Flows," cash and cash equivalents are considered to be cash on hand, or cash deposited with a financial institution, and all highly liquid investments with an original maturity of three months or less.

Interfund Receivables, Payables, and Activity

Loans

Loans are amounts provided with a requirement for repayment. Interfund loans are reported as due from other funds in lender funds and due to other funds in borrower funds for short-term borrowings and advances to other funds in lender funds and advances from other funds in borrower funds for long-term borrowings. Amounts are reported as internal balances in the government-wide statement of net position.

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 receivable balances for governmental activities include property taxes, sales and use taxes, franchise taxes, grants and lease. Business-type activities report utility charges as their major receivables.

Lessor Agreements

The Village is a lessor for a noncancellable agreement for space for a cell tower. The Village recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

At the commencement of a lease, the Village of Justice initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Key estimates and judgements include how the Village determines; (1) the discount rate it uses to discount the expected lease receipts to present value,; (2) lease term, ;and (3) lease receipts.

- The Village uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease.

Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The Village monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Subscription -Based Information Technology Arrangements

The Village is a lessee for a noncancellable lease of software. The Village recognizes a lease liability and an intangible right-of-use lease asset in the government-wide financial statements.

At commencement of a lease, the Village initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct cost. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Prepaid Expenses

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenses. The cost of prepaid expenses is recorded as expenditures/expenses when consumed rather than purchased.

Capital Assets

Capital assets purchased or acquired with an original cost of $1,000 or more and an estimated useful life in excess of two years are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. General capital assets are long-lived assets of the Village as a whole. Infrastructure such as streets, traffic signals and signs are capitalized. The valuation basis for general capital assets are 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 bases for proprietary fund capital assets are the same as those used for the general capital assets. Donated capital assets are capitalized at estimated acquisition value on the date donated.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Depreciation of capital assets is recorded in the Statement of Activities with accumulated depreciation reflected in the Statement of Net Position and is provided on the straight-line basis over the following estimated useful lives:

Land Improvements	20 Years
Buildings	75 Years
Equipment	5-20 Years
Furniture	5-20 Years
Infrastructure	35 Years

Compensated Absences

The liability for compensated absences report in the government-wide and proprietary fund statements consists of unpaid, accumulated vacation and sick leave balances. Using the termination method, the Village accrues the earned benefits to the extent it is probable that the benefits will result in termination cash payments. The general fund typically has been used to liquidate the governmental activities compensated absences.

The Village recognizes a liability for compensated absences for leave that; (a) is attributable to services already rendered; (b) accumulates; and (c) is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means.

The liability for compensated absences is reported as incurred in the government-wide and proprietary fund financial statements. A liability for compensated absences is recorded in the governmental funds only for amounts due and payable. The liability for compensated absences includes salary-related benefits, where applicable.

Sick Leave – Eligible employees earn sick leave at varying amounts depending on the applicable department and years of service. Upon separation of employment, unused accumulated sick leave is paid to employees. The amount paid upon separation will vary depending on department and years of service.

Vacation Leave – Non-police officers earn vacation leave at rates from 10 days to 25 days per year based upon years of service. Police officers earn vacation leave at rates from 9 days to 17 days (1 day = 12 hours). Non-police officers may carryover unused vacation time for a period of 2 years. Any accrued vacation time not taken within that period will result in the forfeit of time accrued. Police officers may carryover up to 204 hours of unused vacation leave. Unused vacation leave is paid to employees through cash payments upon separation of employment.

For types of compensated absences that are dependent upon the occurrence of a sporadic event that affects a relatively small proportion of employees in any particular reporting period (parental leave, military leave, and jury duty), a liability is not recognized until the leave commences. For unlimited leave and holiday leave, a liability is recognized when the leave is taken.

The liability for leave that has been used, but not yet paid, has been recognized in accrued salaries. The liability for leave that has not been used is recognized in compensated absences.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

For the year ended December 31, 2024, the Village began recording sick time in their compensated absences balance in accordance with GASB Statement no. 101, *Compensated Absences*. The balances are recorded based on the average usage and average pay rate by functional allocation. As a result of the new standard implementation, beginning net position was not required to be restated as the amounts were determined to be immaterial.

Deferred Inflows of Resources

The Village defers revenue recognition in connection with resources that have been received but not yet earned. Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. The governmental funds report unavailable revenues from three sources: property taxes, pensions and leases. These amounts are deferred and recognized as inflows of resources in the period that the amounts become available.

Long-Term Obligations

In the government-wide financial statements and 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 bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expenses at the time of issuance.

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

Restricted Net Position

In the government-wide financial statements, equity is classified as net position and displayed in three components:

- *Net Investment in Capital Assets* – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- *Restricted* – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislations.
- *Unrestricted* – All other net position balances that do not meet the definition of “restricted” or “net investment in capital assets.”

When both restricted and unrestricted resources are available for use, it is the Village's policy to use restricted resources first, then unrestricted resources as they are needed.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fund Equity

The Village's fund balances are required to be reported using five separate classifications as listed below. The Village may not necessarily utilize each classification in a given fiscal year.

- Non-Spendable – amounts that cannot be spent either because they are in non-spendable form or because they are legally or contractually required to be maintained intact.

- Restricted – amounts that can be used only for specific purposes because of constitutional provisions, charter requirements, or enabling legislation or because constraints that are externally imposed by creditors, grantors, or laws or regulations or other governments.

- Committed – amounts that can be used only for specific purposes determined by a formal action of the Board of Trustees of the Village (the highest level of decision-making authority for the Village). Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the Board of Trustees.

- Assigned – amounts that do not meet the criteria to be classified as restricted or committed, but that are intended to be used for specific purposes. Under the Village's adopted policy, only the Village may assign amounts for specific purposes.

- Unassigned – all other spendable amounts; positive amounts are only reported in the general fund.

When an expenditure is incurred for which both restricted and unrestricted fund balance is available, the Village considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Village considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Village's Board of Trustees has provided otherwise.

Elimination and Reclassification

In the process of aggregating data for the government-wide Statement of Activities, some amounts reported as interfund activity and interfund balances in the funds are eliminated or reclassified.

Use of Estimates

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

2. PROPERTY TAXES

The Village must file its tax levy ordinance by the last Tuesday in December of each year. The 2024 tax levy was approved by the President and Board of Trustees on December 9, 2024. The Village's property tax is levied each year on all taxable real property located in the Village. The owner of real property on January 1 in any year is liable for taxes of that year. Property taxes attach as an enforceable lien on property as of January 1 of the levy year.

2. PROPERTY TAXES (continued)

Property taxes are collected by the Cook County Collector (the Collector is also the Cook County Treasurer) who remits to the Village, its share of taxes collected. Taxes levied in one year become payable during the following year in two installments, one on March 1 and the second on August 1, or 30 days after the tax bills are mailed, whichever is later. The first installment is an estimated bill and is one half of the prior year's tax bill. The second installment is based on the current levy, assessment and equalization, and reflects any changes from prior year in those factors. Taxes on railroad real property used for transportation purposes are payable in one installment on a date to be determined.The Village collects taxes shortly after the due dates, usually within 45 days.

At the end of the year, the Collector presents the Warrant Books to the Circuit Court and applies for judgment for all unpaid taxes. The court order resulting from that application for judgment provides for the sale of all property with unpaid taxes shown on that year's Warrant Books. A public sale is held, at which time successful bidders pay the unpaid taxes plus penalties. Unpaid taxes accrue penalties at the rate of one and one-half percent per month from their due date until the date of sale. Taxpayers can redeem their property by paying the tax buyer the amount paid at the sale, plus a penalty.

If no redemption is made within two years, the tax buyer receives the deed on the property. In addition, there are other miscellaneous statutory provisions for foreclosure of tax liens.

Property taxes are recognized under the modified accrual basis of accounting. The current year tax levy, reduced by an allowance for estimated uncollectible taxes, is recorded as property taxes received and deferred tax revenue. As the taxes become available to finance current expenditures, they are recognized as revenues. At December 31, 2024, the property taxes receivable and deferred tax revenue consisted of the estimated amount collectible from the 2024 tax levy.

3. DEPOSITS AND INVESTMENTS

Cash – Village

The carrying amount of cash, excluding the Pension Trust Funds, was $10,807,249 at December 31, 2024, while the bank balances were $11,030,404. All balances were either insured by the Federal Deposit Insurance Corporation (FDIC) for $250,000 or collateralized with securities of the U.S. Government held in the Village's name by financial institutions acting as the Village's agent.

At December 31, 2024, the carrying amount of Illinois Funds for the Village was $5,008,297 and the bank balance was $5,007,297. Illinois Funds do not require collateralization. For the purposes of financial statement presentation, they are considered a cash equivalent as the weighted average maturity of the pool is less than one year. The Illinois Funds Investment Pool is not registered with the SEC.

The pool is sponsored by the Treasurer of the State of Illinois in accordance with state law. The fair value of the position in the Pool is the same as the value of the Pool shares.

Interest Rate Risk – The Village's investment policy does not specifically identify limits on investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk – State statutes authorize the Village to invest in obligations of the U.S. Treasury and U.S. Agencies obligations of states and their political subdivisions, repurchase agreements (under certain statutory restrictions), commercial paper rated within the three highest classifications by at least one standard rating services, the Illinois Funds. The Village's investment policy does not address credit risk.

3. DEPOSITS AND INVESTMENTS (continued)

Concentration of Credit Risk – The Village's investment policy requires diversified investments to eliminate the risk of loss resulting in over-concentration in a specific issuer or class of securities. The diversification can be by type of investment, number of institutions invested in, and length of maturity. As of December 31, 2024, the Village is in compliance with their investment policy.

Custodial Credit Risk – Deposits. 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 limit custodial credit risk for deposits. At year-end the entire balance of the bank balance of the deposits was covered by federal depository or equivalent insurance.

Custodial Credit Risk – Investments. In the case of investments, this is the risk that in the event of the failure of the counterparty, the Village will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Village's investment policy does not limit custodial credit risk for investments. At year-end, the Village's investment in the Illinois Funds is not subject to custodial credit risk.

Deposits and Investment – Police Pension

The Illinois Police Officer Pension Investment Fund (IPOPIF) is an investment trust fund responsible for the consolidation and fiduciary management of the pension assets of Illinois suburban and downstate police officers pension funds. IPOPIF was created by Public Act 101-0610, and codified within the Illinois Pension Code, becoming effective January 1, 2020, to streamline investments and eliminate unnecessary and redundant administrative costs, thereby ensuring assets are available to fund pension benefits for the beneficiaries of the participating pension funds. Participation in the IPOPIF by Illinois suburban and downstate police officer pension funds is mandatory. Investments of the Fund are combined in a commingled external investment pool and held by the IPOPIF. A schedule of investment expenses is included in IPOPIF's annual report. For additional information on IPOPIF's investments, please refer to their annual report as of June 30, 2024. A copy of the report can be obtained from IPOPIF at 456 Fulton Street, Suite 402, Peoria, Illinois 61602 or at ipopif.org.

IPOPIF has the authority to invest trust fund assets in any type of security subject to the requirements and restrictions set forth in the Illinois Pension Code and is not restricted by the Pension Code sections that pertain exclusively to the Article 3 participating police funds. IPOPIF shall be subject to the provisions of the Illinois Pension Code including, but not limited to, utilization of emerging investment managers and utilization of businesses owned by minorities, women, and persons with disabilities.

NAV (Net Asset Value)

The Net Asset Value (NAV) of the Police Pension Fund's pooled investment in IPOPIF was $14,933,499 at December 31, 2024. Investments in IPOPIF are valued at IPOPIF's share price, which is the price the investment could be sold. There are no unfunded commitments at December 31, 2024.

The fund may redeem shares with a seven-calendar day notice. IPOPIF may, at its sole discretion and based on circumstances, process redemption requests with fewer days' notice. Regular redemptions of the same amount on a particular day of the month may be arranged with IPOPIF.

3. DEPOSITS AND INVESTMENTS (continued)

Deposits

The Fund retains all its available cash with one financial institution. Available cash is determined to be that amount which is required for the current expenditures of the Fund. The excess of available cash is required to be transferred to IPOPIF for purposes of the long-term investment for the Fund. At year-end, the carrying amount of the Fund's cash on hand and bank balance totaled $3,993,726.

Custodial Credit Risk

In the case of deposits, this is the risk that in the event of a bank failure, the Fund's deposits may not be returned to it. The Fund's investment policy states that all deposits in excess of the FDIC insurable limits be secured by collateral in order to protect deposits from default. At year-end, the entire carrying amount of the bank balance of deposits is covered by federal depository or equivalent insurance.

4. CAPITAL ASSETS

A summary of changes in the capital assets for governmental and business-type activities of the Village for the year ended December 31, 2024, is as follows:

	Balance at December 31,	Additions	Disposals	Balance at December 31,
Capital Assets Not Being Depreciated:				
Land	$ 808,856	$ -	$ -	$ 808,856
Construction in progress	-	292,619	-	292,619
Total Capital Assets Not Being Depreciated	808,856	292,619	-	1,101,475
Capital Assets Being Depreciated:				
Land Improvements	7,170,113	3,959,707	-	11,129,820
Buildings	4,866,968	20,960	-	4,887,928
Equipment	5,381,384	231,016	-	5,612,400
Furniture	89,849	-	-	89,849
Subscription Asset	112,252	-	-	112,252
Total Capital Assets Being Depreciated	17,620,566	4,211,683	-	21,832,249
Less Accumulated Depreciation for:				
Land Improvements	2,949,943	457,498	-	3,407,441
Buildings	1,790,356	85,598	-	1,875,954
Equipment	4,902,417	192,503	-	5,094,920
Furniture	89,849	-	-	89,849
Subscription Asset	10,913	18,709	-	29,622
Total Accumulated Depreciation	9,743,478	754,308	-	10,497,786
Total Capital Assets Being Depreciated, Net	7,877,088	3,457,375	-	11,334,463
Governmental Activities Capital Assets, Net	$ 8,685,944	$ 3,749,994	$ -	$ 12,435,938

4. CAPITAL ASSETS (continued)

Depreciation and amortization was charged to functions/programs as follows:

General Government	$ 111,881
Public Safety	177,751
Public Works	464,676
	$ 754,308

	Balance at December 31, 2023	Additions	Deletions	Balance at December 31, 2024
Business-Type Activities:				
Capital Assets Not Being Depreciated:				
Land	$ 81,724	$ -	$ -	$ 81,724
Capital Assets Being Depreciated:				
Buildings	255,273	-	-	255,273
Equipment	1,044,051	-	-	1,044,051
Infrastructure	1,945,843	-	-	1,945,843
Total Capital Assets Being Depreciated	3,245,167	-	-	3,245,167
Less Accumulated Depreciation for:				
Buildings	(68,916)	(11,133)	-	(80,049)
Equipment	(1,001,351)	(11,709)	-	(1,013,060)
Infrastructure	(1,650,212)	(9,855)	-	(1,660,067)
Total Accumulated Depreciation	(2,720,479)	(32,697)	-	(2,753,176)
Total Capital Assets Being Depreciated, Net	524,688	(32,697)	-	491,991
Business-Type Activities Capital Assets, Net	$ 606,412	$ (32,697)	$ -	$ 573,715

5. LONG-TERM OBLIGATIONS

The following is a summary of changes to the Village's long-term debt for the fiscal year.

	Obligations Outstanding December 31, 2023	Additions	Reductions	Obligations Outstanding December 31, 2024	Due Within One Year
Governmental Activities:					
Bonds and Notes Payable					
ARS Refunding Bonds	$ 1,166,706	$ -	$ 191,350	$ 975,356	$ 225,356
TIF Junior Lien Revenue Bonds	1,813,941	-	951,391	862,550	448,596
Total Bonds	$ 2,980,647	$ -	$ 1,142,741	$ 1,837,906	$ 673,952
Other Liabilities:					
Compensated Absences*	$ 687,191	$ -	$ 130,474	$ 556,717	$ 111,343
SBITA Liability	92,251	-	17,463	74,788	17,943
IMRF Net Pension Liability	108,773	-	2,323	106,450	-
Police Net Pension Liability	13,110,518	2,721,234	-	15,831,752	-
Net OPEB Liability	2,366,195	-	545,461	1,820,734	-
Total Other Liabilities	16,364,928	2,721,234	695,721	18,390,441	129,286
Total Governmental Activities	$ 19,345,575	$ 2,721,234	$ 1,838,462	$ 20,228,347	$ 803,238
Business-Type Activities:					
ARS Refunding Bonds	$ 33,294	$ -	$ 23,650	$ 9,644	$ 9,644
Total Bonds	33,294	-	23,650	9,644	9,644
Other Liabilities:					
Compensated Absences*	40,562	1,672	-	42,234	8,447
IMRF Net Pension Liability	18,851	-	729	18,122	-
Net OPEB Liability	253,234	-	116,667	136,567	-
Total Other Liabilities	312,647	1,672	117,396	196,923	8,447
Total Business-Type Activities	$ 345,941	$ 1,672	$ 141,046	$ 206,567	$ 18,091

*The change in compensated absences liability is presented as a net change.

5. LONG-TERM OBLIGATIONS (continued)

The Village has issued two general obligation bonds for the purpose of acquiring property. General obligation bonds currently outstanding are as follows:

Issuance Notes	Fund Paid From	Beginning Balance	Issuances	Retirements	Ending Balance
Alternate Revenue					
Refunding Bonds of 2020A due in annual installments of $95,000 to $215,000 with interest payments of 3.99% through January 1, 2025.	General Fund	$ 276,706	$ -	$ 191,350	$ 85,356
	Sewer Fund	33,294	-	23,650	9,644
Refunding Bonds of 2020B due in annual installments of $140,000 to $260,000 with interest payments of 3.65% through January 1, 2028	General Fund	890,000	-	-	890,000
Total Alternate Revenue		$ 1,200,000	$ -	$ 215,000	$ 985,000

In prior years, the Village issued $6,550,000 in junior lien revenue bonds, which are payable from any excess TIF property tax money. Junior lien revenue bonds currently outstanding are as follows:

TIF Junior Lien Revenue Bonds	Fund Paid From	Beginning Balance	Issuances	Retirements	Ending Balance
Bonds of 2003 due from remaining increment with interest accrued.	LNC TIF #2 Debt Service Fund	$ 862,550	$ -	$ -	$ 862,550
Bonds of 2008A due from remaining increment with interest payments of 7.50%.	LNC TIF #2 Debt Service Fund	688,354	-	688,354	-
Bonds of 2008B due from remaining increment with interest payments of 6.25%.	LNC TIF #2 Debt Service Fund	263,038	-	263,038	-
Total TIF Junior Lien Revenue Bonds		1,813,942	-	951,392	862,550
Total Debt		$ 3,013,942	$ -	$ 1,166,392	$ 1,847,550

Debt Service Requirements to Maturity

For the General Obligation (Alternative Revenue Sources) Capital Appreciation Bonds Payable and TIF Junior Lien Revenue Bonds Payable, annual payments are based on the incremental revenues available within the Tax Incremental Financing District and do not have stated payments within a given year.

The following table shows the Long-Term Debt Requirements for the Village:

Fiscal	Governmental Activities		Business-Type Activities		Total	
Year	Principal	Interest	Principal	Interest	Principal	Interest
2025	$ 225,356	$ 31,451	$ 9,644	$ 375	$ 235,000	$ 31,826
2026	240,000	22,996	-	-	240,000	22,996
2027	250,000	14,053	-	-	250,000	14,053
2028	260,000	4,745	-	-	260,000	4,745
	$ 975,356	$ 73,245	$ 9,644	$ 375	$ 985,000	$ 73,620

5. LONG-TERM OBLIGATIONS (continued)

Subscription Based Information Technology Arrangements

On June 2, 2023, the Village entered into an arrangement to lease software to determine license plates on vehicles. The arrangement is for four years with an additional two years after the renewal which the Village intends to extend. The expected cost is $20,000 and carries a discount rate of 2.75%. As of December 31, 2024, the remaining balance for the arrangement was $74,789.

The following table illustrates the remaining future expected payments:

Fiscal Year	Principal	Interest	Total
2025	$ 17,943	$ 2,057	$ 20,000
2026	18,437	1,563	20,000
2027	18,944	1,056	20,000
2028	19,465	535	20,000
	$ 74,789	$ 5,211	$ 80,000

Legal Debt Margin

Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes provides, "...no municipality having a population of less than 500,000 shall become indebted in any manner or for any purpose, to an amount, including existing indebtedness in the aggregate exceeding 8.625% on the value of the taxable property therein, to be ascertained by the last assessment for state and county purposes, previous to the incurring of the indebtedness or, until January 1, 1983, if greater, the sum that is produced by multiplying the municipality's 1978 equalized assessed valuation by the debt limitation percentage in effect on January 1, 1979.

2023 Assessed Valuation	$ 217,385,463
Statutory Debt Limitation (8.625%)	$ 18,749,496
Less Outstanding General Obligation Bonds	985,000
Legal Debt Margin	$ 17,764,496

6. INTERFUND BALANCES AND TRANSFERS

The following table shows the interfund balances for the year ending December 31, 2024:

	Internal Balances	
Fund	Receivable	Payable
Governmental Funds		
General Fund	$ 3,647,470	$ -
Capital Projects	-	1,874,210
TIF 4	-	536,633
TIF 5	-	77,119
Subtotal	3,647,470	2,487,962
Enterprise Funds		
Sewer	-	1,159,508
Total	$ 3,647,470	$ 3,647,470

The following table shows the interfund transfers for the year ending December 31, 2024:

	Transfers	
Fund	Transfers In	Transfers Out
Governmental Funds		
General Fund	$ 262,305	$ -
Motor Fuel Tax	-	27,305
TIF #2 Fund	-	75,000
Total Governmental Funds	262,305	102,305
Enterprise Funds		
Sewer	-	160,000
Total Enterprise Funds	-	160,000
Total Transfers	$ 262,305	$ 262,305

7. LESSOR DISCLOSURE

The Village entered into a lease agreement on February 24, 1997 to lease cell tower space. Payments of $2,130 are due to the Village in monthly installments through February 2027. The agreement includes a provision to reassess every five years and increase the payments due incrementally. With the included provision the lease agreement concludes February 2067. The lease agreement maintains an interest rate of 1.91%. During the fiscal year, the Village collected $53,197 and recognized a $22,100 reduction in the related deferred inflow of resources. The remaining lease receivable and offsetting deferred inflow of resources for this agreement is $995,936 and $931,899 respectively as of December 31, 2024.

8. EMPLOYEE RETIREMENT PLANS

The Village contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system, the Police Pension Plan which is a single-employer pension plan, and the Service Employees International Union – National Industry Pension Fund, a cost-sharing multiple-employer defined benefit pension plan. Separate reports are issued for the Police Pension Plan and may be obtained by writing to the Village at 7800 South Archer Road, Justice, Illinois 60458. IMRF issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by an individual employer. That report may be obtained on-line at www.imrf.org. The benefits, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly.

	Net Pension Obligation (Asset)	Deferred Outflows of Resources	Deferred Inflows of Resources
IMRF Pension	$ 124,572	$ 232,086	$ (44,621)
Police Pension	15,831,752	5,859,657	(550,090)
	$ 15,956,324	$ 6,091,743	$ (594,711)

Illinois Municipal Retirement Fund

Plan Description

Plan Administration. All employees (other than those covered by the Police Pension Plans) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

Benefits Provided. IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP). The Sheriff's Law Enforcement Personnel (SLEP) Plan is for sheriffs, deputy sheriffs, and selected police chiefs. Counties could adopt the Elected County Official (ECO) Plan for officials elected prior to August 8, 2011 (the ECO plan was closed to new participants after that date).

IMRF provides two tiers of pension benefits. Employees hired *before* January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings.

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% of the original amount on January 1 every year after retirement.

8. EMPLOYEE RETIREMENT PLANS (continued)

Illinois Municipal Retirement Fund (continued)

Employees hired *on or after* January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. 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:

- 3% of the original pension amount, or
- 1/2 of the increase in the Consumer Price Index of the original pension amount.

Employees Covered by Benefit Terms

As of December 31, 2024, the following employees were covered by the benefit terms:

Retirees and Beneficiaries currently receiving benefits	23
Inactive Plan Members entitled to but not yet receiving benefits	27
Active Plan Members	27
Total	77

Contributions

As set by statute, the Village's Regular Plan Members are required to contribute 4.5% 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 year 2024 was 5.99%. For the fiscal year ended December 31, 2024, the Village contributed $108,264 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.

Net Pension Liability

The Village's net pension liability was measured as of December 31, 2024. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

8. EMPLOYEE RETIREMENT PLANS (continued)

Illinois Municipal Retirement Fund (continued)

Actuarial Assumptions

The following are the methods and assumptions used to determine total pension liability at December 31, 2024:

- The Actuarial Cost Method used was Entry Age Normal.
- The Asset Valuation Method used was Market Value of Assets.
- The Inflation Rate was assumed to be 2.25%.
- Salary Increases were expected to be 2.85% to 13.75%, including inflation.
- The Investment Rate of Return was assumed to be 7.25%.
- Projected Retirement Age was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2023 valuation according to an experience study from years 2020 to 2022.
- For Non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General Retiree, Male (adjusted 108%) and Female (adjusted 106.4%) tables, and future mortality improvements projected using scale MP-2021.

- For Disabled Retirees, the Pub-2010, Amount-Weighted, below-median income, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021.
- For Active Members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021.
- 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 weighing the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

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

8. EMPLOYEE RETIREMENT PLANS (continued)

Illinois Municipal Retirement Fund (continued)

Single Discount Rate

A Single Discount Rate of 7.25% was used to measure the total pension liability. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

1. The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and
2. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.25%, the municipal bond rate is 4.08%, and the resulting single discount rate is 7.25%.

Changes in the Net Pension Liability

Changes in the Net Pension Liability are derived from the changes in total pension liability and changes in the plan net position as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (a) - (b)
Balances Beginning at 1/1/2024	$ 7,291,114	$ 7,163,490	$ 127,624
Charges for the year:			
Service Cost	140,697	-	140,697
Interest	522,472	-	522,472
Actuarial Experience	-	-	-
Assumptions Changes	110,882	-	110,882
Contributions - Employer	-	108,264	(108,264)
Contributions - Employee	-	81,358	(81,358)
Net Investment Income	-	701,820	(701,820)
Benefit Payments from Trust	(309,910)	(309,910)	-
Other (Net Transfer)	-	(114,339)	114,339
Net Changes	464,141	467,193	(3,052)
Balances Ending at 12/31/2024	$ 7,755,255	$ 7,630,683	$ 124,572

8. EMPLOYEE RETIREMENT PLANS (continued)

Illinois Municipal Retirement Fund (continued)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.25%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	1% Lower (6.25%)	Current (7.25%)	1% Higher (8.25%)
Total Pension Liability	$ 8,611,868	$ 7,755,255	$ 7,084,837
Less: Plan Fiduciary Net Position	7,630,683	7,630,683	7,630,683
Net Pension Liability (Asset)	$ 981,185	$ 124,572	$ (545,846)

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

For the year ended December 31, 2024, the Village recognized pension expense of $52,065. At December 31, 2024, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred Amounts Related to Pensions	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows of Resources
Differences between expected and actual experience	$ 75,022	$ 31,100	$ 43,922
Changes of assumptions	-	5,962	(5,962)
Net difference between projected and actual earnings on pension plan investments	579,898	430,392	149,506
Total Deferred Amounts Related to Pensions	$ 654,920	$ 467,454	$ 187,466

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Year Ending December 31	Net Deferred Outflows of Resources
2024	$ 83,409
2025	225,234
2026	(82,981)
2027	(38,196)
2028	-
Thereafter	-
Total	$ 187,466

8. EMPLOYEE RETIREMENT PLANS (continued)

Police Pension Plan

Plan Administration.

The Police Pension Plan is a single employer defined benefit pension plan that covers all sworn police personnel. The defined benefits and employee and minimum employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/3-1) and may be amended only by the Illinois legislature. The Village accounts for the Fund as a pension trust fund. The Fund is governed by a five-member pension board. Two members of the Board are appointed by the Village President, one member is elected by pension beneficiaries and two members are elected by active police employees.

Plan Membership

Membership in the plan consisted of the following as of December 31, 2024:

Inactive Members Currently Receiving Benefits	12
Inactive Members Entitled to but not yet Receiving Benefits	12
Active nonvested plan members	21
Total	45

Benefits Provided

The Police Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary.

Employees with at least ten years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit 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 and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% compounded annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the 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 officers' salary for pension purposes is capped at $106,800, plus the lesser of 1/2 of the annual change in the Consumer Price Index or 3% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., 1/2% for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st 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% or 1/2 of the change in the Consumer Price Index for the preceding calendar year.

8. EMPLOYEE RETIREMENT PLANS (continued)

Police Pension Plan (continued)

Contributions

The costs of administering the plan are financed through employee and employer contributions. Covered employees are required to contribute 9.91 percent of their base salary to the Police Pension Plan. The member rate is determined by state statute. The Village is required to contribute at an actuarially determined rate. The employer contribution is funded by property taxes. Administrative costs are funded by investment earnings. Contributions and benefits are recognized when due and payable. Refunds are recognized as paid.

Investment Policy

Investments of the Police Pension Fund are combined in a commingled external investment pool and held by the Illinois Police Officers' Pension Investment Fund (IPOPIF). A schedule of investment expenses is included in IPOPIF's annual report. For additional information on IPOPIF's investments, please refer to their annual report as of June 30, 2024. A copy of that report can be obtained from IPOPIF at 456 Fulton Street, Suite 402, Peoria, IL 61602 or at www.ipopif.org.

IPOPIF's investment policy was originally adopted by the Board of Trustees on December 17, 2021. IPOPIF has the authority to invest trust fund assets in any type of security subject to the requirements and restrictions set forth in the Illinois Pension Code and is not restricted by the Pension Code sections that pertain exclusively to Article 3 participating police pension funds. IPOPIF shall be subject to the provisions of the Illinois Pension Code including, but not limited to, utilization of emerging investment managers and utilization of business owed by minorities, women, and persons with disabilities.

Investment Valuations

All investments in the plan are stated at fair value and are recorded as of the trade date. Fair value is based on quoted market prices at May 31 for debt securities, equity securities and mutual funds and contract values for insurance contracts. Illinois Funds, an investment pool created by the state legislature under the control of the State Treasurer, is a money market mutual fund that maintains a $1 per share value.

Investment Rate of Return

For the year ended December 31, 2024, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 9.59%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changes amounts actually invested.

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank's failure, the Fund's deposits may not be returned to them. The Fund's investment policy requires all bank balances to be covered by federal depository insurance.

8. EMPLOYEE RETIREMENT PLANS (continued)

Police Pension Plan (continued)

Interest Rate Risk

The Fund has the following recurring fair value measurements as of December 31, 2024. The Mutual Funds and Equities are valued using quoted prices in active markets for identical assets (Level 1 inputs). The Corporate Bonds, Certificates of Deposit and Insurance Contracts are valued using quoted pricing models (Level 2 inputs).

The Fund categorizes the fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the assets. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

Credit Risk

The Fund 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 obligations guaranteed by the United States Government, securities issued by agencies of the United States Government that are explicitly or implicitly guaranteed by the United States Government, and investment grade corporate bonds rated at or above BBB- by Standard and Poor's, Baa3 by Moody's and BBB- by Fitch by at least two of the three rating agencies. As of December 31, 2024, the Plan's investments in U.S. Government agencies were rated AAA by Standard & Poor's and Aaa by Moody's Investors Service. The Plan's investments in the Illinois Funds were rated AAA by Standard & Poor's. The Money Market Mutual Funds, Insurance Contracts and Equities were not rated.

Custodial Credit Risk

For an investment, this is the risk that in the event of failure of the counterparty, the Fund will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. The U.S. Treasury Notes, U.S. agency securities, and insurance contracts are held by the Fund's agent in the Fund's name. The Illinois Funds Investment Pool, Money Market Mutual Funds, and Equity Mutual Funds are not subject to custodial credit risk.

8. EMPLOYEE RETIREMENT PLANS (continued)

Police Pension Plan (continued)

Net Pension Liability

The components of the net pension liability of the Police Pension Plan as of December 31, 2024, calculated in accordance with GASB Statement No. 67 were as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (a) - (b)
Balances Beginning at 1/1/2024	$ 30,157,536	$ 17,047,018	$ 13,110,518
Charges for the year:			
Service Cost	564,648	-	564,648
Interest	1,982,531	-	1,982,531
Actuarial Experience	(398,881)	-	(398,881)
Assumptions Changes	3,643,477	-	3,643,477
Change in Benefit Terms	-	-	-
Contributions - Employer	-	816,949	(816,949)
Contributions - Employee	-	241,517	(241,517)
Contributions - Others		562,517	(562,517)
Net Investment Income	-	1,499,686	(1,499,686)
Benefit Payments from Trust	(1,187,562)	(1,187,562)	-
Administrative Expense	-	(50,128)	50,128
Net Changes	4,604,213	1,882,979	2,721,234
Balances Ending at 12/31/2024	$ 34,761,749	$ 18,929,997	$ 15,831,752

Actuarial Assumptions

The total pension liability above was determined by an actuarial valuation performed as of December 31, 2024 using the following actuarial methods and assumptions:

Actuarial Valuation Date	December 31, 2024
Actuarial Cost Method	Entry-age, normal
Amortization Period	Level percentage of pay
Asset Valuation Method	Market
Long-Term Expected Rate of Return on Plan Assets	6.80%
Projected Salary Increases	3.00% – 11.00%
Includes Inflation at	2.50%
Cost-of-living Adjustments	2.5% per year

8. EMPLOYEE RETIREMENT PLANS (continued)

Police Pension Plan (continued)

Mortality rates are based on rates developed in the PubS-2010(A) Public Safety Employee Mortality Table. Other demographic assumption rates are based on a review of assumptions in the L&A 2024 study for Illinois Police Officers.

Municipal Bond Rate

The municipal bond rate assumption is based on The Bond Buyer 20-Bond GO Index. The rate shown in the Actuarial Assumption section is the December 31, 2024 rate. The 20-Bond GO Index is based on an average of certain general obligation municipal bonds maturing in 20 years and having an average rating equivalent of Moody's Aa2 and Standard & Poor's AA.

Discount Rate

The discount rate of 6.05% is used in the determination of the Total Pension Liability and is based on a combination of the expected long-term rate of return on plan investments and the municipal bond rate.

Cash flow projections were used to determine the extent which the plan's future net position will be able to cover future benefit payments. To the extent future benefit payments are covered by the plan's projected net position, the expected rate of return on plan investments is used to determine the portion of net pension liability associated with those payments. To the extent future benefit payments are not covered by the plan's projected net position, the municipal bond rate is used to determine the portion of the net pension liability associated with those payments.

Discount Rate Sensitivity

The following is a sensitive analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the Village calculated using the discount rate of 6.05% as well as what the Village's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.05%) or one percentage point higher (7.05%) than the current rate:

	1% Decrease (5.05%)	Discount Rate (6.05%)	1% Increase (7.05%)
Net Pension Liability	$ 21,447,494	$ 15,381,752	$ 11,314,996

8. EMPLOYEE RETIREMENT PLANS (continued)

Police Pension Plan (continued)

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Police Pension

For the year ended December 31, 2024, the Village recognized a Police Pension expense of $1,100,991. At December 31, 2024, the Village reported deferred outflows of resources and deferred inflows of resources related to the Police Pension from the following sources:

Deferred Amounts Related to Pensions	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows of Resources
Differences between expected and actual experience	$ 2,183,667	$ 535,625	$ 1,648,042
Changes of assumptions	3,179,803	14,465	3,165,338
Net difference between projected and actual earnings on pension plan investments	1,332,506	836,319	496,187
Total Deferred Amounts to be recognized in pension expense in future periods	$ 6,695,976	$ 1,386,409	$ 5,309,567

Amounts reported as deferred outflows of resources and deferred inflows of resources related to Police Pensions will be recognized in pension expense in future periods as follows:

Year Ending December 31,	Net Deferred Outflows of Resources
2025	$ 1,844,049
2026	1,890,095
2027	1,223,848
2028	351,575
Total	$ 5,309,567

Service Employees International Union – National Industry Pension Fund

Public Works employees under the Collective Bargaining Agreement with Service Employees International Union, SEIU, are not covered under the SEIU National Industry Pension Fund as of May 1, 2002. This cost-sharing multiple-employer defined benefit pension plan, administered by SEIU, provides retirement, permanent disability, and death benefits to plan members and beneficiaries. This plan may be amended by the SEIU Trustees consistent with the provisions of the Trust Agreement; however, no amendment may decrease the accrued benefit of any participants unless to maintain the qualification of the plan under the Internal Revenue Code or to maintain compliance of the plan with requirements of ERISA.

9. OTHER POST-EMPLOYMENT BENEFITS PLAN

Plan Description

The Village's defined benefit OPEB plan, Retiree Benefits Plan (RBP), provides OPEB for all permanent full-time general and public safety employees of the Village. RBP is a single employer defined benefit OPEB plan administered by the Village. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the Village Board. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Benefits Provided

The Village provides healthcare benefits for retirees and their dependents. The Village pays 75% of the cost (blended) of coverage for police employees who have reached age 50 with 20 or more years of service at retirement. The Village pays 70% of the cost (blended) of coverage for municipal employees who have reached age 60 with 20 or more years of service at retirement. All other retirees pay 100% of the cost (blended) of coverage. All retirees pay 100% of the cost (blended) of spousal coverage. The Village pays 100% of the cost of coverage for Disabled officers.

At December 31, 2024, the measurement date, the Fund's membership consisted of:

Inactive plan members or beneficiaries currently receiving benefits	10
Inactive plan members entitled to, but not yet receiving benefits	-
Active plan members	29
Total	39

Funding Policy

The Village is not required to and currently does not advance fund the cost of benefits that will become due and payable in the future. The Village does not have an OPEB trust set up. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Total OPEB Liability

The Village's net OPEB liability was measured as of December 31, 2024. The total OPEB liability used to calculate the net pension liability was determined by an actuarial valuation, in accordance with parameters of GASB 75, as of that date.

9. OTHER POST-EMPLOYMENT BENEFITS PLAN (Continued)

Actuarial Assumptions

The following are the methods and assumptions used to determine total OPEB liability at December 31, 2024:

Actuarial Valuation Date	December 31, 2024
Asset Valuation Method	Entry-age Normal
Inflation	2.25%
Salary Increases	3.50%
Investment Rate of Return	N/A
Healthcare Cost Trends	Market Value

Mortality Rates

Possibilities of death for participants were according to Pub S 2010 base rates projected generationally using scale MP2021 for police. For all others the Pub G 2010 base rates projected generationally using scale MP2021 was used. No additional provision (besides those already embedded) were included for mortality improvements.

Discount Rate

The discount rate used to measure the total OPEB liability was 4.08%. The determination of Total OPEB Liability is based on a combination of the expected long-term rate of return on plan investments and the municipal rate. The employer does not have a trust dedicated exclusively to the payment of OPEB benefits, therefore, then only the municipal bond rate is used in determining the Total OPEB Liability.

Sensitivity of Net OPEB Liability to Changes in the Discount Rate

The Net OPEB Liability has been determined using the end-of-year discount rate. The table showing the sensitivity of the Net OPEB Liability to the discount rate follows:

	1% Decrease (3.08%)	Discount Rate (4.08%)	1% Increase (5.08%)
Net OPEB Liability	$ 2,117,639	$ 1,957,301	$ 1,810,499

9. OTHER POST-EMPLOYMENT BENEFITS PLAN (Continued)

Changes in Net OPEB Liability

The Schedule of Changes in Net OPEB Liability and Related Ratios presents current period changes in the total OPEB liability and plan OPEB position. Changes in the Net OPEB Liability are as follows:

	Increase (Decrease)		
	Total OPEB Liability (a)	OPEB Plan Net Position (b)	Net OPEB Liability (a) - (b)
Balances Beginning, 1/1/2024	$ 2,619,429	$ -	$ 2,619,429
Changes for the year:			
Service Cost	133,014	-	133,014
Interest	97,498	-	97,498
Actuarial Experience	(554,261)	-	(554,261)
Assumption Changes	(271,853)	-	(271,853)
Plan Changes	-	-	-
Contributions - Employer	-	66,526	(66,526)
Contributions - Employee	-	-	-
Contributions - Other	-	-	-
Net Investment Income	-	-	-
Benefit Payments	(66,526)	(66,526)	-
Administrative Expenses	-	-	-
Net Changes	(662,128)	-	(662,128)
Balances Ending, 12/31/2024	$ 1,957,301	$ -	$ 1,957,301

OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2024, the Village recognized OPEB benefit of $79,396. At December 31, 2024, the Village reported no deferred outflows of resources or deferred inflows of resources related to OPEB.

Deferred Amounts Related to OPEB	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows of Resources
Differences between expected and actual experience	$ -	$ 1,604,244	$ (1,604,244)
Assumption Changes	466,227	558,393	(92,166)
Net difference between the projected and actual earnings on OPEB investments	-	-	-
Total	$ 466,227	$ 2,162,637	$ (1,696,410)

9. OTHER POST-EMPLOYMENT BENEFITS PLAN (Continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to Other Post-Employment Benefits will be recognized in pension expense in future periods as follows:

Year Ending December 31,	Net Change in Deferred Outflows of Resources
2025	$ (243,382)
2026	(243,382)
2027	(243,382)
2028	(211,566)
2029	(230,747)
Thereafter	(523,951)
Total	$ (1,696,410)

10. RISK MANAGEMENT

For the current and prior fiscal year, the Village purchased commercial insurance for various risks of loss due to torts, thefts, damage and errors and omissions, injuries to employees and natural disasters. Settled claims resulting from these risks have not exceeded commercial insurance coverage in the prior three years.

11. CONTINGENCIES AND LITIGATION

Grants

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

Litigation

The Village is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the Village's attorney, the resolution of these matters will not have a material adverse effect on the financial condition of the Village.

Tollway Project

The Village is participating in a capital improvement project with the State, Illinois Tollway Highway Authority and Cook County. The project began in 2015 when the Village was awarded federal funding to begin the feasibility study which led into an Intergovernmental Agreement (IGA) between the Village and the Illinois Tollway Authority. The IGA established a plan to open a Southbound on ramp and a Northbound off ramp from the Illinois Tollway I-294 at Cork Avenue and Archer within the Village, with improvements being made to Cork Avenue, a county road. The new ramps will create new access to and from I-294, improve flow of truck traffic, reduce congestion and foster economic development andjob creation in the Village of Justice and surrounding regions. The Agreement established the following phases to be completed: Feasibility Study, Engineering, Land Acquisition and Construction. The Agreement also establishes cost sharing plan for each of the phases of the project with the costs being shared between the Village and the Illinois Tollway Authority. For Phase I and II, the Village has

11. CONTINGENCIES AND LITIGATION (continued)

Tollway Project (continued)

received federal grant funding through the Surface Transportation Program to support 80% of the project. In 2019, the IL Department of Transportation and the IL Tollway Authority, based on the feasibility study, approved moving to Phase II – Design Engineering. Currently, the Project is nearing the end of the Design Engineering phase of the project and working towards the final phase - construction is expected to take place within the next 18 months. The Tollway has begun to reimburse the Village their portion of Phase I and II in different increments and timelines. As of the issuance of this report, the Village will have additional liability related to the Engineering and Construction but at this time, the amount cannot be determined. The original estimates established a total cost of approximately $36 million for all phases of the project.

REQUIRED SUPPLEMENTARY INFORMATION

Village of Justice, Illinois
Schedule of Employer Contributions
Illinois Municipal Retirement Fund
Last Ten Calendar Years

Calendar Year Ending December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll
2015	$ 164,343	$ 164,343	$ -	$ 1,109,673	14.81 %
2016	183,378	183,377	1	1,250,874	14.66 %
2017	179,257	179,257	-	1,294,272	13.85 %
2018	176,592	177,034	(442)	1,272,279	13.91 %
2019	161,354	160,951	403	1,344,616	11.97 %
2020	153,786	153,785	1	1,347,816	11.41 %
2021	161,390	161,390	-	1,491,591	10.82 %
2022	132,276	132,275	1	1,649,326	8.02 %
2023	111,153	111,154	(1)	1,681,588	6.61 %
2024	108,264	108,264	-	1,807,419	5.99 %

See Accompanying Notes to the Required Supplementary Information

Village of Justice, Illinois
Schedule of Employer Contributions
Police Pension Fund
Last Ten Calendar Years

Calendar Year Ending December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll
2016	$ 800,000	655,089	144,911	1,836,125	35.68 %
2017	881,719	522,225	359,494	2,061,773	25.33 %
2018	897,999	621,640	276,359	1,990,604	31.23 %
2019	868,118	587,370	280,748	1,867,102	31.46 %
2020	947,670	586,816	360,854	1,957,817	29.97 %
2021	812,492	817,067	(4,575)	1,924,490	42.46 %
2022	840,922	836,676	4,246	1,852,898	45.15 %
2023	869,390	732,950	136,440	2,094,586	34.99 %
2024	1,002,432	816,949	185,483	2,309,292	35.38 %

The information on the schedules will accumulate until a full 10-year trend is presented as required by GASB Statement No. 68. Information is presented for those years for which information is available.

See Accompanying Notes to the Required Supplementary Information

Village of Justice, Illinois

Schedule of Changes in Employer's Net Pension Liability and Related Ratios

Illinois Municipal Retirement Fund

December 31, 2024

Total Pension Liability	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**
Service Cost	$ 140,697	$ 158,341	$ 137,559	$ 131,246	$ 134,884	$ 132,688	$ 119,599	$ 130,211	$ 117,734	$ 116,532
Interest	522,472	503,278	479,648	467,342	465,704	444,946	450,937	446,929	416,727	396,693
Change of Benefit Terms	-	-	-	-	-	-	-	-	-	-
Differences Between Expected and Actual Experience	110,882	(68,165)	(2,607)	(120,892)	(171,988)	31,628	(334,096)	(70,033)	107,835	(22,896)
Changes of Assumptions	-	(13,236)	-	-	(76,300)	-	175,962	(181,832)	(23,464)	7,314
Benefit Payments, Including Refunds	(309,910)	(303,410)	(294,699)	(327,529)	(328,239)	(319,847)	(268,671)	(264,388)	(224,989)	(220,924)
Net Change in Total Pension Liability	464,141	276,808	319,901	150,167	24,061	289,415	143,731	60,887	393,843	276,719
Total Pension Liability - Beginning	7,291,114	7,014,306	6,694,405	6,544,238	6,520,177	6,230,762	6,087,031	6,026,144	5,632,301	5,355,582
Total Pension Liability - Ending	$7,755,255	$7,291,114	$7,014,306	$6,694,405	$6,544,238	$6,520,177	$6,230,762	$6,087,031	$6,026,144	$5,632,301
Plan Fiduciary Net Position										
Contributions - Employer	$ 108,264	$ 111,154	$ 132,275	$ 161,390	$ 153,785	$ 160,951	$ 177,034	$ 179,257	$ 183,377	$ 164,343
Contributions - Employee	81,358	75,672	74,220	81,179	60,652	60,508	57,376	61,275	57,190	50,826
Net Investment Income	701,820	706,500	(916,416)	1,134,082	867,510	942,366	(297,864)	813,167	304,625	21,562
Benefit Payments, Including Refunds	(309,910)	(303,410)	(294,699)	(327,529)	(328,239)	(319,847)	(268,671)	(264,388)	(224,989)	(220,924)
Administrative Expense	(114,339)	173,755	8,229	(282,623)	(68,824)	70,532	102,547	(277,719)	55,354	41,680
Net Change in Plan Fiduciary Net Position	467,193	763,671	(996,391)	766,499	684,884	914,510	(229,578)	511,592	375,557	57,487
Plan Fiduciary Net Position - Beginning	7,163,490	6,399,819	7,396,210	6,629,711	5,944,827	5,030,317	5,259,895	4,748,303	4,372,746	4,315,259
Plan Fiduciary Net Position - Ending	$7,630,683	$7,163,490	$6,399,819	$7,396,210	$6,629,711	$5,944,827	$5,030,317	$5,259,895	$4,748,303	$4,372,746
Employer's Net Pension Liability	$ 124,572	$ 127,624	$ 614,487	$ (701,805)	$ (85,473)	$ 575,350	$1,200,445	$ 827,136	$1,277,841	$1,259,555
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	98.39 %	98.25 %	91.24 %	110.48 %	101.31 %	91.18 %	80.73 %	86.41 %	78.80 %	77.64 %
Covered-Valuation Payroll	$1,807,419	$1,681,588	$1,649,326	$1,491,591	$1,347,816	$1,344,616	$1,272,279	$1,294,272	$1,250,874	$1,109,673
Employer's Net Pension Liability as a Percentage of Covered-Valuation Payroll	6.89 %	7.59 %	37.26 %	(47.05)%	(6.34)%	42.79 %	94.35 %	63.91 %	102.16 %	113.51 %

See Accompanying Notes to the Required Supplementary Information

Village of Justice, Illinois

Schedule of Changes in Employer's Net Pension Liability and Related Ratios

Police Pension Fund

December 31, 2024

Total Pension Liability	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**
Service Cost	$ 564,648	$ 484,341	$ 414,231	$ 408,074	$ 386,147	$ 405,025	$ 385,273	$ 506,758	$ 508,819	$ 482,293
Interest	1,982,531	1,718,658	1,655,107	1,555,771	1,486,379	1,583,315	1,567,166	1,560,440	1,506,175	1,324,224
Change of Benefit Terms	-	-	-	-	-	24,814	-	-	-	-
Differences Between Expected and Actual Experience	(398,881)	3,639,445	(440,196)	(513,310)	(65,636)	(2,522,321)	(1,296,233)	(162,282)	163,228	-
Changes of Assumptions	3,643,477	-	770,478	687,478	(86,795)	(55,673)	405,509	(1,360,238)	(702,982)	1,489,116
Benefit Payments, Including Refunds	(1,187,562)	(949,893)	(729,593)	(720,564)	(780,848)	(821,321)	(880,213)	(678,056)	(828,463)	(565,692)
Net Change in Total Pension Liability	4,604,213	4,892,551	1,670,027	1,417,449	939,247	(1,386,161)	181,502	(133,378)	646,777	2,729,941
Total Pension Liability - Beginning	30,157,536	25,264,985	23,594,958	22,177,509	21,238,262	22,624,423	22,442,921	22,576,299	21,929,522	19,199,581
Total Pension Liability - Ending	$ 34,761,749	$ 30,157,536	$ 25,264,985	$ 23,594,958	$ 22,177,509	$ 21,238,262	$ 22,624,423	$ 22,442,921	$ 22,576,299	$ 21,929,522
Plan Fiduciary Net Position										
Contributions - Employer	$ 816,949	$ 732,950	$ 836,676	$ 817,067	$ 586,816	$ 587,370	$ 621,640	$ 522,225	$ 655,089	$ 509,027
Contributions - Employee	241,517	211,997	205,481	195,459	173,607	219,505	186,143	190,380	204,568	186,347
Contributions - Other	562,517	-	-	-	-	-	-	-	-	204,835
Net Investment Income	1,499,686	1,767,749	(2,119,982)	1,760,189	1,543,240	2,168,496	(480,598)	1,526,106	451,392	21,038
Benefit Payments, Including Refunds	(1,187,562)	(949,893)	(729,593)	(720,564)	(780,848)	(821,321)	(880,213)	(678,056)	(828,463)	(565,692)
Administrative Expenses	(50,128)	(41,616)	(29,204)	(57,110)	(40,350)	(34,422)	(40,582)	(46,047)	(38,273)	(29,796)
Net Change in Plan Fiduciary Net Position	1,882,979	1,721,187	(1,836,622)	1,995,041	1,482,465	2,119,628	(593,610)	1,514,608	444,313	325,759
Plan Fiduciary Net Position - Beginning	17,047,018	15,325,831	17,162,453	15,167,412	13,684,947	11,565,319	12,158,929	10,644,321	10,200,007	9,874,248
Plan Fiduciary Net Position - Ending	$ 18,929,997	$ 17,047,018	$ 15,325,831	$ 17,162,453	$ 15,167,412	$ 13,684,947	$ 11,565,319	$ 12,158,929	$ 10,644,320	$ 10,200,007
Employer's Net Pension Liability	$ 15,831,752	$ 13,110,518	$ 9,939,154	$ 6,432,505	$ 7,010,097	$ 7,553,315	$ 11,059,104	$ 10,283,992	$ 11,931,979	$ 11,729,515
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	54.46 %	56.53 %	60.66 %	72.74 %	68.39 %	64.44 %	51.12 %	54.18 %	47.15 %	46.51 %
Covered-Valuation Payroll	$ 2,309,292	$ 2,094,586	$ 1,852,898	$ 1,924,490	$ 1,957,817	$ 1,867,102	$ 1,990,604	$ 2,061,773	$ 1,836,125	$ 1,769,499
Employer's Net Pension Liability as a Percentage of Covered-Valuation Payroll	685.57 %	625.92 %	536.41 %	334.24 %	358.06 %	404.55 %	555.57 %	498.79 %	649.85 %	662.87 %

See Accompanying Notes to the Required Supplementary Information

Village of Justice, Illinois
Schedule of Investment Returns
Police Pension Fund
Last Ten Fiscal Years
(schedule to be built prospectively from 2015)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Annual Money-Weighted Rate of Return										
Net of Investment Expense	9.59%	11.57%	(12.26%)	11.54%	8.39%	18.82%	(4.19%)	3.77%	7.03%	0.22%

See Accompanying Notes to the Required Supplementary Information

Village of Justice, Illinois
Schedule of Employer Contributions
Other Post Employment Benefits Plan
Last Ten Calendar Years

Calendar Year Ending December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll
2018	$ 62,283	$ 62,283	$ -	$ 2,534,570	2.46 %
2019	67,266	67,266	-	2,623,280	2.56 %
2020	63,014	63,014	-	2,473,920	2.55 %
2021	67,425	67,425	-	2,560,508	2.63 %
2022	63,014	63,014	-	2,684,631	2.35 %
2023	33,135	33,135	-	2,778,593	1.19 %
2024	66,526	66,526	-	2,353,754	2.83 %

The information on the schedules will accumulate until a full 10-year trend is presented as required by GASB Statement No. 75. Information is presented for those years for which information is available.

See Accompanying Notes to the Required Supplementary Information

Village of Justice, Illinois

Schedule of Changes in Employer's Net OPEB Liability and Related Ratios

Other Post Employment Benefits Plan

December 31, 2024

Total OPEB Liability	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**
Service Cost	$ 133,014	$ 121,697	$ 195,907	$ 190,256	$ 200,892	$ 152,238	$ 175,709
Interest	97,498	95,569	62,998	63,682	91,905	112,492	100,599
Change of Benefit Terms	-	-	-	-	-	-	-
Differences Between Expected and Actual Experience	(554,261)	-	(999,495)	-	(693,151)	398,701	(233,608)
Changes of Assumptions	(271,853)	59,000	(275,410)	50,999	307,655	(67,266)	(158,593)
Benefit Payments	(66,526)	(33,135)	(63,014)	(67,425)	(63,014)	-	(62,283)
Net Change in Total OPEB Liability	(662,128)	243,131	(1,079,014)	237,512	(155,713)	596,165	(178,176)
Total OPEB Liability - Beginning	2,619,429	2,376,298	3,455,312	3,217,800	3,373,513	2,777,348	2,955,524
Total OPEB Liability - Ending	$ 1,957,301	$ 2,619,429	$ 2,376,298	$ 3,455,312	$ 3,217,800	$ 3,373,513	$ 2,777,348
OPEB Plan Net Position							
Contributions - Employer	$ 66,526	$ 33,135	$ 63,014	$ 67,425	$ 63,014	$ 67,266	$ 62,283
Contributions - Member	-	-	-	-	-	-	-
Net Investment Income	-	-	-	-	-	-	-
Benefit Payments	(66,526)	(33,135)	(63,014)	(67,425)	(63,014)	(67,266)	(62,283)
Administrative Expense	-	-	-	-	-	-	-
Net Change in OPEB Plan Net Position	-	-	-	-	-	-	-
OPEB Plan Net Position - Beginning	-	-	-	-	-	-	-
OPEB Plan Net Position - Ending	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Employer's Net OPEB Liability	$ 1,957,301	$ 2,619,429	$ 2,376,298	$ 3,455,312	$ 3,217,800	$ 3,373,513	$ 2,777,348
OPEB Plan Net Position as a Percentage of the Total OPEB Liability	- %	- %	- %	- %	- %	- %	- %
Covered-Valuation Payroll	$ 2,353,754	$ 2,778,593	$ 2,684,631	$ 2,560,508	$ 2,473,920	$ 2,623,280	$ 2,534,570
Employer's Net OPEB Liability as a Percentage of Covered-Valuation Payroll	83.16 %	94.27 %	88.51 %	134.95 %	130.07 %	128.60 %	109.58 %

The information on the schedules will accumulate until a full 10-year trend is presented as required by GASB Statement No. 75. Information is presented for those years for which information is available.

See Accompanying Notes to the Required Supplementary Information

Village of Justice, Illinois
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual - General Fund
Year Ended December 31, 2024

	Original and Final Budget	Actual	Variance Over (Under)
Revenues			
Property Taxes	$ 1,873,200	$ 1,782,555	$ (90,645)
Replacement Taxes	50,000	27,467	(22,533)
Other Taxes	4,315,500	4,370,758	55,258
State and Local Grants	-	48,150	48,150
Federal Grants	-	150,558	150,558
Licenses, Permits, and Fees	794,780	842,094	47,314
Fines and Forfeits	934,900	1,209,795	274,895
Charges For Service	221,000	193,432	(27,568)
Interest	50,000	233,018	183,018
Miscellaneous	196,900	388,793	191,893
Total Revenues	8,436,280	9,246,620	810,340
Expenditures			
Current:			
General Government	1,659,135	1,878,213	219,078
Public Safety	5,960,495	5,285,075	(675,420)
Public Works	1,236,741	1,154,328	(82,413)
Community Support	281,855	247,980	(33,875)
Debt Service:			
Principal	191,909	208,813	16,904
Interest and Other Charges	39,698	41,408	1,710
Capital Outlay	31,500	3,167	(28,333)
Total Expenditures	9,401,333	8,818,984	(582,349)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(965,053)	427,636	1,392,689
Other Financing Sources (Uses)			
Sale of Capital Assets	200,000	157,717	42,283
Transfers From Other Funds	695,000	262,305	432,695
Total Other Financing Sources (Uses)	895,000	420,022	(474,978)
Net Change in Fund Balance	$ (70,053)	847,658	$ 917,711
Fund Balance, Beginning of Year		6,896,245	
Fund Balance, End of Year		$ 7,743,903	

See Accompanying Notes to the Required Supplementary Information

Village of Justice, Illinois
Schedule of General Fund Expenditures
Budget and Actual
Year Ended December 31, 2024

	Original and Final Budget	Actual	Variance From Final Budget Over (Under)
General Government:			
Administration			
Personnel Services	$ 287,930	$ 256,152	$ (31,778)
Supplies	10,000	7,465	(2,535)
Other Services and Charges	564,060	762,289	198,229
Total Administration	861,990	1,025,906	163,916
Zoning Board			
Personnel Services	2,970	2,665	(305)
Other Services and Charges	1,100	447	(653)
Total Zoning Board	4,070	3,112	(958)
Building Department			
Personnel Services	363,615	369,250	5,635
Supplies	7,300	11,705	4,405
Other Services and Charges	48,150	70,802	22,652
Capital Outlay	-	380	380
Total Building Department	419,065	452,137	33,072
Finance Department			
Personnel Services	179,760	157,495	(22,265)
Supplies	4,100	3,396	(704)
Other Services and Charges	190,150	236,546	46,396
Capital Outlay	500	-	(500)
Total Finance Department	374,510	397,437	22,927
Total General Government	1,659,635	1,878,592	218,957
Public Safety:			
Police Department			
Personnel Services	4,272,380	3,818,311	(454,069)
Supplies	30,500	25,717	(4,783)
Other Services and Charges	472,500	486,764	14,264
Contribution to Police Pension Fund	735,000	816,949	81,949
Capital Outlay	45,000	17,583	(27,417)
Total Police Department	5,555,380	5,165,324	(390,056)
Board of Fire and Police Commissioners			
Personnel Services	5,190	5,180	(10)
Other Services and Charges	13,875	5,850	(8,025)
Total Board of Fire and Police Commissioners	19,065	11,030	(8,035)
Fire Department			
Other Services and Charges	24,050	8,111	(15,939)

(continued)

Village of Justice, Illinois
Schedule of General Fund Expenditures
Budget and Actual
Year Ended December 31, 2024

	Original and Final Budget	Actual	Variance From Final Budget Over (Under)
Emergency Services and Disaster			
Other Services and Charges	$ 362,000	$ 100,610	$ (261,390)
Total Public Safety	5,960,495	5,285,075	(675,420)
Public Works:			
Personnel Services	523,616	474,312	(49,304)
Supplies	55,750	52,798	(2,952)
Other Services and Charges	657,375	627,218	(30,157)
Capital Outlay	-	1,853	1,853
Total Public Works	1,236,741	1,156,181	(80,560)
Community Support:			
Special Events			
Personnel Services	24,500	25,184	684
Other Services and Charges	500	156	(344)
Total Special Events	25,000	25,340	340
Economic Department			
Personnel Services	214,555	174,515	(40,040)
Supplies	11,500	16,617	5,117
Other Services and Charges	21,750	14,701	(7,049)
Capital Outlay	2,000	935	(1,065)
Total Economic Department	249,805	206,768	(43,037)
Lipinski Center			
Supplies	500	159	(341)
Other Services and Charges	8,550	16,648	8,098
Capital Outlay	29,000	-	(29,000)
Total Lipinski Center	38,050	16,807	(21,243)
Total Community Support	312,855	248,915	(63,940)
Debt Service:			
Principal Retirement	191,909	208,813	16,904
Interest	39,698	41,408	1,710
Total Debt Service	231,607	250,221	18,614
Total Expenditures	$ 9,401,333	$ 8,818,984	$ (582,349)

See Accompanying Notes to the Required Supplementary Information

Village of Justice, Illinois
Schedule of Revenues, Expenditures and Changes in Fund Balance
- Budget and Actual - Motor Fuel Tax Fund
Year Ended December 31, 2024

	Original and Final Budget	Actual	Variance Over (Under)
Revenues			
Intergovernmental	$ 530,000	$ 560,072	$ 30,072
Interest	50,000	120,550	70,550
Total Revenues	580,000	680,622	100,622
Expenditures			
Current:			
Public Works	570,176	280,268	(289,908)
Total Expenditures	570,176	280,268	(289,908)
Excess (Deficiency) of Revenues Over (Under) Expenditures	9,824	400,354	390,530
Other Financing Sources (Uses)			
Transfers to Other Funds	(60,000)	(27,305)	(32,695)
Total Other Financing Sources (Uses)	(60,000)	(27,305)	(32,695)
Net Change in Fund Balance	$ (50,176)	373,049	$ 357,835
Fund Balance, Beginning of Year		2,300,139	
Fund Balance, End of Year		$ 2,673,188	

See Accompanying Notes to the Required Supplementary Information

Village of Justice, Illinois
Schedule of Revenues, Expenditures and Changes in Fund Balance
- Budget and Actual - Capital Projects Fund
Year Ended December 31, 2024

	Original and Final Budget	Actual	Variance Over (Under)
Revenues			
Grants	$ 2,181,336	$ 1,900,515	$ (280,821)
Interest	-	8,646	8,646
Total Revenues	2,181,336	1,909,161	(272,175)
Expenditures			
Current:			
Capital Outlay	3,646,065	4,225,824	579,759
Total Expenditures	3,646,065	4,225,824	579,759
Net Change in Fund Balance	$ (1,464,729)	(2,316,663)	$ (851,934)
Fund Balance, Beginning of Year		593,619	
Fund Balance, End of Year		$ (1,723,044)	

See Accompanying Notes to the Required Supplementary Information

1. Stewardship, Compliance, and Accountability

A. Budgetary Information

The General Fund, the Motor Fuel Tax Fund and Tax Increment Financing Fund budgets are adopted on a basis of accounting consistent with generally accepted accounting principles.

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

1. The Village treasurer submits to the Village Board a proposed operating budget for the fiscal year. With the help of the budget, the Village prepares the Appropriation Ordinance.

2. A public hearing is conducted to obtain taxpayer comments on the appropriation ordinance. Within the first quarter of the fiscal year, the Appropriation Ordinance is legally enacted by the board action.

3. Appropriation ordinances for the General Fund, certain Special Revenue Funds, and all Enterprise Funds are adopted on a basis consistent with generally accepted accounting principles.

4. Budgets/Appropriation authority lapses at year-end.

5. State law requires that expenditures may not exceed appropriation. Transfers may be made between line items, departments, and funds. The level of legal control is considered the Appropriations Ordinance.

6. Budgeted amounts are originally adopted, or as amended. During 2024, no supplemental budgetary appropriations were made.

B. Excess of Expenditures over Budget

The Village had the following fund have an excess of actual expenditures over budgeted amounts for the year ended December 31, 2024:

Fund	Budget	Actual	Excess of Budget over Actual
Capital Projects	$ 3,646,065	$ 4,225,824	$ 579,759
TIF #2 - Debt Service	928,000	1,051,321	123,321
TIF #5	5,000	189,345	184,345

The Village had the following fund have a negative fund balance for the year ended December 31, 2024:

Fund	Negative Fund Balance
Capital Projects	$ 1,723,044
TIF #4	29,093

2. Actuarial Assumptions – Pension Plans

For the Police Pension Plan, the actuarial assumptions used for determining the contribution rate for 2024 are as follows.

Valuation Date:	December 31, 2024
Actuarial Cost Method:	Entry Age Normal
Amortization Method:	3.50% growth assumption
Remaining Amort. Period:	18 years
Asset Valuation Method:	5-Year Smoothed Market Value
Investment Return:	6.80%
Projected Salary Increases:	3.50% - 11%
Inflation:	2.50%
Mortality:	PubS-2010 Adjusted for Plan Status and Demographics

For the IMRF Pension Plan, the actuarial assumptions used for determining the contribution rate for 2024 are as follows.

Valuation Date:	December 31, 2024
Actuarial Cost Method:	Aggregate Entry-age, normal
Amortization Period:	Level percentage of payroll
Remaining Amort. Period:	19-year closed period
Asset Valuation Method:	5-year smoothed market, 20% corridor
Investment Return:	7.25%
Projected Salary Increases:	2.75% to 13.75% including inflation
Inflation:	2.25%
Mortality:	For non-disabled retirees, the Pub-2010, Amount Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

3. Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2024 Contribution Rate – Postretirement Health Plan

For the OPEB Plan, methods and assumptions used to determine the 2024 contribution rates are as follows:

Valuation Date	December 31, 2024
Discount Rate:	4.08%
Investment Rate of Return:	N/A
Remaining Amortization Period:	10-year rolling period
Wage Growth:	3.50%
Retirement Age:	Varies
Health Care Inflation Rates:	5.00%-6.25%
Mortality:	Pubs S 2010 Base rates

Other Information – There were no benefit changes during the year.

OTHER SUPPLEMENTARY INFORMATION

Village of Justice, Illinois
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2024

	Local Motor Fuel Tax	Asset Forfeiture	TIF #2	TIF #4	TIF #5	Total Nonmajor Governmental Funds
Assets:						
Cash and Investments	$ 90,502	$ 587,039	$ 1,140,350	$ 232,442	$ 662,048	$ 2,712,381
Receivables						
Motor Fuel Tax	14,395	-	-	-	-	14,395
Grant Receivable	-	-	-	277,539	-	277,539
Total Assets	$ 104,897	$ 587,039	$ 1,140,350	$ 509,981	$ 662,048	$ 3,004,315
Liabilities:						
Accounts Payable	$ 10,956	$ 14,169	$ 3,515	$ 2,441	$ 2,063	$ 33,144
Due to Other Funds	-	-	-	536,633	77,119	613,752
Total Liabilities	10,956	14,169	3,515	539,074	79,182	646,896
Fund Balances:						
Restricted for:						
Motor Fuel Tax	93,941	-	-	-	-	93,941
Asset Forfeiture	-	572,870	-	-	-	572,870
Debt Service	-	-	1,136,835	-	-	1,136,835
Tax Increment Financing	-	-	-	-	582,866	582,866
Unassigned	-	-	-	(29,093)	-	(29,093)
Total Fund Balances	93,941	572,870	1,136,835	(29,093)	582,866	2,357,419
Total Liabilities, Deferred Inflows and Fund Balance	$ 104,897	$ 587,039	$ 1,140,350	$ 509,981	$ 662,048	$ 3,004,315

Village of Justice, Illinois
Combining Income Statement
Nonmajor Governmental Funds
Year Ended December 31, 2024

	Local Motor Fuel Tax	Asset Forfeiture	TIF #2	TIF #4	TIF #5	Total Nonmajor Governmental Funds
Revenues						
Property Tax	$ -	$ -	$ 1,122,310	$ 46,779	$ 189,509	$ 1,358,598
Other Taxes	57,512	-	-	-	-	57,512
Fines and Forfeiture	-	248,186	-	-	-	248,186
Interest	-	112	45,511	11,440	37,891	94,954
Miscellaneous	-	1,500	-	-	-	1,500
Total Revenues	57,512	249,798	1,167,821	58,219	227,400	1,760,750
Expenditures						
Current:						
General Government	-	-	19,656	16,265	189,345	225,266
Public Safety	-	200,074	-	-	-	200,074
Public Works	85,126	-	-	-	-	85,126
Debt Service:						
Principal	-	-	951,391	-	-	951,391
Interest and Other Charges	-	-	80,274	-	-	80,274
Total Expenditures	85,126	200,074	1,051,321	16,265	189,345	1,542,131
Excess (Deficiency) of Revenues Over (Under) Expenditures	(27,614)	49,724	116,500	41,954	38,055	218,619
Other Financing Sources (Uses)						
Transfers To Other Funds	-	-	(75,000)	-	-	(75,000)
Total Other Financing Sources (Uses)	-	-	(75,000)	-	-	(75,000)
Net Change in Fund Balance	(27,614)	49,724	41,500	41,954	38,055	143,619
Fund Balance, Beginning of the Year	121,555	523,146	1,095,335	(71,047)	544,811	2,213,800
Fund Balance, End of the Year	$ 93,941	$ 572,870	$ 1,136,835	$ (29,093)	$ 582,866	$ 2,357,419

Village of Justice, Illinois
Schedule of Revenues, Expenditures and Changes in Fund Balance
- Budget and Actual - Local Motor Fuel Tax Fund
Year Ended December 31, 2024

	Original and Final Budget	Actual	Variance Over (Under)
Revenues			
Local Motor Fuel Tax	$ 60,000	$ 57,512	$ (2,488)
Total Revenues	60,000	57,512	(2,488)
Expenditures			
Current:			
Public Works	95,750	85,126	(10,624)
Capital Outlay	4,250	-	(4,250)
Total Expenditures	100,000	85,126	(14,874)
Net Change in Fund Balance	$ (40,000)	(27,614)	$ 12,386
Fund Balance, Beginning of Year		121,555	
Fund Balance, End of Year		$ 93,941	

Village of Justice, Illinois
Schedule of Revenues, Expenditures and Changes in Fund Balance
- Budget and Actual - Asset Forfeiture Fund
Year Ended December 31, 2024

	Original and Final Budget	Actual
Revenues		
Fines and Forfeits	$	$ 248,186
Interest	-	112
Miscellaneous	-	1,500
Total Revenues	-	249,798
Expenditures		
Current:		
Federal Seizure Expense	-	200,074
Total Expenditures	-	200,074
Net Change in Fund Balance	$ -	49,724
Fund Balance, Beginning of Year		523,146
Fund Balance, End of Year		$ 572,870

Village of Justice, Illinois
Schedule of Revenues, Expenditures and Changes in Fund Balance
- Budget and Actual - Tax Increment Financing Fund #2 - Debt Service Fund
Year Ended December 31, 2024

	Original and Final Budget	Actual	Variance Over (Under)
Revenues			
Property Taxes	$ -	$ 1,122,310	$ 1,122,310
Interest	-	45,511	45,511
Total Revenues	-	1,167,821	1,167,821
Expenditures			
Current:			
Administration Fees	-	19,656	19,656
Debt Service: Principal	815,500	951,391	135,891
Debt Service: Interest and Fees	112,500	80,274	(32,226)
Total Expenditures	928,000	1,051,321	123,321
Excess (Deficiency) of Revenues Over (Under) Expenditures	(928,000)	116,500	1,044,500
Other Financing Sources (Uses)			
Transfers to Other Funds	-	(75,000)	75,000
Total Other Financing Sources (Uses)	-	(75,000)	(75,000)
Net Change in Fund Balance	$ (928,000)	41,500	$ 969,500
Fund Balance, Beginning of Year		1,095,335	
Fund Balance, End of Year		$ 1,136,835	

Village of Justice, Illinois
Schedule of Revenues, Expenditures and Changes in Fund Balance
- Budget and Actual - Tax Increment Financing Fund #4
Year Ended December 31, 2024

	Original and Final Budget	Actual	Variance Over (Under)
Revenues			
Property Taxes	$ 20,000	$ 46,779	$ 26,779
Interest	1,000	11,440	10,440
Total Revenues	21,000	58,219	37,219
Expenditures			
Current:			
Professional Fees	29,000	16,265	(12,735)
Total Expenditures	29,000	16,265	(12,735)
Net Change in Fund Balance	$ (8,000)	41,954	$ 49,954
Fund Balance, Beginning of Year		(71,047)	
Fund Balance, End of Year		$ (29,093)	

Village of Justice, Illinois
Schedule of Revenues, Expenditures and Changes in Fund Balance
- Budget and Actual - Tax Increment Financing Fund #5
Year Ended December 31, 2024

	Original and Final Budget	Actual	Variance Over (Under)
Revenues			
Property Taxes	$ 125,000	$ 189,509	$ 64,509
Interest	500	37,891	37,391
Total Revenues	125,500	227,400	101,900
Expenditures			
Current:			
General Government	5,000	189,345	184,345
Total Expenditures	5,000	189,345	184,345
Net Change in Fund Balance	$ 120,500	38,055	$ 82,445
Fund Balance, Beginning of Year		544,811	
Fund Balance, End of Year		$ 582,866	

Village of Justice, Illinois
Schedule of Revenues, Expenditures and Changes in Fund Balance
- Budget and Actual - Sewer Fund
Year Ended December 31, 2024

	Original and Final Budget	Actual	Variance Over (Under)
Operating Revenues			
Charges for Services			
Sewer	$ 711,000	$ 860,118	$ 149,118
Miscellaneous	-	3	3
Total Revenues	711,000	860,121	149,121
Operating Expenses			
Operations	776,777	742,888	(33,889)
Depreciation	-	32,697	32,697
Total Expenditures	776,777	775,585	(1,192)
Operating Income (Loss)	(65,777)	84,536	150,313
Nonoperating Revenues (Expenses)			
Interest Income	37,000	129,923	92,923
Interest Payments	(1,500)	(1,218)	282
Transfer to the General Fund	(160,000)	(160,000)	-
Total Nonoperating Revenues	(124,500)	(31,295)	93,205
Related Funding			
Grant Revenues	-	12,435	12,435
Total Related Funding	-	12,435	12,435
Net Change in Fund Balance	$ (190,277)	65,676	$ 255,953
Fund Balance, Beginning of Year		835,539	
Fund Balance, End of Year		$ 901,215	

Village of Justice
Illinois Grant Accountability and Tranparency Act
Consolidated Year-End Financial Report
for the Year Ended December 31, 2024

CSFA NUMBER	Program Name	State	Federal	Total	Match
569-00-2537	Law Enforcement Grant	$ 3,075.00	$ -	$ 3,075.00	-
420-75-2373	Rebuild Illinois Competitive Public Infrastructure Grant Program	1,383,295	-	1,383,295	-
420-00-1758	Site Improvements	200,000	-	200,000	-
	All other federal expenditures	-	326,593	326,593	-
	Totals	$ 1,586,370	$ 326,593	$ 1,912,963	-

OTHER SCHEDULES

Village of Justice, Illinois
Schedule of Assessed Valuations, Tax Rates, Tax Extensions, and Tax Collections
December 31, 2024

	2023	2022	2021	2020	2019
Assessed Valuations	$ 217,385,463	$ 173,298,831	$ 176,572,062	$ 191,667,873	$ 157,206,872
Tax Rates:					
Corporate	0.2627	0.3405	0.3112	0.2764	0.3316
Bond and Interest	-	-	-	-	0.0581
Police Pension	0.3902	0.4380	0.3661	0.3315	0.3869
I.M.R.F.	0.0294	0.0365	0.0395	0.0362	0.0434
Street and Bridge	0.0362	0.0452	0.0510	0.0536	0.0557
Police Protection	0.0674	0.0828	0.0839	0.0760	0.0916
Social Security	0.0181	0.0226	0.0279	0.0255	0.0310
Audit	0.0093	0.0113	0.0107	0.0097	0.0124
Liability Insurance	0.0262	0.0333	0.0371	0.0337	0.0402
Total	0.8395	1.0102	0.9274	0.8426	1.0509
Tax Extensions:					
Corporate	$ 571,069	$ 590,043	$ 549,478	$ 529,770	$ 521,297
Bond and Interest	-	-	-	-	91,259
Police Pension	848,238	759,048	646,430	635,378	608,233
I.M.R.F.	63,911	63,254	69,745	69,383	68,227
Street and Bridge	78,693	78,331	90,051	88,933	87,564
Police Protection	146,517	143,491	148,143	145,667	145,667
Social Security	39,346	39,165	49,263	48,875	48,875
Audit	20,216	19,582	18,893	18,591	18,591
Liability Insurance	56,954	57,708	65,508	64,592	64,592
Total	$ 1,824,944	$ 1,750,622	$ 1,637,511	$ 1,601,189	$ 1,654,305

Village of Justice, Illinois
Schedule of Long-Term Debt Requirements
December 31, 2024

Taxable General Obligation (Alternate Revenue Source) Refunding Bonds of 2020A

Date of Issue	January 31, 2020
Date of Maturity	January 1, 2025
Authorized Issue	$900,000
Denomination of Bonds	$5,000
Interest Rate	3.99%
Interest Dates	January 1st and July 1st
Principal Maturity Date	January 1st
Payable at	Village of Bridgeview, IL

Current and Long-Term Principal and Interest Requirements

Fiscal Year	Principal	January 1st Interest	July 1st Interest	Total
2025	$ 95,000	$ 1,895	$ -	$ 96,895
	$ 95,000	$ 1,895	$ -	$ 96,895

Governmental	$ 85,356
Business-Type	9,644
Total	$ 95,000

Village of Justice, Illinois
Schedule of Long-Term Debt Requirements
December 31, 2024

Taxable General Obligation (Alternate Revenue Source) Refunding Bonds of 2020B

Date of Issue	January 31, 2020
Date of Maturity	January 1, 2028
Authorized Issue	$890,000
Denomination of Bonds	$5,000
Interest Rate	3.65%
Interest Dates	January 1st and July 1st
Principal Maturity Date	January 1st
Payable at	Village of Bridgeview, IL

Current and Long-Term Principal and Interest Requirements

Fiscal Year	Principal	January 1st Interest	July 1st Interest	Total
2025	$ 140,000	$ 16,243	$ 13,688	$ 169,931
2026	240,000	13,688	9,308	262,996
2027	250,000	9,308	4,745	264,053
2028	260,000	4,745	-	264,745
	$ 890,000	$ 43,984	$ 27,741	$ 961,725

COMPLIANCE SECTION

HEARNE & ASSOCIATES, P.C.
Certified Public Accountants & Business Consultants

David J. Hearne, Jr., CPA (1928-2014) Founder
Phillip M. Hearne, CPA
John C. Williams, CPA, MST

Matthew R. Truschka, Account Mgr.
Haley A. Shroba - Sr. Accountant
David A. Phelan - Sr. Auditor

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*

Honorable Mayor and
Members of the Board of Trustees
Village of Justice, 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, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Village of Justice, Illinois (the Village), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements, and have issued our report thereon dated August 28, 2025.

Report on 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 entity'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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on 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*.

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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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Hearne & Associates, P.C.

August 28, 2025
Mokena, IL

Hearne & Associates, P.C.
Certified Public Accountants

HEARNE & ASSOCIATES, P.C.
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David A. Phelan - Sr. Auditor

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH THE REQUIREMENTS APPLICABLE TO TAX INCREMENT FINANCING DISTRICTS

August 28, 2025

To the Honorable Mayor and
Members of the Village Council
Village of Justice, Illinois

We have examined management's assertion, included in its representation letter dated August 28, 2025, that the Village of Justice, Illinois, complied with the provisions of subsection (q) of Section 11-74-4-3 of the Illinois Tax Increment Redevelopment Allocation Act (Illinois Public Act 85-1142) during the year ended December 31, 2024. Management is responsible for the Village's assertion and for compliance with those requirements. Our responsibility is to express an opinion on management's assertion about the Village's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Village of Justice, Illinois' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Village of Justice, Illinois' compliance with statutory requirements.

In our opinion, management's assertion that the Village of Justice, Illinois, complied with the aforementioned requirements for the year ended December 31, 2024, is fairly stated, in all material respects.

This report is intended solely for the information and use of the Mayor, the Board of Trustees, management of the Village, the Illinois State Comptroller's Office, and the joint review boards and is not intended to be and should not be used by anyone other than these specified parties.

Sincerely,

Hearne & Associates, P.C.
Certified Public Accountants

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