

REGULAR MEETING OF THE
BOARD OF DIRECTORS
JOLIET ARSENAL DEVELOPMENT AUTHORITY

Monday, October 20, 2025
9:00 A.M.

A G E N D A

- I. CALL TO ORDER
- II. APPROVAL OF MINUTES
- III. TREASURER'S REPORT
 - a. Presentation & approval of bills for payment
- IV. PUBLIC PARTICIPATION
- V. CHAIRPERSON'S REPORT
- VI. EXECUTIVE DIRECTOR'S REPORT
 - a. Upper Illinois Waterway Corridor Development Plan
 - b. Agreement - Regional Mobility and Freight Study — Project Oversight
 - c. Addendum - Frey Design Website Design
 - d. Resolution - Community Support Rt. 66 100th Anniversary
 - e. Agreement - Documentary Promotion Coordination
 - f. Agreement - Enterprise Zone Consulting Agreement
 - g. FY25 Audit
- VII. BOARD COMMENTS
- VIII. EXECUTIVE SESSION
- IX. ADJOURNMENT

This meeting will be held at:
Joliet Area Historical Museum
204 N Ottawa Street
Conference Room - 2nd Floor
Joliet, IL 60432

JOLIET ARSENAL DEVELOPMENT AUTHORITY
REGULAR MEETING OF THE BOARD OF DIRECTORS
JULY 30, 2025

The Joliet Arsenal Development Authority Board of Directors held their regular meeting on Wednesday, July 30, 2025. Chairman Brophy called the meeting to order at 9:00 a.m. Roll Call: Adrieansen-present, Bottomley-absent, Brophy-present, Dorris-present, Geiss-present, Jenco-present, McMillan-absent, Plese-present, and Strong-present.

Staff in attendance: Kwasneski-present.

Approval of Minutes:

A motion was made by Jenco, seconded by Strong to approve the minutes of the regular meeting of June 11, 2025. All in favor say aye. Adrieansen-aye, Brophy-aye, Dorris-aye, Geiss-aye, Jenco-aye, Plese-aye, and Strong-aye. Motion carried.

Treasurer's Report:

The Director provided the Board with a copy of the Treasurer's Report for the period of June 11, 2025 through July 30, 2025. The total amount for approval is \$98,761.52. A motion was made by Plese, seconded by Dorris to approve the Treasurer's Report. Roll Call: Adrieansen-aye, Brophy-aye, Dorris-aye, Geiss-aye, Jenco-aye, Plese-aye, and Strong-aye. Motion carried.

Public Participation:

None

Chairman's Report:

Employment Agreement of the Executive Director. The Chairman explained that within our legislation the Board is required to approve the employment agreement for the Executive Director on an annual basis. There are no changes to the previous agreement with exceptions of the dates. A motion was made by Strong and seconded by Dorris to approve the agreement as presented. Roll Call: Adrieansen-aye, Brophy-aye, Dorris-aye, Geiss-aye, Jenco-aye, Plese-aye, and Strong-aye. Motion carried

Executive Director's Report:

JADA Website Development — The Director gave the board an update on the progress of the new Website and it's development. JADA is trying to be very creative and be all-inclusive in the content of everything that has been accomplished and what will be accomplished moving forward. It is taking a bit longer than anticipated, based upon the additional content we want include. The Chairman requested that the Board be able to view it before going live and the Director said he would provide that when ready.

Legislative Update — The Director gave the board an update on the JADA legislation that has been amended, giving the Authority an additional 5 years, until 2030. The legislation also expands boundaries to include properties along the Illinois Waterway in Will County and will expand the JADA Board to include the communities of Romeoville, Lockport, Crest Hill, Rockdale and Channahon ,in addition to the communities that are already members. The legislation has been sent to the Governor for signature.

Museum — The museum has been working on scanning and archiving the many photos, maps and documents on the Arsenal as part of the project that JADA had funded with them. The work continues.

Rt. 66 Marketing —The commercial videos that CBH Video is working on is moving forward, which will feature the museum exhibit and the guardhouse. These will be used on our websites and social media to promote them during the Rt. 66 100th anniversary next year. The Director will be

developing a plan to include all our representative communities to assist with marketing of Rt. 66 Anniversary.

FY26 Budget — The Director presented the Board with the FY 2026 Budget for approval and explained the expenses and various projects that would be funded in this year's Budget totaling \$1,000,000.00. A motion was made by Dorris, seconded by Jenco, to approve the FY2026 Budget as presented. Roll Call: Adrieansen aye, Brophy aye, Dorris aye, Geiss aye, Jenco aye, Plese aye, Strong aye. Motion carried.

Guardhouse Lease — The Director presented an agreement with Local 150 Operating Engineers on a lease to utilize the Guardhouse as a Rt. 66 Historic Tourist location. The term will run until December 31, 2029. JADA will pay a yearly lease payment to Local 150 for electricity and will be able to work with the JAHM to assist with events. A motion was made by Plese, seconded by Strong, to approve the Guardhouse Lease as presented. Roll Call: Adrieansen aye, Brophy aye, Dorris aye, Geiss aye, Jenco aye, Plese aye, Strong aye. Motion carried.

Agreement with Attorney Dave Neal — The Director presented an agreement for Dave Neal to provide services as Ethics Officer and handle FOIA inquiries and review legal documents for Board meetings. These services will be provided for \$1,800.00 per month. Either party may terminate with a 60 day notice. A motion was made by Jenco, seconded by Geiss, to approve the agreement as presented. Roll Call: Adrieansen aye, Brophy aye, Dorris aye, Geiss aye, Jenco aye, Plese aye, Strong aye. Motion carried.

Prior to moving forward with the Agenda the Board had a discussion and made a decision to discuss the personnel items in regular session in lieu of going into Executive Session. There were two items which the Director presented to the Board for consideration.

Benefit Compensation — The Director shared documents from the Auditor regarding benefit compensation of vacation and sick time owed, which appear in yearly audits. This would alleviate outstanding benefit compensation of the authority as neither of the employees of the authority are eligible for these benefits in the future. Vacation time would be paid 100% and sick time at 50% totaling \$44,366.76 which include taxes. A motion was made by Jenco, seconded by Dorris, to approve the payment of benefit compensation to the Executive Director as presented in auditors' memo. Roll Call: Adrieansen aye, Brophy aye, Dorris aye, Geiss aye, Jenco aye, Plese aye, Strong aye. Motion carried.

The Executive Director presented to the Board and is recommending a 3% increase for the Executive Assistant for this year. A motion was made by Jenco, seconded by Plese, to approve a 3% increase for the Executive Assistant as presented. Roll Call: Adrieansen aye, Brophy aye, Dorris aye, Geiss aye, Jenco aye, Plese aye, Strong aye. Motion carried.

Executive Session — None at this time.

Board Comments:

None

Next meeting date will be determined after reaching out to the absent board members.

A motion was made by Jenco, second by Plese, to adjourn at approximately 9:40 a.m. All in favor say aye. Adrieansen aye, Brophy aye, Dorris aye, Geiss aye, Jenco aye, Plese aye, Strong aye. Motion carried.

Eli Geiss, Secretary/Treasurer

Prior Month Balance	\$	535,689.03
Revenue	\$	5,065.45
Transfer for People First Bank	\$	-
JADA Bills	\$	106,016.48
Payroll	\$	53,408.19
Balance as of 09/30/25	\$	381,329.81

Old National Checking - 4138	\$	134,903.36
Old National Checking - 0269	\$	207,619.74
PeopleFirst Bank-0240	\$	-
PeopleFirst Bank-7896	\$	-
Old Plank Trail-3758	\$	25,403.95
Old Plank Trail-8892	\$	13,402.76

Total Net of Accounts	\$	381,329.81
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\$	-
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Monthly Revenue Breakdown

Interest Earned	\$	65.45
Transfer from 0269	\$	-
Grant	\$	-
CenterPoint	\$	5,000.00
Other	\$	-

Total Receipts	\$	5,065.45
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AUTHORIZED BY: _____

DATE: _____

10.16.25

Prior Month Balance	\$	548,538.69
Revenue	\$	8.52
Transfer for 0269-Grant	\$	-
JADA Bills	\$	4,860.77
Payroll	\$	7,997.41
Balance as of 08/31/25	\$	535,689.03

Old National Checking - 4138	\$	289,268.03
Old National Checking - 0269	\$	207,614.62
PeopleFirst Bank-0240	\$	13,432.76
PeopleFirst Bank-7896	\$	25,373.62

Total Net of Accounts	\$	535,689.03
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	\$	-
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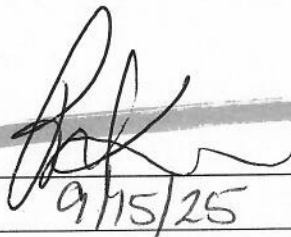
Monthly Revenue Breakdown

Interest Earned	\$	8.52
Transfer from 0269	\$	-
Grant	\$	-
CenterPoint	\$	-
Other	\$	-

Total Receipts	\$	8.52
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AUTHORIZED BY: _____

DATE: _____



Prior Month Balance	\$	485,064.54
Revenue	\$	105,242.33
Transfer to DCEO/Old Natl Bank	\$	-
JADA Bills	\$	33,152.25
Payroll	\$	8,615.93
Balance as of 07/31/25	\$	548,538.69

Old National Checking - 4138	\$	302,126.21
Old National Checking - 0269	\$	207,609.33
PeopleFirst Bank-0240	\$	13,432.76
PeopleFirst Bank-7896	\$	25,370.39
Total Net of Accounts	\$	548,538.69

\$ -

Monthly Revenue Breakdown

Interest Earned	\$	8.63
Transfer from 0269	\$	-
Grant	\$	105,233.70
CenterPoint	\$	-
Other	\$	-
Total Receipts	\$	105,242.33

AUTHORIZED BY: _____

DATE: _____


8/22/25

Transaction Detail by Account

July 31 through October 20, 2025

<u>Date</u>	<u>Name</u>	<u>Memo</u>	<u>Amount</u>
08/27/2025	CitiBusiness Card	Miscellaneous/Supplies	285.38
08/27/2025	Verizon Wireless	Business Phone Service	115.59
08/28/2025	Coalition for America's Gateways & Tr	Membership Fee FY24/25	7,500.00
09/11/2025	Dave Neal, Govt Consulting	Legal Services-2025 Jul	1,800.00
09/11/2025	Dave Neal, Govt Consulting	Legal Services-2025 Aug	1,800.00
09/11/2025	Dave Neal, Govt Consulting	Legal Services-2025 Sept	1,800.00
09/11/2025	Frey Design Group	Website Design - Design	10,440.00
09/11/2025	Frey Design Group	Website Design - Design	7,950.00
09/26/2025	CBH Video Production	Promo Videos - Complete	24,617.50
09/26/2025	CitiBusiness Card	Miscellaneous/Supplies	4,482.39
09/26/2025	DCEO	Return-unused grant funds	74,265.51
09/26/2025	Verizon Wireless	Business Phone Service	115.97
10/10/2025	Frey Design Group	Website Design - Design	4,290.00
10/10/2025	Polsinelli Shughart PC	General Matters	1,890.50
			<u>141,352.84</u>
			<u>141,352.84</u>

Joliet Arsenal Development Authority
UPPER ILLINOIS WATERWAY CORRIDOR DEVELOPMENT PLAN

Ann L. Schneider & Associates LLC

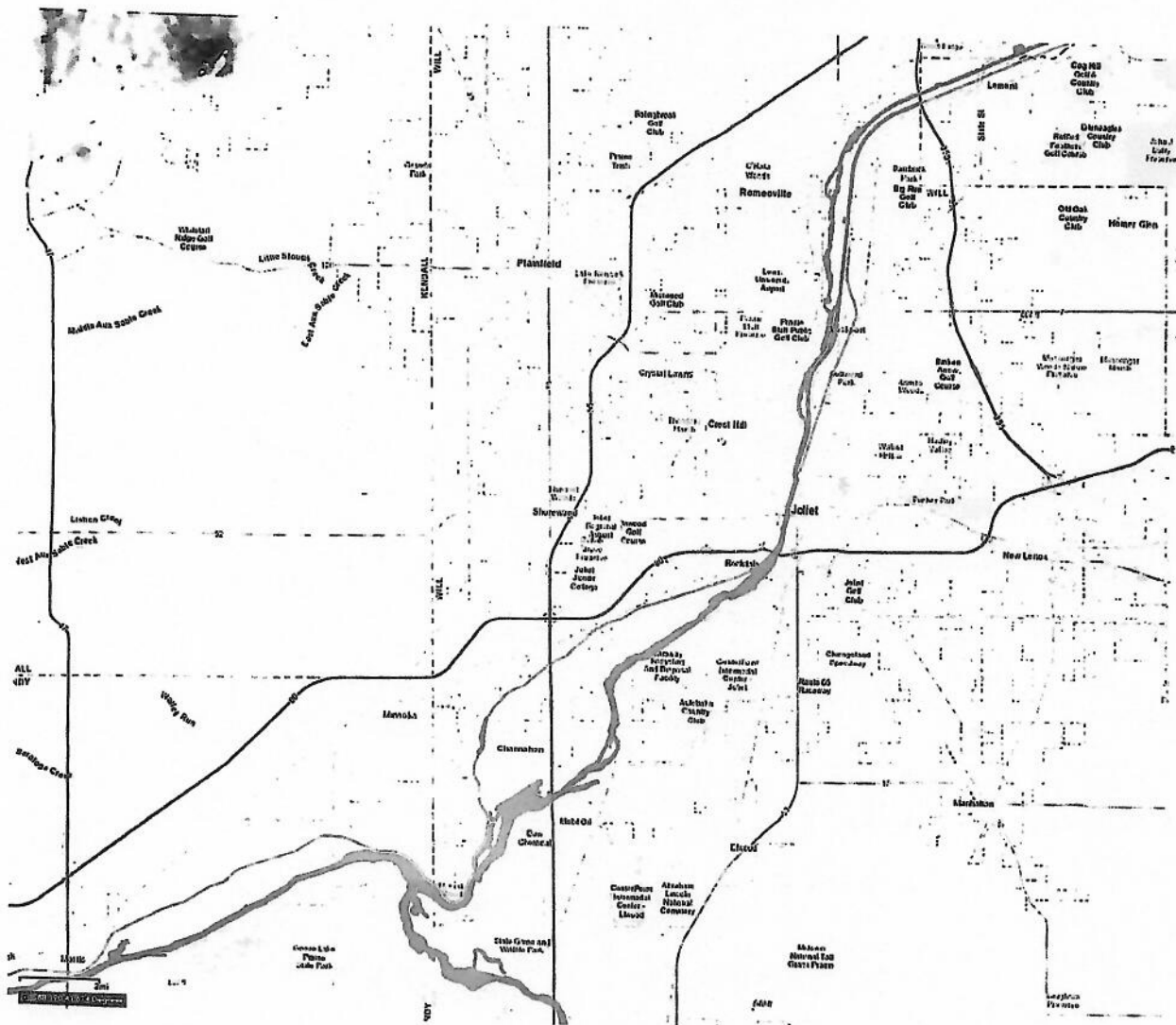


September 2025

Introduction

The Upper Illinois River corridor is a region of significant environmental, economic, and social value. Understanding the current landscape, ownership patterns, infrastructure, and municipal visions for this area is crucial to guide future development and stewardship. This study proposes a comprehensive evaluation of the river corridor, focusing on parcels within ½ mile of the river, engagement with public officials, a review of analogous efforts, and actionable recommendations.

For the purposes of this study, the Upper Illinois River Corridor is defined as the section of the Illinois River extending from Morris, Illinois to Lemont, Illinois, and includes the adjacent sections of the Des Plaines River and the Chicago Sanitary and Ship Canal for a total of approximately 23 river miles.



Objectives

- Compile a detailed inventory of all parcels within ½ mile of the Upper Illinois Waterway between Morris and Lemont.
- Engage with public sector stakeholders to understand current plans and aspirations for river-adjacent land.
- Examine relevant river corridor studies to identify transferable findings and best practices.
- Provide clear, practical recommendations for shaping the corridor's future that reflects local priorities.

Methodology & Work Plan

1. Parcel Inventory

- **Data Collection:** Acquire parcel data from county assessors/tax offices, GIS departments, and state resources.
- **Inventory Preparation:** For each parcel within ½ mile of the river, document:
 - Ownership (public/private, owner name/entity)
 - Parcel size (in acres/square feet/other appropriate measure)
 - Current land use (e.g., residential, commercial, industrial, agricultural, open space)
 - Utilities available (water, sewer, electricity, gas, broadband)
 - Physical access (existing road/rail connections, proximity to highways, intersections with trails/greenways)
- **GIS Mapping:** Create visual maps showing parcel boundaries, land use, utility lines, and transportation connections.

2. Outreach to Public Sector Officials

- **Stakeholder Identification:** Assemble a contact list of relevant city, county, and regional planners, economic development agencies, transportation authorities, and park districts.
- **Interviews/Surveys:** Conduct structured interviews and/or surveys to determine:
 - Existing and planned infrastructure improvements or projects
 - Desired future land uses (e.g., recreation, commercial, industrial)
 - Challenges and opportunities perceived by local authorities
 - Funding or planning constraints
- **Documentation:** Synthesize outreach findings into a report summarizing official perspectives and plans.

3. Review of Similar Studies

- **Literature/Data Search:** Identify completed or ongoing river corridor studies from similar regions.
- **Case Analysis:** Evaluate methods, community outcomes, challenges faced, and lessons learned.

- Examples may include Mississippi River corridor studies, Des Plaines River corridor plans, or comparable urban/rural river revitalization initiatives.
- **Best Practices Identification:** Extract strategies or approaches relevant for the Illinois River context.

4. Recommendations and Next Steps

- **Gap Analysis:** Determine gaps between current conditions, public sector goals, and best practices.
- **Options & Scenarios:** Present feasible short-, medium-, and long-term recommendations, such as:
 - Enhancing access points and public amenities
 - Promoting sustainable mixed-use development
 - Coordinated infrastructure and environmental planning
 - Pursuing funding or designating special development/zoning districts
- **Implementation Guidance:** Outline steps for formal planning and stakeholder engagement, including data sharing, community workshops, and grant/funding opportunities.

Deliverables

- Comprehensive parcel inventory database and GIS maps
- Public outreach summary with key findings and municipal perspectives
- Comparative review of similar river corridor projects
- Detailed report with recommendations and an action plan

Project Team & Timeline

The project will be performed over 12 months, contingent on data and stakeholder availability.

Task	Lead/Support	Timeline
Parcel inventory/GIS mapping	Subconsultant	Months 1-12
Public sector outreach	Prime	Months 3-12
Review of similar studies	Prime	Months 2-5
Report & recommendations	Prime	Months 11-12

Budget

- Data acquisition costs (if any)
- Staff/consultant time
- Outreach and public meeting expenses
- GIS/mapping software or licenses

Cost Proposal

The project will be performed for a fixed fee not to exceed \$80,000. Direct costs will be invoiced as incurred with approval of JADA.

Conclusion

A comprehensive corridor study will equip stakeholders to make informed decisions and pursue strategic opportunities for sustainable growth and stewardship along the Upper Illinois River. This proposal outlines a clear path from data gathering through actionable recommendations to set the stage for effective implementation.

Joliet Arsenal Development Authority

Ann L. Schneider and Associates LLC

Rick Kwasneski
Executive Director

Ann L. Schneider
President

Date

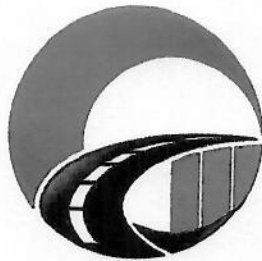
Date

Joliet Arsenal Development Authority

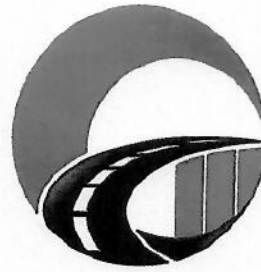
Project Oversight and Management

***Regional Mobility and Freight Management Study:
Reimagining IL 53 and Improving Regional Connectivity***

Ann L. Schneider & Associates, LLC



October 2025



Services

Specific services and opportunities that Ann L. Schneider and Associates LLC will provide include:

- **Project management** services for the *REGIONAL MOBILITY AND FREIGHT MANAGEMENT STUDY: REIMAGINING IL 53 AND IMPROVING REGIONAL CONNECTIVITY*.
- **Develop** a scope of work for the Study in collaboration with project partners including the Joliet Arsenal Development Authority (JADA), the Will County Governmental League, the City of Joliet, and other JADA represented communities. *The study area will be determined by the project partners, and the scope of the Study will include the identification of short-term action items and longer-term solutions to address regional mobility and freight management. The study will examine the relocation of IL 53 away from downtown areas and regional connectivity more broadly based on partner defined future growth scenarios*
- **Lead** the consultant selection process including the development of a scoring rubric, facilitating the project selection meeting, tabulating scoring, contacting the selected firm, and assisting with contract negotiation and execution as requested.
- **Coordinate** project kick-off meeting, review and approve project management plan and stakeholder engagement plan with input from project sponsors.
- **Support coordination** for regional transportation policy, transportation operational needs, and infrastructure development among project partners, IDOT, CMAP, and stakeholders.
- **Oversight** of Study content.
- **Advise** consultant on stakeholder input.
- **Assist** with facilitating public private partnerships and providing counsel on additional professional services that may be required to facilitate next steps in development of surface transportation improvements recommended in the study.
- **Support** Study team review of federal funding opportunities including INFRA, BUILD, CRISI, Rail Crossing Elimination, surface transportation grant opportunities and monitoring other notices of funding opportunities (NOFOs) resulting from the Federal appropriations process and other legislative initiatives.
- **Support** Study team review of state infrastructure funding opportunities including Competitive Freight Grants, Statewide Planning and Research grants, economic



development program (EDP), Truck Access Route Program (TARP) funding, rail freight funding and monitoring other opportunities.



Price Proposal

Services will be delivered for a \$5,000 monthly fixed fee for a period of twenty-four (24) months. The proposed retainer is fully loaded and includes expenses, except for extraordinary expenses. Extraordinary expenses will be billed at cost *only after approved by both parties*. Out-of-state travel will be considered an extraordinary expense and will be billed at cost. The contract is a fixed-fee contract with costs not to exceed \$120,000.

Joliet Arsenal Development Authority

Ann L. Schneider and Associates LLC

Rick Kwasneski
Executive Director

Ann L. Schneider
President

Date

Date

Here's a set of targeted, discussion-driven questions to help define the **scope of work** for the *Regional Mobility and Freight Management Study: Reimagining IL 53 and Improving Regional Connectivity*.

Freight Movement and Routing Behavior

- What are the major freight generators and destinations within or near your community (industrial centers, warehouses, intermodals, ports)?
 - Which routes currently carry the highest volume of truck traffic through downtown or residential areas?
 - Have you documented any local complaints or safety incidents tied to truck routing or congestion?
 - What short-term measures could improve routing efficiency (signage, signal timing, truck route enforcement)?
 - Are there known local bottlenecks that could be quickly improved using existing infrastructure or operational tweaks? Please identify them and if you have GIS capabilities in your community provide a map indicating the bottleneck and any proposed re-routes you want considered.
-

Data and Analysis Needs

- What existing truck movement data, traffic counts, or origin-destination studies does your municipality or county already have?
 - What types of data do you believe are most useful for identifying freight corridors (GPS data, weigh-in-motion, delivery destination surveys, toll authority data)?
 - Are there specific locations where sensors or monitoring should be prioritized for truck activity?
 - Would your jurisdiction be able to share GIS layers or ongoing planning datasets relevant to freight/traffic management?
-

Jason Frey
Founder & Creative Director
Frey Design

(847) 807-6761
jason@freydesigngroup.com



Joliet Arsenal Development Authority

JADA.org Website - Scope Expansion Addendum

Rick Kwasneski
Executive Director
Joliet Arsenal Development Authority

(815) 630-2800
rkwasneski@jada.org

Quote #JADA002

JADA.org Website - Scope Expansion Addendum

From January 15 to September 17, 2025, the scope of the JADA.org website project expanded significantly due to updated JADA legislation during this period, along with new ideas and enhancements identified by JADA management once the development process was underway. These changes impacted content writing and management (including new sections, videos, and resource pages) and the project's design and development efforts.

Scope Expansion Includes:

- **Content Support:**
 - 48 additional hours for new and revised sections, video library, resource integration, and multiple rounds of editing/review.
- **Design & Development:**
 - 24 additional hours to accommodate new content sections, structural changes, and expanded layouts.
- **Pre-Launch Support:**
 - 8 additional hours reserved for remaining edits and launch preparation.

Total Quote*

Hours: 80

Cost: \$9,600

Note: In good faith, we have also comped an additional 40 hours (\$4,800.00) of support, primarily in August, to help keep the project moving forward.

This addendum reflects work completed to date and anticipated edits needed for launch, based on discussions at the September 10, 2025, review meeting. Any requests beyond this scope will be proposed separately.

Agreement

The following Acceptance of Quote establishes the agreement between Frey Design Group, Inc. and the Client to deliver creative and marketing services. It reflects our mutual commitment to the outlined scope of work and formally approves project terms, timeline, and costs as proposed.

Selected Services & Total Cost Agreement

This Agreement outlines the services you'd like to move forward with based on the Proposal we shared. Simply select the applicable services, total the cost, and sign below. Once submitted, this confirms we're aligned on the scope and terms so that we can proceed with your project.

This Acceptance of Quote ("Agreement") is provided by:

Frey Design Group, Inc.
46 East Irving Park Road, Roselle, IL 60172
Jason Frey
Phone: (847) 301-7796
("Provider")

and submitted to:

Joliet Arsenal Development Authority
[Company Address]
Rick Kwasneski
Phone: (815) 630-2800
("Client")

1. Scope of Work and Quote

The Client agrees to the Services outlined in the accompanying Proposal, including the project scope, deliverables, timeline, and the fixed cost specified in the Total Approved Amount section below. Any additional services requested outside the Proposal's scope will be billed at the Provider's flat agency rate of \$120 per hour, subject to the Client's prior written approval.

2. Payment Terms

Client agrees to pay the fixed quoted cost, subject to the terms outlined in the Proposal. Invoices for fixed-cost projects will follow the agreed-upon payment schedule in the Proposal. Payments are due within 30 days of invoicing. Overdue amounts may incur a service charge of 1.5% per month. The provider will pass any out-of-pocket costs incurred in connection with the Services directly to the Client at cost, with no markup. Examples include third-party expenses such as licensed software, stock photography, printing, or third-party production services.

3. Ownership and Usage Rights

Upon full payment, the Client will have an exclusive, perpetual, worldwide license to use the final deliverables for its intended purposes as defined in the Proposal. Provider retains ownership of all preliminary works, tools, and materials created during the project but not included in the final deliverables.

4. Confidentiality

Both parties agree to maintain the confidentiality of any proprietary or sensitive information shared during the project and to use it only for purposes directly related to the Services.

5. Termination

If either party terminates the Agreement, Client agrees to pay for Services rendered up to the termination date, including any applicable termination fees.

6. Acceptance

By signing below, the Client acknowledges receipt and approval of the accompanying Proposal, including all associated terms, conditions, and quoted costs. When the Client signs this Acceptance of Quote form, it forms the binding agreement between the Client and the Provider.

Total Approved Amount: \$9,600

Client:

**Joliet Arsenal Development Authority
Rick Kwasneski
Executive Director**

Signature: _____

Date: _____

**JOLIET ARSENAL DEVELOPMENT AUTHORITY
RESOLUTION TO AUTHORIZE THE EXECUTIVE DIRECTOR TO ENTER
INTO AN AGREEMENT WITH THE JADA COMMUNITIES FOR
PROMOTION OF THE 100TH ANNIVERSARY OF RT. 66**

WHEREAS, the Joliet Arsenal Development Authority (JADA) is a State created authority board. The purpose of the authority is to facilitate and promote the utilization of property formerly occupied by the United States government as an ammunition plant and arsenal and to replace and enhance the economic benefits generated by those former uses with diversified projects and land uses that will create new job opportunities and foster new economic development for the area.

WHEREAS, according to the Joliet Arsenal Development Authority Act 70 ILCS 508/1 Section 25, Article (a), item 1, to enter into loans, contracts, agreements, and mortgages in any matter connected with any of its corporate purposes and to invest its funds.

WHEREAS, The 100th Anniversary of Rt. 66 and the roads importance to the Joliet Arsenal and its operations and JADA's desire to promote the museum exhibit as well as the restored guardhouse as well as coordinating with JADA communities on their events relating to the Rt. 66 Anniversary. JADA will assist in marketing this milestone with the JADA communities and will be allocating \$100,000 toward this effort and will be shared equally between the ten JADA communities.

And, WHEREAS the JADA Board grants the authority to the Executive Director to enter into agreements with the JADA communities regarding their promotion of the Rt.66 100th Anniversary .

NOW THEREFORE BE IT RESOLVED THAT the Joliet Arsenal Development Authority (JADA) Board of Directors approved this resolution at a meeting on this 20th day of October, 2025. The Joliet Arsenal Development Authority (JADA) Board of Directors authorizes the Chairman to sign and execute this resolution.

Executed this 20th day of October, 2025.

TIMOTHY BROPHY,
Chairman

Dixon / Heitman Collective

Jessica Dixon Heitman
jsdixon83@gmail.com
773.350.5918

With extensive experience spanning Community Outreach, Government Affairs, Public Relations, Media Relations, Customer Relations, Membership Acquisition, and Event Planning, Jessica Dixon Heitman has built a reputation for cultivating meaningful connections and driving impactful initiatives. Throughout her career, she has successfully developed and executed strategic outreach campaigns, fostered strong partnerships across sectors, and led events that engage communities and amplify organizational missions. A results-oriented communicator and relationship builder, Jessica Dixon Heitman excels at aligning stakeholders, elevating public visibility, and advancing organizational goals through thoughtful strategy and authentic engagement. Dixon/Heitman is pleased to present this proposal to assist with the promotion of the Joliet Arsenal Development Authority (JADA) documentary in conjunction with the Rt. 66 100th anniversary celebration.

Project Summary: Route 66 100th Anniversary Collaborative

Dixon/Heitman will collaborate with JADA and local communities to celebrate the 100th anniversary of Route 66. This collaborative will include the promotion of JADA's documentary in conjunction with JADA community members and their planned promotion of Rt. 66 100th Anniversary. Project will also include outreach to local colleges and universities, high schools, middle schools to coordinate viewing of the documentary as part of their history curriculum. Other areas of promotion of the documentary will include local historical societies as well as senior citizen facilities and civic groups in the area.

Dixon/Heitman will coordinate with JADA's Executive Director with the outreach and coordination of approximately 25 events as well as coordinate with the Joliet Area Historical Museum regarding their Rt. 66 100th anniversary planned promotions to provide additional exposure for the documentary and the Joliet Arsenal Museum exhibit.

Dixon/Heitman will provide these services starting November 1, 2025 and continue to August 31, 2026 for \$2,000 per month. The agreement can be extended by mutual agreement. Either party may terminate this agreement by providing 30 days written notice of termination.

Dixon/Heitman

Joliet Arsenal Development Authority

CONSULTING AGREEMENT

This Consulting Services Agreement (the “**Agreement**”) is entered into and made effective as of the ____ day of _____, 2025 (the “**Effective Date**”), by and between the Joliet Arsenal Development Authority (“**JADA**”) and [Canadian National Railway Co.] (“**CN**”).

RECITALS

WHEREAS, JADA is statutorily directed to lead the regional redevelopment of the area formerly encompassing Joliet Army Ammunition Plant (“**JOAAP**”);

WHEREAS, CN is seeking to develop land in and around Channahon, Illinois into a large intermodal facility (the “**Project**”) in the region of the former JOAAP;

WHEREAS, to facilitate the development of the Project, CN is seeking to expand and modify the Joliet Arsenal Enterprise Zone (“**Enterprise Zone**”) to cover portions of its Project site in Channahon, Illinois;

WHEREAS, JADA and its team are well positioned to support CN with its efforts to secure an expansion of the Enterprise Zone to include the Project site and possible amendment to the incentives offered by the Enterprise Zone;

WHEREAS, in furtherance of and mutual desire of JADA and CN to redevelop portions of the area around the former JOAAP, the parties have agreed to the following scope of services that JADA is to provide to CN in support of its development efforts.

AGREEMENT

JADA, through Rick Kwasneski its Executive Director, Geotech, Inc and its outside legal counsel Polsinelli, PC, as needed and directed, will perform the following tasks:

1. Preparation of certain ordinances, agreements and application materials necessary to complete the modifications of the Enterprise Zone necessary to cover the necessary portions of the Project site;
2. Preparation of talking points for and participation in all necessary public hearings and presentations before public bodies related to the boundary amendment of the Enterprise Zone;
3. Assisting Will County officials, as needed, with all tasks necessary to perfect the Enterprise Zone boundary amendment;
4. Working with the Illinois Department of Commerce and Economic Opportunity to accomplish all tasks and respond to questions, as necessary, related to the Enterprise Zone boundary amendment process; and
5. Complete other tasks, as necessary, reasonably related to the Enterprise Zone boundary amendment process.

In return for this support, CN will provide the following, within 30-days of the receipt of an appropriate invoice from JADA:

1. Reimburse JADA for all fees legal generated by Polsinelli PC related to the project support efforts, not-to-exceed \$65,000, which will be billed hourly based on work requested and directed by JADA with the approval of CN, billed hourly to JADA;
2. Reimburse JADA for all free related to the retention of Geotech Inc., which will prepare necessary legal descriptions, including research, required for the boundary amendment process in an amount not-to-exceed \$15,000;
3. Pay JADA a fee of \$10,000 payable in two payments one upon signing the agreement and one upon completion of application; and
4. Provide all reasonable support to JADA, as necessary, to complete its scope of work as set forth above.

AGREED: _____

By: _____
Rick Kwasneski
Executive Director
JADA

By: _____
[]
[]
Canadian National Railway Co.



Crowe LLP
Independent Member Crowe Global

The Board of Directors
Joliet Arsenal Development Authority
Joliet, Illinois

Professional standards require that we communicate certain matters to keep you adequately informed about matters related to the financial statement audit that are, in our professional judgment, significant and relevant to your responsibilities in overseeing the financial reporting process. We communicate such matters in this report.

AUDITOR'S RESPONSIBILITY UNDER AUDITING STANDARDS GENERALLY ACCEPTED IN THE UNITED STATES OF AMERICA

Our responsibility is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in conformity with accounting principles generally accepted in the United States of America. The audit of the financial statements does not relieve you of your responsibilities and does not relieve management of their responsibilities. Refer to our engagement letter with Joliet Arsenal Development Authority (JADA) for further information on the responsibilities of management and of Crowe LLP.

AUDITOR'S RESPONSIBILITY UNDER GOVERNMENT AUDITING STANDARDS

As part of obtaining reasonable assurance about whether JADA's financial statements are free of material misstatement, we performed tests of JADA's compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts or disclosures. 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*.

COMMUNICATIONS REGARDING OUR INDEPENDENCE FROM JADA

Auditing standards generally accepted in the United States of America require independence for all audits, and we confirm that we are independent auditors with respect to JADA under the independence requirements established by the American Institute of Certified Public Accountants.

Additionally, we wish to communicate that we have the following relationships with JADA that do not impair our independence but which, in our professional judgment, may reasonably be thought to bear on our independence and that we gave significant consideration to in reaching the conclusion that our independence has not been impaired. We have determined that the provision of the services is not prohibited and it will not create a threat to the auditor's independence.

Relationship	Safeguards
Non-Audit Services: We were engaged to perform the following non-audit services during your last fiscal year: • Assistance with preparation of your financial statements	We believe your management is capable of evaluating and taking responsibility for their management decisions regarding our services, and we did not assume the role of an employee or of management of JADA in performing and reporting on our services.

PLANNED SCOPE AND TIMING OF THE AUDIT

We are to communicate an overview of the planned scope and timing of the audit. Accordingly, the following matters regarding the planned scope and timing of the audit were discussed with you.

- How we proposed to address the significant risks of material misstatement, whether due to fraud or error.
- Our approach to internal control relevant to the audit.
- The concept of materiality in planning and executing the audit, focusing on the factors considered rather than on specific thresholds or amounts.
- Your views and knowledge of matters you consider warrant our attention during the audit, as well as your views on:
 - The allocation of responsibilities between you and management.
 - JADA's objectives and strategies, and the related business risks that may result in material misstatements.
 - Significant communications between JADA and regulators.
 - Other matters you believe are relevant to the audit of the financial statements.

SIGNIFICANT ACCOUNTING POLICIES AND MANAGEMENT JUDGMENTS AND ACCOUNTING ESTIMATES

Significant Accounting Policies: Those Charged with Governance should be informed of the initial selection of and changes in significant accounting policies or their application. Also, Those Charged with Governance should be aware of methods used to account for significant unusual transactions and the effect of significant accounting policies in controversial or emerging areas where there is a lack of authoritative consensus. We believe management has the primary responsibility to inform Those Charged with Governance about such matters. To assist Those Charged with Governance in its oversight role, we also provide the following.

Accounting Standard	Impact of Adoption
GASB Statement No. 101, "Compensated Absences" Provides recognition and measurement guidance for all types of compensated absences under a unified model. This statement requires that a liability for compensated absences be recognized if all of these occur: 1) The leave is attributable to services already rendered. 2) The leave accumulates. 3) The leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. This statement amends the existing disclosure requirement to disclose the gross increases and decreases in a liability for compensated absences to allow governments to disclose only the net change in the liability, and it no longer requires the government to disclose which governmental funds typically have been used to liquidate the liability for compensated absences.	Adoption of this Statement did not have an impact on JADA's financial position or results of operations.
GASB Statement No. 102, "Certain Risk Disclosures" Provides users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. This statement requires a government to assess whether a concentration or constraint makes the government vulnerable to the risk of a substantial impact. Additionally, this statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. If these criteria are met, the statement provides disclosure requirements that will enable users of financial statements to understand the nature of the concentrations or constraints identified and the government's vulnerability to the risk of a substantial impact.	Adoption of this Statement did not have an impact on JADA's financial position or results of operations. An additional footnote was included within the notes to the financial statements.
Significant Unusual Transactions.	No such matters noted.
Significant Accounting Policies in Controversial or Emerging Areas.	No such matters noted.

Management Judgments and Accounting Estimates: Further, accounting estimates are an integral part of the financial statements prepared by management and are based upon management's current judgments. These judgments are based upon knowledge and experience about past and current events and assumptions about future events. Certain estimates are particularly sensitive because of their significance and because of the possibility that future events affecting them may differ markedly from management's current judgments and may be subject to significant change in the near term.

The following describes the significant accounting estimates reflected in JADA's year-end financial statements, the process used by management in formulating these particularly sensitive accounting estimates and the primary basis for our conclusions regarding the reasonableness of those estimates.

Significant Accounting Estimate	Process Used by Management	Basis for Our Conclusions
Useful Lives of Capital Assets	Management has determined the economic useful lives of capital assets based on past history of similar types of assets, future plans as to their use, and other factors that impact their economic value to JADA.	We tested the propriety of information underlying management's estimates.

AUDITOR'S JUDGMENTS ABOUT QUALITATIVE ASPECTS OF SIGNIFICANT ACCOUNTING PRACTICES

We are to provide you our comments about the following matters related to JADA's accounting policies and financial statement disclosures.

- The accounting policies to the particular circumstances of JADA, considering the need to balance the cost of providing information with the likely benefit to users of JADA's financial statements, are appropriate.
- Overall, the disclosures in the financial statements are neutral, consistent, and clear.
- The effect of the timing of transactions in relation to the period in which they are recorded is appropriate.
- There were no significant risks and exposures, or uncertainties that are disclosed in the financial statements.
- There were no unusual transactions including nonrecurring amounts recognized during the period.
- There were no particularly sensitive financial statement disclosures.
- There were no factors affecting asset and liability carrying values, including JADA's basis for determining useful lives assigned to tangible and intangible assets.
- There was no selective correction of misstatements, for example, correcting misstatements with the effect of increasing reported earnings, but not those that have the effect of decreasing reported earnings.

CORRECTED AND UNCORRECTED MISSTATEMENTS

Corrected Misstatements: We are to inform you of material corrected misstatements that were brought to the attention of management as a result of our audit procedures.

Please refer to the attached schedule.

Uncorrected Misstatements: We are to inform you of uncorrected misstatements that were aggregated by us during the current engagement and pertaining to the latest and prior period(s) presented that were determined by management to be immaterial, both individually and in the aggregate, to the financial statements taken as a whole. Uncorrected misstatements or matters underlying the uncorrected misstatements could potentially cause future-period financial statements to be materially misstated, even if it was concluded that the uncorrected misstatements are immaterial to the financial statements under audit. For your consideration, we have distinguished misstatements between known misstatements and likely misstatements.

There were no such misstatements.

OTHER COMMUNICATIONS

Communication Item	Results
Other Information Included in an Annual Report Information may be prepared by management that accompanies or includes the financial statements. To assist your consideration of this information, you should know that we are required by audit standards to read such information and consider whether a material inconsistency exists between the other information and the financial statements. We are also to remain alert for indications that: • Material inconsistency exists between the other information and the auditor's knowledge obtained in the audit; or • A material misstatement of fact exists, or the other information is otherwise misleading. If we identify a material inconsistency between the other information and the financial statements, we are to seek a resolution of the matter.	We understand that management has not prepared other information to accompany the audited financial statements.
Significant Difficulties Encountered During the Audit We are to inform you of any significant difficulties encountered in dealing with management related to the performance of the audit.	There were no significant difficulties encountered in dealing with management related to the performance of the audit.
Disagreements with Management We are to discuss with you any disagreements with management, whether or not satisfactorily resolved, about matters that individually or in the aggregate could be significant to JADA's financial statements or the auditor's report.	During our audit, there were no such disagreements with management.
Difficulties or Contentious Matters We are required to discuss with the Those Charged with Governance any difficulties or contentious matters for which we consulted outside of the engagement team.	During the audit, there were no such issues for which we consulted outside the engagement team.
Circumstances that Affect the Form and Content of the Auditor's Report We are to discuss with you any circumstances that affect the form and content of the auditor's report, if any.	The auditor's report includes an Emphasis of Matter paragraph related to the expected abolishment of the Authority per State statute.

Communication Item	Results
Consultations with Other Accountants If management consulted with other accountants about auditing and accounting matters, we are to inform you of such consultation, if we are aware of it, and provide our views on the significant matters that were the subject of such consultation.	We are not aware of any instances where management consulted with other accountants about auditing or accounting matters since no other accountants contacted us, which they are required to do by Statement on Auditing Standards No. 50, before they provide written or oral advice.
Representations the Auditor Is Requesting from Management We are to provide you with a copy of management's requested written representations to us.	We direct your attention to a copy of the letter of management's representation to us provided separately.
Significant Issues Discussed, or Subject to Correspondence, With Management We are to communicate to you any significant issues that were discussed or were the subject of correspondence with management.	There were no such significant issues discussed, or subject to correspondence, with management.
Significant Related Party Findings or Issues We are to communicate to you significant findings or issues arising during the audit in connection with JADA's related parties.	There were no such findings or issues that are, in our judgment, significant and relevant to you regarding your oversight of the financial reporting process.
Other Findings or Issues We Find Relevant or Significant We are to communicate to you other findings or issues, if any, arising during the audit that are, in our professional judgment, significant and relevant to you regarding your oversight of the financial reporting process.	There were no such other findings or issues that are, in our judgment, significant and relevant to you regarding your oversight of the financial reporting process outside of the items within the 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 <i>Government Auditing Standards</i> .

We are pleased to serve JADA as its independent auditors and look forward to our continued relationship. We provide the above information to assist you in performing your oversight responsibilities and would be pleased to discuss this letter or any matters further, should you desire. This letter is intended solely for the information and use of the Board of Directors and, if appropriate, management, and is not intended to be and should not be used by anyone other than these specified parties.

Crowe LLP
 Crowe LLP

Oakbrook Terrace, Illinois
 September 29, 2025

Joliet Arsenal Development Authority
Year Ended June 30, 2025
Schedule of Corrected Misstatements

Name	Account No	Debit	Credit
Wells Fargo DSRF	1000-1100-0000 1000	\$ 10,116	
Accounts Receivable	1000-2000-0000 1000	5,000	
Accounts Receivable	1000-2000-0000 1000		\$ (5,000)
Accounts Receivable - State	1000-2010-0000 1000	314,468	
Unavailable Revenue	1000-2500-0000 1000		(240,724)
Prepaid Expense	1000-3000-0000 1000	13,100	
Accounts Payable	2000-0000-0000 1000		(25,613)
Line of Credit	2200-2203-0000 1000	400,000	
Deferred Revenue	2400-0000-0000 1000		(25,000)
Fund Balance	3000-0000-0000 1000		(451,347)
Fund Balance	3000-0000-0000 1000	4,999	
Grant 22-203171	4200-4230-4238 1000	1	
To record prior year entries			
Deferred Revenue	2400-0000-0000 1000	25,000	
Grant 10-203112	4200-4230-4230 1000		(25,000)
To recognize 10-203112 grant revenue received in FY15 and spent in FY25			
Accounts Receivable - State	1000-2010-0000 1000		(73,744)
Accounts Receivable - State	1000-2010-0000 1000		(240,724)
Unavailable Revenue	1000-2500-0000 1000	240,724	
Grant 24-203001	4200-4230-4240 1000	73,744	
Unavailable Revenue	9999-2500-0000 9000		(240,724)
Grant Revenue	9999-4230-4239 9000	240,724	
To reverse 24-203001 grant receivable			
Accounts Payable	2000-0000-0000 1000	25,613	
Legal	5000-5100-5110 1000		(4,350)
Misc	5000-5100-5140 1000		(5,805)
Phones	5000-5500-5520 1000		(58)
Planning	9000-9400-9450 1000		(15,400)
To reverse PY accounts payable			
Accounts Payable	2000-0000-0000 1000		(29,715)
Legal	5000-5100-5110 1000	4,425	
Dues/Registrations	5000-5500-5560 1000	7,500	
Guard Shack Reconstruction	9000-9700-9710 1000	17,790	
To accrue accounts payable			
Accounts Receivable - State	1000-2010-0000 1000	30,937	
Grant 25-203001	4200-4230-4241 1000		(30,937)
To recognize 25-203001 grant receivable			

**JOLIET ARSENAL
DEVELOPMENT AUTHORITY**
Joliet, Illinois

ANNUAL FINANCIAL REPORT
Year Ended June 30, 2025

JOLIET ARSENAL DEVELOPMENT AUTHORITY

Joliet, Illinois

June 30, 2025

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Crowe LLP
Independent Member Crowe Global

INDEPENDENT AUDITOR'S REPORT

Members of the Board of Directors
Joliet Arsenal Development Authority
Joliet, Illinois

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and the major fund of the Joliet Arsenal Development Authority (JADA), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise JADA's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of JADA, as of June 30, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matter

As discussed in Note 8 to the financial statements, management has stated that JADA plans to cease operations in August 2030 unless the entity is extended by State of Illinois legislation. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

(Continued)

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 JADA's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 GAAS 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 JADA'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 JADA'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 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.

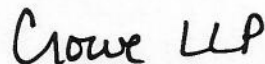
(Continued)

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise JADA's basic financial statements. The General Fund Schedule of Expenditures is presented for purposes of additional analysis and is 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 General Fund Schedule of Expenditures is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 29, 2025 on our consideration of JADA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of JADA'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 JADA's internal control over financial reporting and compliance.


Crowe LLP

Oakbrook Terrace, Illinois
September 29, 2025

**JOLIET ARSENAL DEVELOPMENT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2025
(UNAUDITED)**

The management's discussion and analysis of the Joliet Arsenal Development Authority's (JADA) financial performance provides an overall review of the financial activities for the fiscal year ended June 30, 2025. The intent of this discussion and analysis is to look at JADA's financial performance as a whole; readers should also review the basic financial statements and notes to the basic financial statements to enhance their understanding of JADA's financial performance.

Financial Highlights

- The assets of Joliet Arsenal Development Authority exceeded its liabilities at the close of the fiscal year by \$455,705 (net position).
- JADA's total net position increased by \$82,588 during fiscal year 2025 as reported in the statement of activities. The majority of the increase was due to state grant revenue.

Overview of the Annual Financial Report

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand JADA as a financial whole, an entire operating entity. This discussion and analysis is intended to serve as an introduction to JADA's basic financial statements. Those statements are comprised of the following components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains required supplementary information as well as an individual fund financial schedule.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements are designed to provide readers with a broad overview of the JADA's finances using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned, if measurable, and expenses are recognized as incurred, regardless of the timing of the related cash flows.

Statement of Net Position: The statement of net position presents information on assets, what is owned, liabilities, what is owed, and net position, the resources that would remain if all obligations were settled. The statement categorizes assets to show that some assets are very liquid, such as cash.

Statement of Activities: The statement of activities presents information that shows how the JADA's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flow. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods. Also included is activity related to the acquisition and depreciation of capital assets, as well as interest paid on long-term debt.

The government-wide financial statements highlight the functions of JADA that are principally supported by intergovernmental revenues (governmental activities). The governmental activities of JADA are development activities.

The government-wide financial statements can be found on pages 11 and 12 of this report.

**JOLIET ARSENAL DEVELOPMENT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2025
(UNAUDITED)**

Reporting of JADA's Most Significant Fund

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. JADA, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Fund: The Governmental fund is used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. The governmental fund is reported using the modified accrual method of accounting, which focuses on near-term inflows and outflows of spend-able resources, as well as on balances of spend-able resources at the end of the fiscal year. The governmental fund statements provide a detailed short-term view of the JADA's general governmental operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance development programs. The relationship (or differences) between governmental activities (reported in the *Statement of Net Position* and the *Statement of Activities*) and governmental funds is reconciled in the financial statements. The governmental fund financial statements can be found on pages 13 through 16 of this report.

JADA maintains one governmental fund, the General Fund. Information is presented in the governmental fund balance sheet and in the governmental statement of revenues, expenditures, and changes in fund balance for the General Fund.

Notes to the Financial Statements: The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 17 to 22 of this report.

Individual fund schedule is presented immediately following the notes to the financial statements on page 23 of this report.

JOLIET ARSENAL DEVELOPMENT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2025
(UNAUDITED)

Government-Wide Financial Analysis

Statement of Net Position: The following table reflects the condensed Statement of Net Position.

Condensed Statement of Net Position	<u>2024</u>	<u>2025</u>
Assets:		
Current assets	\$ 465,884	\$ 528,171
Capital assets	2,662	2,081
Total assets	<u>468,546</u>	<u>530,252</u>
Liabilities:		
Short-term liabilities	95,429	74,547
Total liabilities	<u>95,429</u>	<u>74,547</u>
Net position:		
Investment in capital assets	2,662	2,081
Unrestricted	370,455	453,624
Total net position	<u>\$ 373,117</u>	<u>\$ 455,705</u>

Assets: Current assets consist of cash, short term investments, prepaid expenses, and accounts receivable. Capital assets were depreciated during the year.

Liabilities: Short-term liabilities include accounts payable, unearned grant revenue, accrued payroll, and compensated absences due within one year.

The Statement of Net Position can be found on page 11 of this report.

JOLIET ARSENAL DEVELOPMENT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2025
(UNAUDITED)

Statement of Activities: The following table reflects the condensed statement of activities.

Table 2

	<u>2024</u>	<u>2025</u>
Revenues:		
General revenues:		
Consulting income	\$ 60,000	\$ 60,000
Interest income	510	126
State grants	<u>609,104</u>	<u>602,479</u>
Total general revenues	<u>669,614</u>	<u>662,605</u>
Total revenues	<u>669,614</u>	<u>662,605</u>
Expenses:		
Development	<u>583,917</u>	<u>580,017</u>
Total expenses	<u>583,917</u>	<u>580,017</u>
Change in net position	85,697	82,588
Net position beginning of year	<u>287,420</u>	<u>373,117</u>
Net position end of year	<u>\$ 373,117</u>	<u>\$ 455,705</u>

Revenue: The majority of JADA's revenue in both the current and prior fiscal years was from state grants which funded operations and reimbursed expenses that had been incurred.

Expenses: The largest development expenses for JADA are related to the gatehouse reconstruction, Joliet Arsenal exhibit and video projects, comprehensive planning, and administration. The administrative costs consist of salaries, fringe benefits (FICA), and professional fees (engineers and other consultants). The development costs were associated with numerous economic development, transportation, and workforce related projects.

Net Position: In the prior year, net position increased \$85,697, primarily due to the receipt of state grants. Net position increased \$82,588 in the current fiscal year, primarily due to the receipt of state grants.

The Statement of Activities can be found on page 12 of this report.

**JOLIET ARSENAL DEVELOPMENT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2025
(UNAUDITED)**

GOVERNMENTAL FUND FINANCIAL STATEMENTS

As noted earlier, JADA uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of JADA's governmental fund is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing JADA's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

Governmental Fund Financial Analysis

Fund Balance: The General Fund is the operating fund of JADA. As of the end of the current fiscal year JADA's General Fund reported an ending fund balance of \$497,992, an increase of \$323,893 in comparison with the previous fiscal year. The change was mostly due to the delay between when expenditures are incurred and when the state grants that reimburse those expenditures are received.

The General Fund Balance Sheet can be found on page 13 of this report.

Revenues: The following is the analysis of revenues for the past two years for the general fund of JADA.

**COMPARATIVE SUMMARY OF REVENUES
GOVERNMENTAL FUND - GENERAL FUND
For the Fiscal Years ending June 30,**

	<u>2024</u>	<u>2025</u>	<u>INCREASE (DECREASE) 2024 to 2025</u>	<u>% CHANGE</u>
Local Sources:				
Consulting	\$ 60,000	\$ 60,000	\$ -	0.00%
Interest Income	510	126	(384)	-75.29%
State Sources:				
Grants	<u>621,205</u>	<u>843,203</u>	<u>221,998</u>	35.74%
Total	<u>\$ 681,715</u>	<u>\$ 903,329</u>	<u>\$ 221,614</u>	32.51%

During 2024 and 2025, the most significant revenue source was state grant revenues which funded operations and reimbursed expenditures that had been incurred.

JOLIET ARSENAL DEVELOPMENT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2025
(UNAUDITED)

Expenditures: The following is the analysis of expenditures for the past two years for the general fund of JADA.

	2024	2025	INCREASE (DECREASE) 2024 to 2025	% CHANGE
Administrative	\$ 172,830	\$ 150,114	\$ (22,716)	-13.1%
Marketing & Public Relations	410,199	242,672	(167,527)	-40.8%
Capital Projects	-	186,650	186,650	N/A
Total	<u>\$ 583,029</u>	<u>\$ 579,436</u>	<u>\$ (3,593)</u>	-0.6%

The most significant expenditures in the prior fiscal year related to comprehensive planning and the Joliet Arsenal exhibit and video projects. The most significant expenditures in the current fiscal year related to the gatehouse reconstruction project and comprehensive planning.

The General Fund Statement of Revenues, Expenditures, and Changes in Fund Balance can be found on page 15 of this report.

Budgetary Highlights

JADA's budget is normally prepared in accordance with Illinois law and is based on accounting for transactions on the modified accrual basis of accounting. For the year ended June 30, 2025, no budget was adopted.

Capital Asset Activity

The capital assets of JADA are those used in the performance of general governmental functions. They are recorded at original cost, which is considerably less than their present replacement value. Capital assets include land, improvements and equipment. JADA's investment in capital assets at year-end totaled \$2,081 (net of accumulated depreciation).

Additional information on JADA's capital assets can be found in Note 3 on page 21 of this report.

**JOLIET ARSENAL DEVELOPMENT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2025
(UNAUDITED)**

Conditions Expected to Have a Significant Effect on Financial Position

JADA, on behalf of the State of Illinois, has acquired certain parcels of real estate from the United States of America, Department of the Army, pursuant to certain deeds of conveyance which indicate that there may be a deferred payment of consideration due from JADA to the United States of America with respect to the transaction. On May 21, 2015, the Department of the Army approved the Release of Lien and Discharge of Vendor's Lien, and therefore, there is no consideration is due for any property contained in the deeds.

JADA marketed the property and in November of 2017 was successful in completing an agreement that transferred the land in exchange for the bonds and forgiveness of the principal and interest on the bonds. In addition, in fiscal years 2022 through 2025, JADA was successful in obtaining appropriations for state grants from the State of Illinois.

JADA has been included in the State's fiscal year 2026 budget with a grant of \$800,000.

Based on State Statute, the Authority will wrap up operations in August 2030 unless extended legislatively.

JOLIET ARSENAL DEVELOPMENT AUTHORITY

STATEMENT 1

Statement of Net Position
June 30, 2025

	Governmental Activities
ASSETS	
Cash	\$ 468,528
Short term investments	10,540
Prepaid expenses	13,166
Accounts receivable	35,937
Capital assets being depreciated	2,081
Total assets	<u>530,252</u>
LIABILITIES AND NET POSITION	
Liabilities	
Accounts payable	30,163
Accrued payroll	16
Long-term obligations, due within one year:	
Compensated absences payable	<u>44,368</u>
Total liabilities	<u>74,547</u>
Net position	
Investment in capital assets	2,081
Unrestricted	<u>453,624</u>
Total net position	<u>\$ 455,705</u>

JOLIET ARSENAL DEVELOPMENT AUTHORITY

STATEMENT 2

Statement of Activities
Year Ended June 30, 2025

	<u>Governmental Activities</u>
Expenses:	
Development activities	<u>\$ 580,017</u>
Total program expenses	<u>580,017</u>
Revenues:	
General revenues:	
Consulting income	60,000
Interest income	126
State grants	<u>602,479</u>
Total general revenues	<u>662,605</u>
Change in net position	82,588
Net position - beginning of the year	<u>373,117</u>
Net position - end of the year	<u>\$ 455,705</u>

JOLIET ARSENAL DEVELOPMENT AUTHORITY

STATEMENT 3

Governmental Fund
Balance Sheet
June 30, 2025

	<u>Major Fund</u>
	<u>General Fund</u>
ASSETS	
Cash	\$ 468,528
Short term investments	10,540
Prepaid expenses	13,166
Accounts receivable	35,937
Total assets	<u>\$ 528,171</u>
 LIABILITIES AND FUND BALANCE	
Liabilities	
Accounts payable	\$ 30,163
Accrued payroll	16
Total liabilities	<u>30,179</u>
 Fund balance	
Nonspendable	13,166
Unassigned	484,826
Total fund balance	<u>497,992</u>
 Total liabilities and fund balance	<u>\$ 528,171</u>

JOLIET ARSENAL DEVELOPMENT AUTHORITY

STATEMENT 4

Reconciliation of Governmental Fund Balance Sheet
to Statement of Net Position
June 30, 2025

Total fund balance - governmental fund	\$	497,992
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds:

Capital assets	\$	40,793	
Accumulated depreciation		<u>(38,712)</u>	
Net capital assets			2,081

Some liabilities reported in the statement of activities do not require the use of current financial resources and therefore are not reported as liabilities in governmental funds.

Compensated absences payable	<u>(44,368)</u>
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Net position of governmental activities	\$	<u>455,705</u>
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JOLIET ARSENAL DEVELOPMENT AUTHORITY

STATEMENT 5

Governmental Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balance
Year Ended June 30, 2025

	<u>Major Fund</u> <u>General</u> <u>Fund</u>
REVENUES	
Local sources	
Consulting	\$ 60,000
Interest income	126
Total local sources	<u>60,126</u>
State sources	
Grants	<u>843,203</u>
Total state sources	<u>843,203</u>
Total revenues	<u>903,329</u>
EXPENDITURES	
Current:	
Administrative	150,114
Marketing and public relations	242,672
Capital projects	<u>186,650</u>
Total expenditures	<u>579,436</u>
Net change in fund balance	323,893
Fund balance at beginning of year	<u>174,099</u>
Fund balance at end of year	<u>\$ 497,992</u>

JOLIET ARSENAL DEVELOPMENT AUTHORITY

STATEMENT 6

Reconciliation of Statement of Revenues, Expenditures and Changes in Fund
Balance to Statement of Activities
Year Ended June 30, 2025

Net change in fund balance	\$ 323,893
Amounts reported for governmental activities in the Statement of Activities are different because:	
Some revenues were not collected for several months after the close of the fiscal year and therefore were not considered to be available and are not reported as revenue in the general fund. The change from fiscal year 2024 to 2025 consists of:	
	(240,724)
The general fund reports purchases of capital assets as expenditures while governmental activities reports depreciation expense to allocate those expenditures over the life of the assets.	
Depreciation	<u>(581)</u>
Change in net position of governmental activities	<u>\$ 82,588</u>

JOLIET ARSENAL DEVELOPMENT AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Joliet Arsenal Development Authority (JADA) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting policies are described below.

Reporting Entity: JADA has adopted the provisions of GASB Statements No. 14, No. 39 and No. 61, *The Financial Reporting Entity; Omnibus*, under which the financial statements include all the organizations, activities, boards, functions, and component units for which JADA is financially accountable. Financial accountability is defined as the appointment of a voting majority of the component unit's board, and either (1) JADA's ability to impose its will over the component unit, or (2) the possibility that the component unit will provide a financial benefit to or impose a financial burden on JADA. JADA does not have any component units that meet the above requirements.

Basis of Presentation: JADA's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements, which provide a more detailed level of financial information. The government-wide focus is more on the sustainability of JADA as an entity and the change in aggregate financial position resulting from activities of the fiscal period.

Government-Wide Financial Statements – The statement of net position and the statement of activities display information about JADA as a whole. In the government-wide statement of net position, the governmental activities column is presented on a consolidated basis. Governmental activities, which normally are supported by intergovernmental revenues, are reported separately. The government-wide statement of activities reflects both the direct expenses and net cost of each function of JADA's governmental activities. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include charges paid by the recipient for the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program, and interest earned on grants that is required to be used to support a particular program. Revenues, which are not classified as program revenues, are presented as general revenues of JADA, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each government function is self-financing or draws from the general revenues of JADA.

Fund Financial Statements – The financial transactions of JADA are recorded in an individual fund. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. The emphasis of fund financial statements is on the major governmental fund.

Measurement Focus and Basis of Accounting: The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets and liabilities (whether current or non-current) are included on the balance sheet and the operating statements present increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized when earned, if measurable, and expenses are recognized as incurred, regardless of the timing of related cash flows.

While not all reported in the current year, JADA has reported three categories of program revenues in the statement of activities in past fiscal years: (1) charges for services, (2) program-specific operating grants and contributions, and (3) capital grants and contributions. Program revenues are derived directly from the program itself or from external sources, such as the State of Illinois; they reduce the net cost of each function to be financed from JADA's general revenues. For identifying the function to which a program revenue pertains, the determining factor for charges for services is which function generates the revenue. For grants and contributions, the determining factor is the function to which the revenues are restricted.

(Continued)

JOLIET ARSENAL DEVELOPMENT AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Governmental fund 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 JADA considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Revenues accrued at the end of the year, if any, include charges for services, intergovernmental revenues, and investment earnings. All other revenue items are considered to be measurable and available only when cash is received by JADA. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, long-term debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

When an expenditure/expense is incurred for purposes for which both restricted and unrestricted resources are available, it is JADA's policy to apply restricted resources first, then unrestricted resources as needed.

Differences occur from the manner in which the governmental activities and the government-wide financial statements are prepared due to the inclusion of capital asset and long-term obligations activity. Governmental fund financial statements, therefore, include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

JADA reports the following major governmental fund:

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

Cash: Cash is composed of cash on hand, checking accounts, savings accounts, highly liquid investments and certificates of deposit with original maturities of three months or less.

Short Term Investments: Investments consist of money market funds. These investments are stated at amortized cost. Investments are held in JADA's name and custodied with a major financial institution.

Capital Assets: Capital assets, which include property and equipment, are reported in the government-wide financial statements. Capital assets are defined by JADA as assets, with a useful life of more than one year, with an initial, individual cost over the following thresholds:

Land	\$ 25,000
Equipment	1,000

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are recorded at estimated acquisition cost at the date of donation.

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

All reported capital assets except land and construction-in-progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Equipment	3-10 Years
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(Continued)

JOLIET ARSENAL DEVELOPMENT AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Compensated Absences: The liability for compensated absences (unused vacation, sick leave, and compensatory time) of JADA relating to employees of the governmental fund at June 30, 2025, is \$44,368. The amount recorded includes the associated FICA amounts. In the current fiscal year, the entire balance is classified as current because it is expected to be paid out in the next fiscal year.

Net Position: Net Position represent the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition construction of improvements of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by JADA or through external restrictions imposed by creditors, grantors, laws, or regulations of other governments.

Fund Balance: The components of the fund balance include the following line items:

- a. Nonspendable fund balance is inherently nonspendable, such as portions of net resources that cannot be spent because of their form and portions of net resources that cannot be spent because they must be maintained intact
- b. Restricted fund balance is externally enforceable limitations on use, such as limitations imposed by creditors, grantors, contributors, or laws and regulations of other government as well as limitations imposed by law through constitutional provision or enabling legislation.
- c. Committed fund balance has self-imposed limitations set in place prior to the end of the period. The limitations are imposed at the highest level of decision making that requires formal action at the same level to remove. For JADA, the Board of Directors is the highest level of decision making. As of June 30, 2025, JADA does not have any commitments of fund balance.
- d. Assigned fund balance has limitations resulting from intended use consisting of amounts where the intended use is established by the Board of Directors designated for that purpose. The intended use is established by an official designated for that purpose. JADA has not designated anyone for this purpose.
- e. Unassigned fund balance is the total fund balance in the general fund in excess of nonspendable, restricted, committed, and assigned fund balance.

If there is an expenditure incurred for purposes for which both restricted and unrestricted fund balance is available, JADA will consider restricted fund balance to have been spent before unrestricted fund balance. Further, if there is an expenditure incurred for purposes for which committed, assigned, or unassigned fund balance classifications could be used, then JADA will consider committed fund balance to be spent before assigned fund balance, and consider assigned fund balance to be spent before unassigned fund balance.

Budgets: Budgets are adopted by JADA on a basis consistent with GAAP. Annual budgets are adopted for the General Fund. However, during the fiscal year ended June 30, 2025, no budget was adopted. All annual budgets lapse at fiscal year-end.

In the event the budget needs to be amended, a majority of the voting members must approve the amended budget in a regular council meeting.

The legal level of control (level at which expenditures may not exceed budget) is the department. JADA is not allowed to add, delete, or change the approved budget without creating an amendment to the budget.

(Continued)

JOLIET ARSENAL DEVELOPMENT AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Use of Estimates: Management of JADA made certain estimates and assumptions that affect the reported amounts of assets and liabilities and contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditures/expenses during the period. Actual results could differ from those estimates.

NOTE 2 - DEPOSITS AND INVESTMENTS

Cash - The carrying amount of cash was \$468,528 at June 30, 2025, while the bank balances were \$485,065. Of the bank balances, \$288,800 was insured by the Federal Deposit Insurance Corporation (FDIC). \$196,265 was not insured by the FDIC or collateralized with securities of the U.S. government or with letters of credit issued by the Federal Home Loan Bank held in JADA's name by financial institutions acting as JADA's agent.

Investments - The following schedule reports the amounts and maturities (using the segmented time distribution method) for JADA's investments at June 30, 2025.

	<u>Investment Maturities</u>	
	<u>Total</u>	<u>Less Than One Year</u>
Money Market	\$ 10,540	\$ 10,540
Total	<u>\$ 10,540</u>	<u>\$ 10,540</u>

Interest Rate Risk - Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. JADA's investment policy limits investment maturities to match anticipated cash flow requirement or otherwise to one year from the date of purchase as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk - Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. JADA's general investment policy is to apply the prudent-person rule: Investments shall be made with the judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investments, considering the probable safety of their capital, as well as the probable income to be derived. JADA does not have any securities with credit ratings at year end.

One of the U.S. Treasury Department's objectives for conservatorships is to protect bondholders. As such, declines in fair value below the cost for investments in Freddie Mac and Fannie Mae bonds (that is, debt securities) may be treated as temporary. At year end, JADA does not have such investments.

Custodial Credit Risk - For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, JADA will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. JADA's investment policy requires that funds on deposit (checking accounts, certificate of deposit, etc.), in excess of FDIC limits must be secured by appropriate collateral, witnessed by a written agreement and held at an independent third-party institution in the name of the Authority. Collateral shall be limited to securities of the United States of America or its agencies such as the Federal National Mortgage Association. As of June 30, 2025, all JADA's investments were held by Trust accounts; thus are not subject for collateralization.

Concentration of Credit Risk - JADA places no limit on the amount it may invest in any one issuer. 100% of JADA's investments are in money markets at June 30, 2025.

(Continued)

JOLIET ARSENAL DEVELOPMENT AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 3 - CAPITAL ASSETS

The summary of changes in capital assets is as follows:

	Balance 7/1/2024	Additions	Deletions	Ending 6/30/2025
Capital assets being depreciated				
Equipment	\$ 40,793	\$ -	\$ -	\$ 40,793
Accumulated depreciation				
Equipment	(38,131)	(581)	-	(38,712)
Capital assets being depreciated, net of depreciation	\$ 2,662	\$ (581)	\$ -	\$ 2,081

Depreciation expense of \$581 was charged to development activities.

NOTE 4 - RISK MANAGEMENT

JADA is exposed to various risks related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks for general, automobile, employment practices, and umbrella liabilities are covered by commercial insurance purchased from an independent third party. No claims exceeding commercial insurance coverage were incurred or paid in the past three fiscal years.

NOTE 5 – COMPENSATED ABSENCES

The summary of changes in long-term obligations is as follows:

	Balance 7/1/2024	Additions	Deletions	Balance 6/30/2025	Due within One Year
Compensated Absences	\$ 44,368	\$ -	\$ -	\$ 44,368	\$ 44,368

NOTE 6 - RETIREMENT SYSTEM

Employees are covered under the Federal Social Security Program. JADA's payments to this program for the year ended June 30, 2025 totaled \$5,809.

NOTE 7 - CONTINGENCIES AND COMMITMENTS

JADA, on behalf of the State of Illinois, has acquired certain parcels of real estate from the United States of America, Department of the Army, pursuant to certain deeds of conveyance which indicate that there may be a deferred payment of consideration due from JADA to the United States of America with respect to the transaction. On May 21, 2015, the Department of the Army approved the Release of Lien and Discharge of Vendor's Lien and therefore there is no consideration is due for any property contained in the deeds.

(Continued)

JOLIET ARSENAL DEVELOPMENT AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 7 - CONTINGENCIES AND COMMITMENTS (Continued)

In fiscal year 2006, JADA conveyed land to a developer. JADA has the right to repurchase the land from the developer for \$200,000 if the developer fails to comply with covenants as to how the land is developed. As of June 30, 2025, JADA continues to consider to exercise the option to repurchase the property from the developer.

NOTE 8 – ANTICIPATED ABOLISHMENT OF THE ENTITY

JADA was created by Illinois Public Act 70 ILCS 508 (the Act), which took effect July 1, 1995 and was signed into law August 17, 1995. The Act, as amended in August 2025, states that JADA shall be abolished upon the last to occur of the following: (1) expiration of the 35-year period that begins on the effective date of the Act; or (2) one year after all revenue bonds, notes, and other evidences of indebtedness of JADA have been fully paid and discharged or otherwise provided for. Upon abolition of JADA, all of its rights and property shall pass to and be vested in Will County, Illinois.

Unless the Act is amended by State of Illinois legislation to extend the 35-year period, management plans to cease operations in August 2030.

NOTE 9 – RELATED PARTY TRANSACTIONS

JADA has entered into intergovernmental agreements with the Village of Elwood, the City of Joliet, the Village of Manhattan, the Village of Symerton, and the City of Wilmington to assist those municipalities in the process of updating their comprehensive plans to evaluate land uses that will provide for good planning and expand economic development opportunities for the municipalities and the region. In accordance with the intergovernmental agreements, JADA paid \$50,000 to the City of Joliet and \$100,000 to the Village of Symerton in fiscal year 2025.

NOTE 10 – REVENUE CONCENTRATION

In fiscal year 2025, 91% of JADA's revenue was derived from grants from the State of Illinois. At June 30, 2025, \$289,801 of the \$800,000 Department of Commerce and Economic Opportunity (DCEO) grant 25-203001 award remained unexpended. The DCEO grant 25-203001 award covers the period of September 1, 2024 to June 30, 2026. In September 2025, JADA received a notice of state award for a grant in the amount of \$800,000 for the period of September 1, 2025 to June 30, 2026.

JOLIET ARSENAL DEVELOPMENT AUTHORITY

EXHIBIT 1

General Fund
Schedule of Expenditures
Year Ended June 30, 2025

Expenditures	
Current:	
Administrative	
Consultant	
Legal	\$ 14,550
Engineering	1,620
Total consultant	<u>16,170</u>
Contractual	
Insurance - liability	1,537
Audit fees	13,884
Total contractual	<u>15,421</u>
Fringe benefits	
FICA	5,809
Medicare	1,359
JADA - benefit	15,474
Total fringe benefits	<u>22,642</u>
Other expense	
Phones	1,171
Rent	1,767
Subscriptions/ads/notices	2,425
Dues/registrations	7,990
Miscellaneous	2,324
Total other expense	<u>15,677</u>
Personnel	
Director - salary	43,480
Admin - salary	35,871
Miscellaneous	216
Total personnel	<u>79,567</u>
Supplies	
Office	235
Miscellaneous	165
Total supplies	<u>400</u>
Travel	
Meals	237
Total travel	<u>237</u>
Total administrative	<u>150,114</u>
Marketing and public relations	
Web site development and maintenance	8,518
Joliet Arsenal exhibit and video	84,154
Comprehensive planning	150,000
Total marketing and public relations	<u>242,672</u>
Capital projects	
Real estate/sales acquisition	
Cancelled project	(15,400)
Total real estate/sales acquisition	<u>(15,400)</u>
Construction	
Gatehouse reconstruction	202,050
Total construction	<u>202,050</u>
Total capital projects	<u>186,650</u>
Total expenditures	<u>\$ 579,436</u>
