

THE CITY OF LAKE FOREST CITY COUNCIL AND AUDIT COMMITTEE HAVE BEEN INVITED TO A TOUR OF RAGDALE, LOCATED AT 1260 N. GREEN BAY ROAD, ON MONDAY, NOVEMBER 4 AT 5PM

**THE CITY OF LAKE FOREST
CITY COUNCIL AGENDA**
Monday, November 4, 2024
220 E. Deerpath
Lake Forest, IL 60045

CALL TO ORDER AND ROLL CALL

6:30pm

Honorable Mayor, Stanford R. Tack
Nancy Novit, Alderman First Ward Ara Goshgarian, Alderman Third Ward
Peter Clemens, Alderman First Ward Alice LeVert, Alderman Third Ward
Edward U. Notz, Jr., Alderman Second Ward Eileen Looby Weber, Alderman Fourth Ward
John Powers, Alderman Second Ward Richard Walther, Alderman Fourth Ward

PLEDGE OF ALLEGIANCE

REPORTS OF CITY OFFICERS

1. COMMENTS BY MAYOR

2. COMMENTS BY CITY MANAGER

- A. Community Spotlights
 - Lake Forest Lake Bluff History Center
 - Carol Summerfield, Executive Director
 - Youth Conservation Corps
 - Beth Pierson, Manager, Strategic Partnerships for the Youth Conservation Corps.

3. OPPORTUNITY FOR CITIZENS TO ADDRESS THE CITY COUNCIL

4. COMMITTEE REPORTS

AUDIT COMMITTEE

1. **Audit Committee Report and Presentation of the Fiscal Year 2024 Annual Comprehensive Financial Report**

PRESENTED BY: Mark Dillon, Audit Committee Chair

STAFF CONTACT: *Diane Hall, Assistant Finance Director (847-810-3614)*

PURPOSE AND ACTION REQUESTED: Staff requests receipt of the audit report for the fiscal year ended April 30, 2024.

BACKGROUND/DISCUSSION: The Annual Comprehensive Financial Report for the fiscal year ended April 30, 2024 is provided beginning on **page 25**. A bound copy of the report is available upon request and an electronic copy will be made available on the City web site following City Council acceptance of the report. The document has been reviewed by the Audit Committee with Baker Tilly Virchow Krause, the City's independent audit firm, and has been accepted by the Audit Committee. The City has received an unmodified opinion on its Fiscal Year 2024 financial statements.

The City has been awarded the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA) for forty-five (45) consecutive years. This year's report will once again be submitted to GFOA for consideration of this award.

The Audit Committee met four times in 2024 and highlights of those meetings as well as the audit report will be presented this evening by Audit Committee Chair Mark Dillon.

COUNCIL ACTION: Receipt of the audit report for the fiscal year ended April 30, 2024

PUBLIC WORKS COMMITTEE

- 1. Approval of a Recommendation from the Public Works Committee to Award a Five Year Contract (FY2025 through FY29) to United Meters, Inc. for the Water Meter Replacement Project, Utilizing Neptune Solid State Meters Sourced through Ferguson for a cost of \$5,693,575, and Approve an Agreement with Strand Associates, Inc. for Construction Engineering Services in the Amount of \$181,425 with a 2% Project Contingency in the Amount of \$125,000 for a Total Project Cost of \$6,000,000**

PRESENTED BY: *Dan Martin, Superintendent of Public Works (810-3561)*

PURPOSE AND ACTION REQUESTED: The Public Works Committee, along with City staff, is requesting approval of the bid for the Automated Meter Infrastructure (AMI) Project to United Meters, Inc. This contract includes the installation of Neptune solid-state meters, sourced through Ferguson, the manufacturer's representative.

The project award is based on the acceptance of the computed unit price bid, with a total budgeted cost of up to \$5,693,575 over fiscal years 2025 through 2029. Additionally, approval is requested for an agreement with Strand Associates, Inc. to provide construction engineering services for the project. The agreement is for \$181,425, also spanning FY2025 through FY2029. To account for any unforeseen construction or engineering issues that may arise during the project, a 2% contingency of \$125,000 is requested for both United Meters, Inc. and Strand Associates, Inc. This contingency will cover any unexpected challenges during the implementation of the AMI system.

BACKGROUND/DISCUSSION: The City's Water Meter system was last replaced in 2004, encompassing 6,936 water meters. The current meters are equipped with Radio Read Meter

Transceiver Units (MXUs), requiring for meter readings to be collected remotely via radio signals transmitted to a drive-by data collector. A Water & Sewer Section employee collects this data on the first weekday of each month, transferring it to a computer system that integrates with the Finance Department’s BS&A software for quarterly water billing. After nearly 20 years of service, the existing water meters have reached the end of their useful life. Approximately 15 percent of the meters have already been replaced due to failing batteries that are now obsolete and unavailable. To address this issue and ensure accurate water billing and revenue collection, a full replacement of the City’s aging water meters is required.

In 2020, City staff conducted a preliminary Advanced Metering Infrastructure (AMI) study to explore modernization opportunities. The study revealed that transitioning to an

AMI system offers substantial improvements in efficiency and service. AMI provides near real-time water usage data, enabling both the City and customers to monitor consumption more effectively. It allows customers to access a web-based portal to track their water usage, set up alerts for high usage or potential leaks, and make informed decisions about water conservation. Additionally, AMI integrates with existing leak detection equipment, streamlining operations, reducing water loss, and improving the accuracy of billing and record-keeping. These benefits contribute to greater operational efficiency and enhanced customer service.

To prepare for the Citywide meter replacement project, in 2023 the City Council approved a contract with Strand Associates, Inc. to provide engineering services to assist in developing a comprehensive AMI system. As part of these services, Strand facilitated an in-house workshop with four leading meter vendors. City staff from Public Works, Finance, and IT Departments collaborated with the consulting engineers to evaluate vendor qualifications. After careful review, two vendors Neptune and Sensus were selected to submit competitive bids for the project.

Workshop discussions with vendors revealed that bidding the installation of meters and equipment separately would be more cost-effective. Vendors noted that including installation in their bids would result in marked-up agreements, increasing costs. By handling installation separately, the City can avoid these markups, achieve significant savings, and maintain greater control over the process, leading to better project outcomes. Both the selection process and the separation of procurement and installation was presented at the November 7, 2023, Finance Committee Capital Budget Meeting.

PROJECT REVIEW/RECOMMENDATIONS:

Reviewed	Date	Comments
Public Works Committee	10/21/24	Reviewed and Approved the Water Meter Replacement Project
Finance Committee	11/7/23	Reviewed and Discussed Water Meter Replacement Project; Direction provided to Pursue a Five-Year Implementation
Public Works Committee	6/12/23	Reviewed and Approved the Engineering Consulting Services
Finance Committee	11/9/20	Reviewed and Discussed Preliminary Water Meter Replacement Study

BUDGET/FISCAL IMPACT: At the November 7, 2023, Finance Committee Capital Budget Meeting, staff was directed to extend the water meter replacement project from two or three years to five years in order to better distribute future capital costs and manage long-term financial impacts. By spreading the replacement over five years, the City will avoid significant future strains on the Water Fund as meters reach the end of their useful life. An average of approximately 1,240 meters will be replaced each year, with priority given to the oldest meters that are either failing or showing signs of imminent failure.

The 15-percent of new meters that have been installed to replace premature meter failures will be incorporated into this new system. The overall replacement approach fairly distributes meter replacements over time, distributing maintenance of the system more over time compared to a larger short-term (1-2 year) capital project.

Based on workshop recommendations, the consulting engineer and staff separated the procurement and installation processes for the Advanced Metering Infrastructure (AMI) meters. A five-year procurement proposal was competitively bid for the two prequalified AMI meter vendors, Neptune and Sensus, with bids opened on June 6, 2024, as shown in the table below. Neptune submitted the lowest responsive bid. With over 100 years of experience, Neptune provides a comprehensive AMI solution that includes ultrasonic meters, utility billing software, and a customer service portal.

Has City staff obtained competitive pricing for proposed goods/services? **Yes, for meters and installation; No for Construction Engineering Services. Exception or Waiver Requested: Administrative Directive 3-5, Section 6.11 – Existing Relationship**

Company Name	5-Year Total
Neptune	\$3,110,000
Sensus	\$4,629,336

After Neptune was selected as the low bidder, their equipment and software specifications were incorporated into the installation Request for Proposal (RFP). To streamline the process and avoid any confusion regarding vendor responsibilities, the RFP also required the selected installation contractor to accept the Neptune Procurement Contract, ensuring all necessary equipment, materials, and services would be purchased directly from Neptune at the contractually agreed-upon prices.

The bid opening for the meter installation took place on October 1, 2024, and the City received one bid from United Meters, Inc. (UMI), as detailed in the chart below. Five contractors had obtained bid packets. To understand the bidding conditions, staff followed up with those who did not submit a bid. Two out-of-state plan holders were unreachable, while the remaining local contractors that responded cited scheduling concerns. One contractor specifically noted that delayed projects scheduled to begin in 2025 would stretch their installers too thin to take on additional work.

Company Name	5-Year Total
United Meters	\$2,583,575

United Meters, Inc. has a long-established presence in the industry and was previously awarded the City's meter installation contract in 2004 and performed favorably. More recently, they have successfully completed meter installations for neighboring communities such as Lake Bluff and Deerfield, along with numerous other projects across the Chicagoland area. Their references were overwhelmingly positive, highlighting their strong customer service, ability to adhere to schedules, and seamless coordination with both businesses and residents. Additionally, United Meters' professional installers were praised for their responsiveness and efficient resolution of any issues that arose during the installation process.

The total combined cost for the five-year procurement and installation contract is \$5,693,575, coming in below the project engineer's original opinion of probable cost.

In addition, it is recommended to approve an agreement with Strand Associates, Inc. for construction engineering services in the amount of \$181,425. To account for any unforeseen construction or engineering issues, a 2% project contingency of \$125,000 is also recommended. This brings the total project cost to \$6,000,000, as detailed in the table below.

Description	Five Year Project Total (FY2025 – FY2029)
Engineering	\$181,425
AMI Installation (5 Year Project)	\$5,693,575
Contingency	\$125,000
Total Budget	\$6,000,000

Below is an estimated summary of Project budget:

FY2025-29 Funding Source	Amount Budgeted	Amount Requested	Budgeted? Y/N
Water Capital Improvement Fund (508-6003-466.66-12)	\$6,000,000	\$6,000,000	Y

The FY25 Budget included \$2,000,000 to begin the water meter replacement project. Costs will be budgeted each year, with costs funded from Water Utility reserves.

COUNCIL ACTION: Approval of a Recommendation from the Public Works Committee to Award a Five Year Contract (FY2025 through FY29) to United Meters, Inc. for the Water Meter Replacement Project, Utilizing Neptune Solid State Meters Sourced through Ferguson for a cost of \$5,693,575, and Approve an Agreement with Strand Associates, Inc. for Construction Engineering Services in the Amount of \$181,425 with a 2% Project Contingency in the Amount of \$125,000 for a Total Project Cost of \$6,000,000

- 2. Award of the Low Bid for the Ahwahnee Road Area Storm Sewer Improvements Project to DiMeo Brothers., Inc., and Authorize the City Manager to Execute an Agreement in the Amount of \$3,294,990 and a 10% Contingency in the Amount of \$329,499 for a Total Project Cost of \$3,624,489**

PRESENTED BY: *Byron Kutz, P.E., Superintendent of Engineering (810-3555)*

PURPOSE AND ACTION REQUESTED: The Public Works Committee and City staff are requesting approval of the Ahwahnee Road Area Storm Sewer Improvements project to DiMeo Bros for \$3,294,990 with 10% Contingency in the Amount of \$329,499 for a Total Cost of \$3,624,489. In addition, authorization for the City Manager to Execute the Agreement.

BACKGROUND/DISCUSSION: In 2019, Baxter & Woodman completed the Storm Water Masterplan for The City of Lake Forest. This project was a priority in both the 2013 and 2019 Storm Water Masterplans (after the highest priority project –Burr Oak Area Storm Sewer Improvements which was constructed in 2022). The Ahwahnee Road Study Area is located in central Lake Forest in the Skokie River watershed. It is roughly bounded by Deerpath Road on the north, Onwentsia Road on the south, Skokie River on the east, and Skokie Highway on the west. More specifically, the storm sewer limits are on Ahwahnee Road from Deerpath Road south of Ahwahnee Lane about 1000', and on Ahwahnee Lane from Ahwahnee Road about 900' to the west. The report identified that the existing storm sewer needed to be upsized to meet the minimum requirements of the Lake County Watershed Development Ordinance in order to handle a 10-year storm event. The previous modeling for this study area showed the existing sewer is undersized having only a 2-year capacity which does not provide much protection against street flooding. Specifically, the model showed 6-9 inches of street flooding at the depressional areas of Ahwahnee Road and Ahwahnee Lane. Large storm events cause significant inconvenience to residents as the roads are impassable. Flooding can affect emergency response in the area as well.

The design scope included stormwater modeling as part of the project in order to confirm existing conditions and to develop design assumptions. The previous IDOT design of the two stormwater ponds related to the Pump Station Project did not account for the upsizing of the Ahwahnee Road storm sewers. Therefore, it was necessary during this project to revise the stormwater model now that the IDOT Deerpath Road Pump Station project underground work has been completed. Originally the anticipated alignment of the Ahwahnee Road Area Storm Sewer Improvements was to connect a 48" storm sewer to the north at Deerpath Road, the stormwater then would flow through the east Deerpath Pond (Pond 2) prior to discharging in the Skokie River. Residents adjacent to the two Deerpath stormwater ponds expressed their flooding concerns during the IDOT Deerpath Road Pump Station project design and construction, it was crucial to confirm that the two new ponds can handle the proposed flow without increasing the frequency of overtopping the ponds. The ponds are also adjacent to the City-owned Deerpath Golf Course, so it also was important that the overtopping frequency was considered in order to reduce impacts to the Golf Course operations as well. Modeling during the design-phase identified that an additional 30" outlet pipe was necessary to the Skokie River from Pond 2. Staff presented alignment options for this additional outlet pipe at the November 14, 2022 Finance Committee and received direction for this outlet to be from Pond-2 (southeast of Deerpath Golf Course Club House) east across Holes 1/2 to the Skokie River.

The construction scope includes storm-sewer replacement and upsizing, curb and gutter replacement, full-depth resurfacing, ADA improvements, and necessary golf course restoration. These improvements will help reduce recurring flooding (10yr storm) on Ahwahnee Lane/Road and reduce overland-flow on the Deerpath Golf Course from the detention pond to the Skokie River.

The tentative schedule is work starting at the Golf Course after 1/6/25 with a 4/1/25 substantial completion. Work on the upstream storm sewer along Ahwahnee Road/Lane will start

tentatively after 3/18/25 with a 7/19/25 substantial completion. A letter will be sent to residents within the limits of the project two weeks prior to start of construction. The City’s website, under “Construction Updates”, will also provide details on the construction schedule.

PROJECT REVIEW/RECOMMENDATIONS:

Reviewed	Date	Comments
Public Works Committee	10/21/24	Reviewed & Recommended City Council Approval of Contract
Finance Committee	11/14/2022	Reviewed Project Scope
Public Works Committee	4/19/2022	Reviewed & Recommended City Council Approval of Design Engineering Services
Finance Committee	11/8/2021	Included with FY '23 Capital Plan
Workshop Meeting	9/16/2019	Reviewed Updates to Storm Water Masterplan
Finance Committee	11/5/14	Reviewed Storm Water Masterplan

BUDGET/FISCAL IMPACT: Nineteen contractors picked up plans, with a total of 14 bids received. City engineering staff will oversee the contractor, and work with the Communications Director to ensure progress updates are provided weekly to the public. A consultant will be utilized for design-support during construction if needed.

Has City staff obtained competitive pricing for proposed goods/services? **Yes**

The following is a summary of the 14 responsible bids received which includes the base project, golf course restoration, and full depth paving. The City received very favorable pricing which was well within the budget as shown below:

Company Name	Bid Amount
DiMeo	\$3,294,990
Bolder Contractors	\$3,353,302
Lake County Grading Company, LLC	\$3,387,536
Campanella & Sons, Inc.	\$3,469,298
Martam Construction, Inc.	\$3,507,221
Berger Excavating Contractors, Inc.	\$3,560,828
Swallow Construction	\$3,642,425
A Lamp Concrete Contractors, Inc.	\$3,743,665
Acqua Contractors	\$3,843,090
Mauro Sewer Construction, Inc.	\$3,945,584
Everlast Blacktop Inc	\$3,958,354
Joel Kennedy Constructing Corp	\$4,033,455

Lenny Hoffman Excavating Inc.	\$4,724,613
Benchmark Construction	\$4,731,385

The low bidder, DiMeo Brothers, recently successfully completed the Burr Oak Storm Sewer project to the satisfaction of City staff.

The City submitted a grant application on 10/7/22 for the Lake County SMC-DCEO STOCIP (same grant as Burr Oak). There is no official grant award to date. Per Summer/Fall 2024 conversations with SMC - grant funding has not yet been released by the State and will not by the end of this year. The City is utilizing American Rescue Plan Act (ARPA) funding of \$2,393,252 as part of the funding source which must be obligated by December 31, 2024. Therefore, it is recommended to proceed with the project now to avoid losing the City's ARPA-2021 funds.

Below is an estimated summary of project budget:

FY 2025 Funding Source	Amount Budgeted	Amount Requested	Budgeted Y/N
Storm Sewer Improvements Fund 311-3703-478.78-06	\$4,345,600	*\$3,624,489	Y

*\$25,000 above the amount shown has been reserved in the estimated actuals for design-support during construction if needed.

COUNCIL ACTION: Award of the Low Bid for the Ahwahnee Road Area Storm Sewer Improvements Project to DiMeo Brothers., Inc., and Authorize the City Manager to Execute an Agreement in the Amount of \$3,294,990 and a 10% Contingency in the Amount of \$329,499 for a Total Project Cost of \$3,624,489

5. ITEMS FOR OMNIBUS VOTE CONSIDERATION

1. Approval of the October 7, 2024, City Council Meeting Minutes

A copy of the minutes can be found beginning on **page 215**

COUNCIL ACTION: Approval of the October 7, 2024, City Council Meeting Minutes

2. Approval of the Check Register for the Period of September 28th – October 25, 2024

STAFF CONTACT: *Jamese Scott, Staff Accountant (847-810-3618)*

BACKGROUND/DISCUSSION: City Code Section 38.02 sets forth payment procedures of the City. The Director of Finance is to prepare a monthly summary of all warrants to be drawn on the City treasury for the payment of all sums due from the City (including all warrants relating to payroll and invoice payments) by fund and shall prepare a detailed list of invoice payments which denotes the person to whom the warrant is payable. The warrant list detail of invoice payments shall be presented for review to the Chairperson of the City Council Finance Committee for review and recommendation. All items on the warrant list detail recommended for payment by the Finance Committee Chairperson shall be presented in summary form to the City Council for approval or ratification. Any member of the City Council shall, upon request to the City Manager or Director of Finance, receive a copy of the warrant

list detail as recommended by the Finance Committee Chairperson. The City Council may approve the warrant list as so recommended by the Finance Committee Chairperson by a concurrence of the majority of the City Council as recorded through a roll call vote.

The Council action requested is to ratify the payments as summarized below. The associated payroll and invoice payments have been released during the check register period noted.

Following is the summary of warrants as recommended by the Finance Committee Chairperson:

Check Register for September 28 - October 25, 2024

	Fund	Invoice	Payroll	Total
101	General	1,142,837	1,882,665	3,025,503
501	Water & Sewer	191,199	217,751	408,950
220	Parks & Recreation	203,962	478,709	682,671
311	Capital Improvements	1,158,994		1,158,994
202	Motor Fuel Tax			0
230	Cemetery	58,410	45,149	103,560
210	Senior Resources	19,255	39,771	59,026
510	Deerpath Golf Course	9,643	2,656	12,299
601	Fleet	110,131	66,108	176,239
416 - 434	Debt Funds			0
248	Housing Trust			0
201	Park & Public Land	215,813		215,813
	All other Funds	947,947	217,828	1,165,776
		\$4,058,192	\$2,950,638	\$7,008,830

Included in the subtotal denoted as "All other Funds" is \$476,921 in Medical and Dental plan expenditures.

COUNCIL ACTION: Approval of the Check Register for the Period of September 28th – October 25, 2024

3. Determination of a Non-Binding Estimate of the Amount of Revenue to be Generated from Property Taxes for the 2024 Calendar Year and Establishment of December 2, 2024 as a Public Hearing Date (if required) in Accordance with the Truth in Taxation Statute

STAFF CONTACT: *Elizabeth Holleb, Finance Director (847-810-3612)*

PURPOSE AND ACTION REQUESTED: Staff requests City Council approval of a non-binding estimate of the amount of revenue to be generated from property taxes in calendar year 2024 and setting of a public hearing date if this estimate exceeds 105% of the prior year's tax extension in accordance with State Statutes.

BACKGROUND/DISCUSSION: Under the Truth in Taxation Act, the City Council is required to determine the estimated amount of money to be raised by taxation twenty (20) days prior to the adoption of the annual tax levy. The amount determined is an estimate, and may be increased or decreased under the statute, provided that any increase does not exceed 105% of the prior year's tax extension without the required notice and public hearing. This estimate is preliminary and initiates the public process for the 2024 tax levy by establishing an estimated amount from which staff can prepare a proposed levy ordinance.

The 2024 property tax levy estimate, as considered by the Finance Committee on October 21, is as follows:

Levy	2023 Extended	2024 Levy Estimate	% Increase (Decr.)
Aggregate Levy	\$ 36,704,183	\$ 38,385,463	4.58%
Debt Service Levy	2,790,191	3,106,050	11.32%
PTAB/CE Recapture	144,688	N/A	
TOTAL LEVY	\$ 39,639,062	\$ 41,491,513	4.67%

The tax levy cap applicable to the 2024 tax levy is **3.40%**. The 2024 tax levy estimate reflects:

- Assessed valuation estimates provided by the Lake County Assessor’s Office,
- Required funding for police and fire pension purposes as established by a 4/30/24 independent actuarial valuation and reflecting the Pension Funding Policy approved 8/3/20, as recommended by the Pension Subcommittee,
- Required debt service levy amounts as established by bond ordinances approved at the time of debt issuance, including the 3rd and final phase in year of the 2023 Deerpath Park bond issue,
- Capital Improvements Fund levy consistent with FY25-29 Five-Year Forecast,
- An amount of \$500,000 added to the capital improvements levy to begin phase in of anticipated debt service for the police facility,
- 2.0% increase to the General Fund operating levy,
- 3.40% PTELL increase on library and parks/recreation levy line items which have consistently been limited to PTELL, and
- An estimate of new growth, which impacts the General Fund and Library operating levies.

Based on the preliminary estimate, a public hearing will be required under the Truth in Taxation Act due to the Debt Service Levy increasing by more than 5.0% over the prior year.

A discussion of the 2024 tax levy is scheduled for the November 12 Finance Committee budget workshop. The tax levy ordinance will be considered by the City Council on November 18 and again on December 2, 2024.

PROJECT REVIEW/RECOMMENDATIONS:

Reviewed	Date	Comments
Finance Committee	10/21/24	Reviewed 2024 Tax Levy Estimate
City Council	8/3/20	Approval of revised Pension Funding Policy

COUNCIL ACTION: Determination of a Non-Binding Estimate of the Amount of Revenue to be Generated from Property Taxes for the 2024 Calendar Year and Establishment of December 2, 2024 as a Public Hearing Date (if required) in Accordance with the Truth in Taxation Statute

4. **Approval of Veeam Backup and Recovery software solution and Exagrid hardware with 3-year maintenance from Heartland Business Systems in the amount of \$66,935.**

STAFF CONTACT: Cameron Burrell, Interim Director of IT (847-810-3598)

PURPOSE AND ACTION REQUESTED: Staff requests approval to expend budgeted funds and purchase the backup and recovery hardware and software necessary to better support the City’s data infrastructure needs.

BACKGROUND/DISCUSSION: While the City’s current backup and recovery solution is operable, it has become antiquated. The City’s IT staff has evaluated a new system that is one the best in the industry while providing better security, management and less manual oversight than our current system.

The City issued a request for bids on 9/6/2024 seeking a proposal for a new backup and disaster recovery solution. Three vendors responded to the request for bids. The following is a summary of the request for bids costs to purchase the necessary solution.

PROJECT REVIEW/RECOMMENDATIONS:

Milestone	Date	Comments
RFP Issuance	09/06/2024	RFP Published in Pioneer Press, published in publicnoticeillinois.com
Proposals Submitted	09/27/2024	Three Vendor Submitted Proposals Received & Reviewed

BUDGET/FISCAL IMPACT: Staff received the following pricing for this project:

Vendor	Total Amount
Heartland Business Systems	\$66,935
Zones LLC	\$101,343
Recovery Point	\$437,957

Has competitive pricing been obtained for proposed goods/services? **Yes**

Below is an estimated summary of Project budget:

FY2025 Funding Source	Account Number	Amount Budgeted	Amount Requested	Budgeted? Y/N
IT Operating	101-1303-466.66-11	\$90,000	\$66,935	Y

COUNCIL ACTION: Approval of Veeam Backup and Recovery software solution and Exagrid hardware with 3-year maintenance from Heartland Business Systems in the amount of \$66,935

- 5. Approval to Waive the Bid Process and Authorize the City Manager to enter into an agreement with Havey Communications for new squad car upfitting and squad car realignment equipment and services for \$106,752.60 plus a 3% contingency for a total of \$109,955.18.**

STAFF CONTACT: Kevin Zelk, Deputy Chief – Police (847-810-3816)

PURPOSE AND ACTION REQUESTED: Staff requests approval to enter into an agreement with Havey Communications to upfit our six new squad cars with emergency lighting, video, and other essential patrol equipment plus additional equipment and services to realign seven vehicles currently in the Police Department’s fleet, for a total of \$109,955.18

BACKGROUND/DISCUSSION: In FY24 the Police Department ordered three new squad cars from Ford; however, due to supply chain issues, Ford did not fulfill our order. To anticipate upcoming fleet needs, the Police Department and Fleet ordered three additional squad cars from Ford in FY25. We took delivery of all six new vehicles in July 2024. Now that we have the vehicles, they need to be outfitted with emergency lighting and essential equipment. Additionally, seven vehicles in the Police Department’s fleet must be realigned to make room for the six new patrol cars. Some of the vehicles will be transitioned to other city departments and others will be used by the Police Department’s Administration and Investigation units. Havey Communication will need remove old equipment so the vehicles can be reused or auctioned. The scope project involves thirteen vehicles. The total cost to buy and install the squad car equipment exceeds our purchasing authority.

PROJECT REVIEW/RECOMMENDATIONS: Due to a project of this size, the Police Department sought quotes from four different vendors. Search criteria included price, type of technology used, experience, and installation timelines. Throughout this process, the Police Department was able to vet each vendor thoroughly based on the selection criteria, interviews, and industry reputation.

	Havey	Midwest 911	MPC	Strebor	Lund Industries
Lighting Technology	Federal Signal	SoundOff Signal	Federal Signal	Federal Signal	Not Quoted
Timeline	Within 4 Months	Within 1-2 Months	Within 4 Months	Within 1-2 Months	Not Quoted
New Patrol Vehicles Equip/Services Costs	\$97,466.60	\$100,910.52 ¹	\$101,221.40	Incomplete	Not Quoted
Vehicle Realignment Equip/Services Costs	\$9,286.00	\$9,880.54	\$3,500.00 ²	Not Quoted	Not Quoted
Total	\$106,752.60	\$110,791.06	\$104,721.40*	Incomplete	Not Quoted

All vendors offered next-generation SMART lighting equipment that takes advantage of the newest safety features associated with the US Department of Transportation Federal Highway Administration’s Traffic Incident Management (TIMs) best practices. Studies have shown that emergency lights that automatically dim, synchronize, and have different flashing patterns while parked, lead to improved officer visibility and a calming effect on emergency scenes. This allows approaching motorists to interpret meaningful lighting messages.

Each vendor offered reasonable timetables for the completion of the project. Midwest 911 and Strebor advised they could start on our vehicles immediately, while Havey

Communications and MPC Communications and Lighting have similar timelines of completion by March 2025.

Havey Communications and Midwest 911 were the only two vendors who submitted quotes for the full scope of the project. Havey’s total project cost was the lowest at \$106,752.60. Midwest 911’s project cost included a bulk discount due to 5 or more vehicles being outfitted at once¹. The next most competitive quote was from MPC Communications & Lighting; however, they only submitted a partial quote for the current fleet realignment costs^{2*}.

Consideration was given to using more than one vendor to achieve the full project objectives, but some vendors would only complete the work if they were allowed to do the full scope. Based on the above, staff recommends Havey Communications be selected for this project.

BUDGET/FISCAL IMPACT: The Police Department regularly budgets for new vehicle upfitting, and miscellaneous repairs during the fiscal year. Due to not receiving vehicles in FY24, and the unknown status of our FY25 orders, the Police Department was not able to foresee budget impacts or expectations for vehicle equipment.

Has competitive pricing been obtained for proposed goods/services? **No**
Administrative Directive 3-5, Section 9.2 – Waiver of Procedures (requires 2/3 vote)

Based on the project amount, the City’s purchasing policy would require competitive bidding. In lieu of competitive bidding, the Police Department sought quotes from four potential vendors.

The Police Department has been using Havey Communications as its vehicle equipment upfitter for over 20 years. Located minutes away in Lake Bluff, operational impacts are minimal when vehicles require service.

The Project will be funded through the Police Department’s operating budget and City Council contingency funds.

FY2025 Funding Source	Amount Budgeted	Amount Requested	Budgeted? Y/N
Police Seizure/Restricted Fund 247-7672-475.75-02	\$100,000	\$52,100.00	Y
Police Equipment Fund 101-7603-475.75-49	\$50,000	\$35,000.00	Y
Maintenance of Equipment Fund 101-7672-443-43-10	\$34,500	\$12,855.18	Y
City Council Contingency Fund 101-1101-484.84-95	\$110,000	\$10,000.00	Y
Total		\$109,955.18	

COUNCIL ACTION: Approval to Waive the Bid Process and Authorize the City Manager to enter into an agreement with Havey Communications for new squad car upfitting and squad car

realignment equipment and services for \$106,752.60 plus a 3% contingency for a total of \$109,955.18.

6. Authorization of a contractual agreement for Recreation Department Pickleball Instruction in the amount of \$84,367.

STAFF CONTACT: *Jason Busdeker, Program Manager 847-810-3934*

PURPOSE AND ACTION REQUESTED: Staff requests City Council authorization of a contractual agreement for the Recreation Department Pickleball Instruction in the amount of \$84,367.

BACKGROUND/DISCUSSION: The Recreation Department utilizes contractual instructors as part of the program offerings to the community. The instructors are paid on a percentage basis of the total revenue collected. As participation increases and revenue exceeds expectations, the expenses will be paid to the instructor which may extend beyond the budgeted amount for the program.

The Recreation Department currently offers instructional Pickleball Classes utilizing a contractual instructor. Due to the significant increase in public demand for instructional Pickleball classes and the opening of the Pickleball Courts at Deerpath Community Park, participation and revenue have exceeded the initial budget for FY25. Therefore, staff are requesting the authorization to enter into a contractual agreement with the contractual instructor in the amount of \$84,367.

BUDGET/FISCAL IMPACT: The increase in expense for the contractual Pickleball Instructor will be paid though registration fees collected by the Recreation Department for the Pickleball Classes.

Has City staff obtained competitive pricing for proposed goods/services? **No**
City Code Section 38.37 grants the City Manager authority to enter into contractual instructional services as part of fee-based recreation programs to \$75,000. City Council approval is requested to exceed the City Manager’s authority with the current contractual instructor.

Below is an estimated summary of Project budget:

FY2025 Funding Source	Amount Budgeted	Amount Requested	Budgeted? Y/N
220-8088-435.35-10	\$34,367.00	\$84,367.00	N

The additional expenses will be offset by the increase in revenue from registration fees collected for the Pickleball Classes.

COUNCIL ACTION: Authorization of a contractual agreement for Recreation Department Pickleball Instruction in the amount of \$84,367

7. Approval to Waive the Bid Process and Approve a Purchase of a Replacement Streets Section Truck in the Amount of \$120,000 and the Trade-In of the Current 2005 Streets Section Truck as Surplus Property in the amount of \$10,000 to Kunes Auto Group

STAFF CONTACT: *Jim Lockfeer, Assistant Director of Public Works (810-3542)*

PURPOSE AND ACTION REQUESTED: City staff requests City Council approval to waive the bid process and approve of a purchase of a replacement Streets Section truck (#430) in the amount of \$120,000 and the trade-in of the current 2005 Streets Section truck as surplus property in the amount of \$10,000 to Kunes Auto Group.

BACKGROUND/DISCUSSION: This specific Streets Section truck is a very important piece of equipment that is used throughout the year but most specifically for snow operations and the asphalt repair program. This recommended purchase will replace their existing truck that has been in service and utilized by the Streets Section since 2005. The 2005 truck has accrued over 7,800 operating hours. After 19 years of in-service operation, the truck has exceeded its estimated useful life. The most significant concerns with the truck includes severe rust and corrosion; brake, fuel, and hydraulic line rotting; electrical and wiring issues; and suspension and steering component issues. Going on 20 years of service, this piece of equipment has gone above and beyond its estimated useful life and needs to be replaced.

City staff is also seeking the approval to trade-in the existing truck for a total of \$10,000. Per Administrative Directive 3-2, any identified surplus property item that has a current value of \$4,000 or more requires City Council approval to trade-in. City staff have reviewed the trade-in offer in detail and has assessed the \$10,000 trade-in value as fair.

PROJECT REVIEW/RECOMMENDATIONS:

Reviewed	Date	Comments
Public Works Committee	11/20/23	Reviewed & Approved FY25 Capital Equipment List
Finance Committee	11/13/23	FY25 Capital Equipment Replacement List Included in Meeting Packet

BUDGET/FISCAL IMPACT: Staff recently discovered the opportunity to purchase this specific vehicle, which meets all vehicle specification requirements, directly off the Kunes Auto Group dealer lot. This vehicle is turn-key and would not require any additional up-fitting efforts by the Fleet Section in placing the vehicle into service. The \$120,000 purchase price have been reviewed in detail by City staff and has been determined to be appropriately priced and fair. Over the last two years, City Council approved similar bid waiver purchase processes for a replacement Parks Section truck and a Senior Center bus.

Has City staff obtained competitive pricing for proposed goods/services? **No**
 Administrative Directive 3-5, Section 9.2 –Waiver of Procedures (requires 2/3 vote).

Below is an estimated summary of Project budget:

FY2025 Funding Source	Amount Budgeted	Amount Requested	Budgeted? Y/N
-----------------------	-----------------	------------------	------------------

Capital Fund (Expense) 311-5003-475-75-02	\$100,000	\$120,000	Y
Capital Fund (Revenue) 311-0000-392.11-00	\$0	\$(10,000)	N

The above amount requested reflects the \$120,000 purchase price of the new replacement truck and the 2005 truck trade-in amount of \$10,000. The \$120,000 purchase price less the \$10,000 trade-in amount represents a grand total amount of \$110,000. If approved, City staff anticipates taking delivery of the new truck within one week. If necessary, a FY25 supplemental appropriation will be submitted for City Council approval at the close of the current fiscal year.

COUNCIL ACTION: Approval to Waive the Bid Process and Approve a Purchase of a Replacement Streets Section Truck in the Amount of \$120,000 and the Trade-In of the Current 2005 Streets Section Truck as Surplus Property in the amount of \$10,000 to Kunes Auto Group

8. Approval of a Public Works Committee Recommendation to Waive Competitive Bid Requirements and Authorize the City Manager to Execute an Advanced Materials Contract for the Deerpath Streetscape Project with Coldspring in the amount of \$337,550

STAFF CONTACT: *Jim Lockfeer, Assistant Director of Public Works (810-3542)*

PURPOSE AND ACTION REQUESTED: The Public Works Committee and City staff requests City Council authorize the City Manager to execute an advanced materials contract for the Deerpath Streetscape Project.

BACKGROUND/DISCUSSION: In early 2025, the City plans to begin construction of the Deerpath Streetscape Project. The first phase of the project will be from mid-January to the end of March 2025. A water main under Deerpath Road, east of Green Bay Road to west of Western Avenue, will be replaced. Following the completion of the water main construction, the second phase of streetscape improvements will begin. These streetscape improvements will occur on Deerpath Road from Oakwood Avenue to Western Avenue. The second phase of construction is anticipated to begin in early April 2025 and all project construction is estimated to be completed in mid-October 2025.

The project aims to improve pedestrian safety, update aging infrastructure, enhance plantings and greenery, and incorporate more decorative elements along Deerpath Road. Plans for the Deerpath Streetscape Project have been underway for years, dating back to preliminary conversations with the Civic Beautification Committee in 2016. More detailed project information can be found on the City's project webpage at www.cityoflakeforest.com/deerpathstreetscape

The Deerpath Streetscape Project bid process and opening will be completed by the Illinois Department of Transportation (IDOT) which is a requirement of the IDOT grant project award received by the City in the amount of \$2 million. The IDOT bid opening is currently scheduled for January 17, 2025. Following the bid opening, IDOT will work with the approved lowest/responsible construction contracting firm to execute a construction contract. It is anticipated that this contract approval and execution process will be finalized in March 2025.

As project design has progressed, the City’s project design services consultant firm has identified three Coldspring hardscape project materials that have significant lead times as identified on the below chart. After extensive discussions, it has been determined that an advanced materials contract, with the product vendor Coldspring, be pursued to avoid significant construction schedule delays. If this advance material contract does not move forward, it is anticipated that project construction would not be completed until mid-December 2025. The final contract will be reviewed by both the City Attorney’s Office and Finance Department prior to City Manager execution.

Material Type	Current Lead Time	Cost
Bollards	16 – 20 weeks	\$15,450
ADA Curbs	16 – 20 weeks	\$70,420
Cobbles	10 – 14 weeks	\$251,680

PROJECT REVIEW/RECOMMENDATIONS:

Reviewed	Date	Comments
Public Works Committee	10/7/2024	Reviewed and Recommended Approval
City Council	9/3/24	Project Presentation on Schedule & Communications

BUDGET/FISCAL IMPACT: This advance materials contract will ultimately pass on to the IDOT approved construction contractor when the project is awarded. In this case, the approved contracting firm would purchase the materials via the project. If the project were not to proceed, the City would be required to purchase the bollards and ADA curbs. However, the City could still cancel the purchase of the cobbles if Coldspring is notified by February 4, 2025. City staff is coordinating with IDOT to have written approval of this arrangement. This agreement will be contingent upon IDOT’s approval.

Has City staff obtained competitive pricing for proposed goods/services? **No**

The Deerpath Streetscape Project will be competitively and publicly bid via IDOT with a bid opening date of January 17, 2025. IDOT will vet the bids received and will make a recommendation identifying the lowest/responsible bidder. At that time, the City will also need to inform IDOT of its intent to proceed with their recommendation and the project.

If City staff recommends moving forward with the project at the bid pricing received, formal City Council action in moving forward with the project is anticipated to occur February 3, 2025. As outlined above, the advanced material contract would pass on to the approved construction contracting firm. If City staff does not recommend moving forward with the project at the received bid amount, the City would be required to still purchase the bollard materials for a cost of \$15,450 and the ADA curbs for a cost of \$70,420. City staff would contact Coldspring to cancel the purchase of the cobbles in the amount of \$251,680 by February 4, 2025. In total, the City may be required to purchase the bollards and the ADA curbs in the total amount of \$85,870. Public Works would look to utilize these purchased materials in Market Square.

This direct purchase would require waiver of the bid process. Waiver of the bid process is outlined under Administrative Directive 3-5, Section 6.2 – Waiver of Procedures (requires 2/3 vote).

Below is an estimated summary of Project budget:

FY2025 Funding Source	Amount Budgeted	Amount Requested	Budgeted? Y/N
Capital Fund 311-3703-478.78-94	\$0	\$ 337,550	N

While there are no allocated FY2025 funds to support the purchase of these materials, the FY2026 proposed Capital Fund budget provided for Deerpath Streetscape Project construction in the amount of \$4,350,000 (this total will likely increase as part of the October 2025 Capital Improvement Program budget updates). Any costs incurred in FY25 related to this contract would reduce the amount budgeted for FY26. The amount exceeding budget will be funded from Capital Fund reserves. If necessary, a FY25 supplemental appropriation will be submitted for City Council approval at the close of the current fiscal year.

COUNCIL ACTION: Approval of a Public Works Committee Recommendation to Waive Competitive Bid Requirements and Authorize the City Manager to execute an Advanced Materials Contract for the Deerpath Streetscape Project with Coldspring in the amount of \$337,550

9. Approval of a Public Works Committee Recommendation to Approve a Change Order for Additional Phase II Design Engineering Services to Thomas Engineering Group for the Deerpath Streetscape Project in the Amount of \$29,925

STAFF CONTACT: *Jim Lockfeer, Assistant Director of Public Works (810-3542)*

PURPOSE AND ACTION REQUESTED: The Public Works Committee and City staff requests City Council approve a change order for additional phase II design engineering services to Thomas Engineering Group for the Deerpath Streetscape Project in the amount of \$29,925.

BACKGROUND/DISCUSSION: In early 2025, the City plans to begin construction of the Deerpath Streetscape Project. The first phase of the project will be from mid-January to the end of March 2025. A water main under Deerpath Road, east of Green Bay Road to west of Western Avenue, will be replaced. Following the completion of the water main construction, the second phase of streetscape improvements will begin. These streetscape improvements will occur on Deerpath Road from Oakwood Avenue to Western Avenue. The second phase of construction is anticipated to begin in early April 2025 and all project construction is estimated to be completed in mid-October 2025.

The project aims to improve pedestrian safety, update aging infrastructure, enhance plantings and greenery, and incorporate more decorative elements along Deerpath Road. Plans for the Deerpath Streetscape Project have been underway for years, dating back to preliminary conversations with the Civic Beautification Committee in 2016. More detailed project information can be found on the City’s project webpage at www.cityoflakeforest.com/deerpathstreetscape.

The Original phase II design agreement with Thomas Engineering was approved by City Council on January 18, 2022, in the amount of \$410,033. Two design changes orders were approved by City Council on February 5, 2024, in the amount of \$75,000. These previous change orders were for additional water main replacement design services from Green Bay Road to Oakwood Avenue and irrigation system design services for the landscape bump out areas. These two change orders were both items that were added project scope and not included in the original design agreement.

The requested \$29,925 change order is primarily for needed electrical design services for street lighting and tree receptacles. The original agreement design scope called for limited electrical design needs as most existing underground electrical infrastructure and the electrical controller were not to be replaced and upgraded. As the phase II design process progressed, it has now been recommended that all underground electric infrastructure and controller be replaced and upgraded to support potential future holiday lighting of the new trees.

PROJECT REVIEW/RECOMMENDATIONS:

Reviewed	Date	Comments
Public Works Committee	10/21/2024	Reviewed and Recommended Approval

BUDGET/FISCAL IMPACT: City staff worked closely with the Thomas Engineering design team in identifying these additional project scope items and the need for additional design services so that the items can be included with the overall streetscape project. After receiving the \$29,925 proposal, staff conducted an internal review of the proposal. Staff is comfortable with the proposal amount and recommends moving forward.

Has City staff obtained competitive pricing for proposed goods/services? **No**
 Administrative Directive 3-5, Section 6.11 – Existing Relationship

As referenced above, the Thomas Engineering Group was awarded the current Phase II design service agreement for the project. To-date, Thomas Engineering has been effectively fulfilling their original Phase II design service agreement. Thomas Engineering has proven to be a great project partner and because they hold the existing service agreement, it would be extremely difficult to have another firm provide these additional project scope services. It would take any other engineering service firm a great deal of time to understand the project history and where design plans currently stand. Thomas Engineering is situated to best provide these services in the timeliest manner at a very competitive cost.

Below is an estimated summary of Project budget:

FY2025 Funding Source	Amount Budgeted	Amount Requested	Budgeted? Y/N
Capital Improvement Fund 311-3703-478.78-94	\$0	\$29,925	N

This is an unbudgeted expense. If necessary, a FY25 supplemental appropriation will be submitted for City Council approval at the close of the current fiscal year

COUNCIL ACTION: Approval of a Public Works Committee Recommendation to Approve a Change Order for Additional Phase II Design Engineering Services to Thomas Engineering Group for the Deerpath Streetscape Project in the Amount of \$29,925

10. Consideration of an Ordinance Approving a Recommendation from the Building Review Board for 270 Majestic Oak Court. (First Reading and if Desired by the City Council, Final Approval)

STAFF CONTACT: *Catherine Czerniak,*
Director of Community Development (810-3504)

PURPOSE AND ACTION REQUESTED: The following recommendation from the Building Review Board is presented to the City Council for consideration as part of the Omnibus Agenda.

BACKGROUND

270 Majestic Oak Court - The Board recommended approval of a new single family residence on a vacant lot and associated landscaping. (Board vote - 6 to 0)

The Ordinance approving the petition as recommended by the Building Review Board with key exhibits attached is included in the Council packet beginning on **page 219**. The Ordinance, complete with all exhibits, is available for review in the Community Development Department.

COUNCIL ACTION: If determined to be appropriate by the City Council, waive first reading and grant final approval of the Ordinance approving the petition for 270 Majestic Oak Court in accordance with the Building Review Board's recommendation.

11. Consideration of a Recommendation from the Plan Commission in Support of Tentative Plat Approval for a 4-Lot Subdivision, Saunders Place. (Approval by Motion)

STAFF CONTACT: *Catherine Czerniak,*
Director of Community Development (810-3504)

PURPOSE AND ACTION REQUESTED: Consideration of a recommendation from the Plan Commission in support of approval of the tentative plat of subdivision for the proposed Saunders Place Subdivision.

BACKGROUND/DISCUSSION:

The parcel proposed for subdivision totals five acres and is located on the east side of Saunders Road, west of Conway Farms Drive, south of Route 60 and east of the Illinois Tollway.

The property proposed for subdivision was previously developed with a single family home which was in disrepair at the time the current owner purchased the property. The house has since been demolished. The property as it stands today is a vacant, developable property. The proposed lots comply with the requirements of the applicable R-3 Zoning District with the

exception of the lot to depth ratio. The Commission determined that the deeper lots are appropriate given the cul-de-sac which dictates to some extent the lot configuration.

The Plan Commission held a public hearing on October 10, 2024, to consider this petition. One neighboring property owner spoke in support of the subdivision and requested attention to assure that the wooded streetscape character of Saunders Road is maintained, and that stormwater management is carefully considered.

The Plan Commission voted 6 to 0 to recommend approval of the tentative plat of subdivision to the City Council. The Plan Commission's report is included in the Council packet beginning **on page 226** and provides detailed information on the proposed subdivision and on the subdivision process. The tentative plat of subdivision is also included in the Council packet on **page 233**.

COUNCIL ACTION: Approve a motion granting tentative plat approval for the Saunders Place Subdivision.

12. Consideration of a Special Use Permit Amendment, Donation Agreement, Maintenance Agreement, and Third Amendment to Operating Agreement Associated With a Land Donation from the Lansing Family to the City of Lake Forest to Complete the Garden at the Ragdale Campus, 1230, 1260, and 1271 N. Green Bay Road. (Approval by Motion and if Desired by the City Council, Waive First Reading and Grant Final Approval of an Ordinance.)

STAFF CONTACT: *Catherine Czerniak,*
Director of Community Development (810-3504)

PURPOSE AND ACTION REQUESTED: The Council is asked to consider a recommendation from the Zoning Board of Appeals in support of an amendment to the Ragdale Special Use Permit ("SUP") for the sole purpose of accepting the donation of the 4,573 square foot "Vegetable Garden Parcel" from the Lansing Family. Consideration of three related Agreements, a Real Estate Donation Agreement, a License and Maintenance Agreement Regarding the Ragdale Garden, and the Third Amendment to the Operating Agreement for the Ragdale Properties is also requested to allow the donation to be accepted by the City.

BACKGROUND/DISCUSSION: In 2021, the City Council approved a Purchase and Donation Agreement which transferred the former Hart/Lansing property at 1272 N. Green Bay Road, just over two acres, to the City and as intended, that property is now incorporated into and actively used as part of the Ragdale Campus. At the time of that donation, the Lansing Family stated the intent to ultimately donate an additional parcel, the "Vegetable Garden Parcel" to allow it to be incorporated into the larger Ragdale Garden pending finalization of restoration plans for the overall garden. The Lansing Family now wishes to move forward with the donation of the remaining parcel.

Amendment to Special Use Permit

On August 26, 2024, the Zoning Board of Appeals held a public hearing to consider a proposed amendment to the SUP which authorizes Ragdale, an artists' retreat, to operate on City owned properties on Green Bay Road. The Zoning Board of Appeals unanimously recommended approval of the proposed amendment. The purpose of the amendment, as noted above, is solely to incorporate a small parcel of land, the "Vegetable Garden Parcel"

into the Master Plan for Ragdale Campus which is an exhibit to the Ragdale SUP. No other changes are proposed to the SUP.

The Ordinance amending the SUP, with the updated Campus Master Plan and Use Area Plan attached as exhibits, is included in the Council packet beginning on **page 239**. The Zoning Board of Appeals report is included in the Council packet beginning on **page 235** and provides additional background.

Real Estate Donation Agreement

This Agreement details the terms of the donation of the "Vegetable Garden Parcel" to the City of Lake Forest by the Lansing Family. The Real Estate Donation Agreement is included in the Council packet beginning on **page 253**. (The complete exhibits are available upon request.)

Third Amendment to the Operating Agreement

A Third Amendment to the Operating Agreement for the Ragdale Properties is proposed concurrent with the amendment to the SUP and again, for the sole purpose of acknowledging the anticipated land donation. The Third Amendment to the Operating Agreement modifies the original 2001 Operating Agreement which was amended in 2016, and most recently in 2021 in conjunction with the earlier transfer of land from the Hart/Lansing family to the City. This Agreement is included in the Council packet beginning on **page 269**.

License and Maintenance Agreement Regarding the Ragdale Garden

This Agreement details the ongoing restoration and maintenance of the Garden and permits limited ongoing use of the "Vegetable Garden Parcel" by the Lansing Family. This Agreement is included in the Council packet beginning on **page 274**

Summary

Attorneys for all parties, the Lansing Family, the Ragdale Foundation, and the City have reviewed and approved each of the Agreements. The collaboration of the various parties on this donation, most notably, the Lansing Family, is yet another example of the value of long term planning and more importantly, of the amazing generosity of community members and the value placed on preserving and building upon the uniqueness of Lake Forest.

COUNCIL ACTION:

Based on a unanimous recommendation from the Zoning Board of Appeals, if desired by the Council, waive first reading and grant final approval of an Ordinance amending the Special Use Permit for Ragdale.

AND

If desired by the Council, by motion, approve the 1) Real Estate Donation Agreement, 2) Third Amendment to the Operating Agreement for the Ragdale Properties, and 3) the License and Maintenance Agreement Regarding the Ragdale Garden.

COUNCIL ACTION: Approve the twelve (12) omnibus items as presented

6. OLD BUSINESS

7. NEW BUSINESS

8. ADDITIONAL ITEMS FOR DISCUSSION/ COMMENTS BY COUNCIL MEMBERS

1. EXECUTIVE SESSION

Adjournment into Executive Session

Reconvening into Regular Session

9. ADJOURNMENT

A copy of the Decision Making Parameters is included with this agenda following this page.

Office of the City Manager

October 30, 2024

The City of Lake Forest is subject to the requirements of the Americans with Disabilities Act of 1990. Individuals with disabilities who plan to attend this meeting and who require certain accommodations in order to allow them to observe and/or participate in this meeting, or who have questions regarding the accessibility of the meeting or the facilities, are required to contact City Manager Jason Wicha, at (847) 234-2600 promptly to allow the City to make reasonable accommodations for those persons.





THE CITY OF LAKE FOREST

DECISION-MAKING PARAMETERS FOR CITY COUNCIL, AND APPOINTED BOARDS & COMMISSIONS

Adopted June 18, 2018

The City of Lake Forest Mission Statement:

“Be the best-managed, fiscally-responsible and appealing community and promote a community spirit of trust, respect and citizen involvement.”

The Lake Forest City Council, with the advice and recommendations of its appointed advisory Boards and Commissions, Lake Forest Citizens, and City Staff, is responsible for policy formulation and approval. Implementation of adopted strategy, policy, budgets, and other directives of Council is the responsibility of City Staff, led by the City Manager and Senior Staff. The Mayor and Aldermen, and appointed members of Boards and Commissions should address matters in a timely, deliberate, objective and process-driven manner, making decisions guided by the City of Lake Forest Strategic and Comprehensive Plans, the City’s Codes, policies and procedures, and the following parameters:

- Motions and votes should comprise what is in the best long-term interests of all Lake Forest citizens, measured in decades, being mindful of proven precedents and new precedents that may be created.
- All points of view should be listened to and considered in making decisions with the long-term benefit to Lake Forest’s general public welfare being the highest priority.
- Funding decisions should support effectiveness and economy in providing services and programs, while mindful of the number of citizens benefitting from such expenditures.
- New initiatives should be quantified, qualified, and evaluated for their long-term merit and overall fiscal impact and other consequences to the community.
- Decision makers should be proactive and timely in addressing strategic planning initiatives, external forces not under control of the City, and other opportunities and challenges to the community.

Community trust in, and support of, government is fostered by maintaining the integrity of these decision-making parameters.

The City of Lake Forest’s Decision-Making Parameters shall be reviewed by the City Council on an annual basis and shall be included on all agendas of the City Council and Boards and Commissions.

Annual Comprehensive Financial Report



City of Lake Forest, Illinois

For the Year Ended April 30, 2024

**Annual Comprehensive
Financial Report
of the City of Lake Forest, Illinois**

Fiscal Year Ended April 30, 2024

City of Lake Forest Finance Department

Elizabeth Holleb, Finance Director
Diane Hall, Assistant Finance Director

City of Lake Forest

Table of Contents
Year Ended April 30, 2024

	<u>Page</u>
Introductory Section	
Transmittal Letter	i
Certificate of Achievement for Excellence in Financial Reporting	ix
Organizational Chart	x
List of Principal Officials	xi
Financial Section	
Independent Auditors' Report	xii
Required Supplementary Information	
Management's Discussion and Analysis	xv
Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Position	1
Statement of Activities	3
Fund Financial Statements	
Balance Sheet - Governmental Funds	4
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	5
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	6
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	7
Statement of Net Position - Proprietary Funds	8
Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds	10
Statement of Cash Flows - Proprietary Funds	11
Statement of Fiduciary Net Position - Fiduciary Funds	13
Statement of Changes in Fiduciary Net Position - Fiduciary Funds	14
Index to Notes to Financial Statements	15
Notes to Financial Statements	16

City of Lake Forest

Table of Contents
April 30, 2024

	<u>Page</u>
Required Supplementary Information	
General Fund	
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund	64
Special Revenue Fund	
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Parks and Recreation Fund	65
Historical Pension and Other Postemployment Benefit Information	
Illinois Municipal Retirement Fund - Schedule of Changes in the City's Net Pension Liability/(Asset) and Related Ratios	66
Illinois Municipal Retirement Fund - Schedule of Employer Contributions	69
Police Pension Fund - Schedule of Changes in the City's Net Pension Liability and Related Ratios	70
Police Pension Fund - Schedule of Employer Contributions	71
Police Pension Fund - Schedule of Investment Returns	73
Firefighters' Pension Fund - Schedule of Changes in the City's Net Pension Liability and Related Ratios	74
Firefighters' Pension Fund - Schedule of Employer Contributions	75
Firefighters' Pension Fund - Schedule of Investment Returns	77
Other Postemployment Benefits Plan - Schedule of Changes in the City's Total OPEB Liability and Related Ratios	78
Notes to Required Supplementary Information	79
Supplementary Information	
Governmental Funds	
Combining Balance Sheet - Nonmajor Governmental Funds	80
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	82
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual	
Police Restricted Fund	84
Foreign Fire Insurance Tax Fund	85
Emergency Telephone Fund	86
Parks and Public Land Fund	87
Motor Fuel Tax Fund	88
	28

City of Lake Forest

Table of Contents

April 30, 2024

	<u>Page</u>
Senior Resources Commission Fund	89
Housing Trust Fund	90
General Cemetery Fund	91
Debt Service Fund	92
Laurel/Western Redevelopment TIF Fund	93
Capital Improvements Fund	94
Enterprise Funds	
Schedules of Revenues, Expenses and Nonoperating Revenues (Expenses) - Budget and Actual (Budgetary Basis)	
Waterworks and Sewerage Fund	95
Deerpath Golf Course Fund	96
Internal Service Funds	
Combining Statement of Net Position	97
Combining Statement of Revenues, Expenses and Changes in Net Position	98
Combining Statement of Cash Flows	99
Schedules of Revenues, Expenses and Nonoperating Revenues - Budget and Actual (Budgetary Basis)	
Fleet Fund	100
Self Insurance Fund	101
Liability Insurance Fund	102
Fiduciary Funds	
Combining Statement of Fiduciary Net Position - Pension Trust Funds	103
Combining Statement of Changes in Fiduciary Net Position - Pension Trust Funds	104
Schedule of Changes in Fiduciary Net Position - Budget and Actual	
Police Pension Fund - Pension Trust Fund	105
Firefighters' Pension Fund - Pension Trust Fund	106
Other Supplementary Schedules	
Statement of Net Position and General Fund Balance Sheet - Discretely Presented Component Unit - Lake Forest Library	107
Statement of Activities and General Fund Statement of Revenues, Expenditures and Changes in Fund Balance - Discretely Presented Component Unit - Lake Forest Library	108
	29

City of Lake Forest

Table of Contents
April 30, 2024

	<u>Page</u>
Summary of Debt Service Requirements to Maturity	109
Debt Service Requirements to Maturity - General Obligation Bonds	110
General Obligation Bonds - 2015 Series	112
General Obligation Bonds - 2017 Series	113
General Obligation Bonds - 2019 Series	114
General Obligation Bonds - 2021 Series	115
General Obligation Bonds - 2023 Series	116
Combining Balance Sheet - Debt Service Fund	117
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Debt Service Fund	119
Statistical Section	
Net Position by Component - Last Ten Fiscal Years	121
Change in Net Position - Last Ten Fiscal Years	122
Fund Balances of Governmental Funds - Last Ten Fiscal Years	124
Change in Fund Balances for Governmental Funds - Last Ten Fiscal Years	125
Assessed Value and Actual Value of Taxable Property - Last Ten Levy Years	126
Property Tax Rates - Direct and Overlapping Governments - Last Ten Levy Years	127
Principal Property Taxpayers - Current Year and Nine Years Ago	128
Property Tax Levies and Collections - Last Ten Levy Years	129
Tax Extensions for City Funds - Last Ten Levy Years	130
Sales Tax Base and Number of Principal Payers - Taxable Sales by Category - Home Rule Sales Tax - Last Ten Calendar Years	131
Sales Tax Base and Number of Principal Payers - Taxable Sales by Category - Municipal Sales Tax - Last Ten Calendar Years	132
Direct and Overlapping Sales Tax Rates - Last Ten Fiscal Years	133
Ratios of Outstanding Debt by Type - Last Ten Fiscal Years	134
Ratios of General Bonded Debt Outstanding - Last Ten Fiscal Years	135
Direct and Overlapping Governmental Activities Debt	136
Legal Debt Margin Information - Last Ten Fiscal Years	137
Pledged Revenue Coverage - Last Ten Fiscal Years	138
Demographic and Economic Information - Last Ten Fiscal Years	139

City of Lake Forest

Table of Contents
April 30, 2024

	<u>Page</u>
Principal Employers - Current Year and Nine Years Ago	140
Full-Time Equivalent Employees - Last Ten Fiscal Years	141
Operating Indicators - Last Ten Fiscal Years	142
Capital Asset Statistics - Last Ten Fiscal Years	144

INTRODUCTORY SECTION



October 17, 2024

The Honorable Mayor Tack
Members of the City Council
Members of the Audit Committee
Residents of the City of Lake Forest, Illinois

The Annual Comprehensive Financial Report of the City of Lake Forest (City) for the year ended April 30, 2024, is hereby submitted as mandated by both local ordinances and state statutes. These ordinances and statutes require that the City issue annually a report on its financial position and activity presented in conformance with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with generally accepted auditing standards by an independent firm of certified public accountants.

This report consists of management's representations concerning the finances of the City of Lake Forest. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of Lake Forest's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

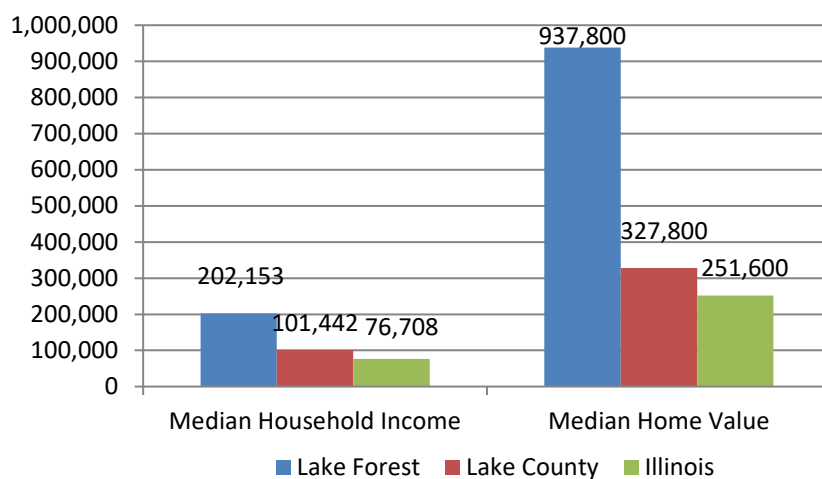
The City of Lake Forest utilizes an independent Audit Committee for reviewing the audit process and to report and make recommendations to the City Council. The Audit Committee members are Lake Forest residents having expertise in the area of financial administration and auditing.

The City's financial statements have been audited by Baker Tilly US, LLP, a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City of Lake Forest for the fiscal year ended April 30, 2024, are free of material misstatement. The independent audit involved examining on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon their audit, that there was a reasonable basis for an unmodified opinion that the City's financial statements for the fiscal year ended April 30, 2024, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A is located immediately following the report of the independent auditors.

Profile of The City of Lake Forest

The City of Lake Forest was incorporated as a city under a charter granted by the Illinois State Legislature in 1861 and amended in 1869. Lake Forest is a residential community of 19,367 people and has a land area of 17.18 square miles. It is situated on Lake Michigan, thirty miles north of downtown Chicago in Lake County. In its American Community Survey, 2018-2022 estimates, the U.S. Census Bureau reported the City had a median household income and median home value significantly higher than comparable figures for Lake County and the State of Illinois:



The City adopted the Council-Manager form of government in 1956. Policy making and legislative authority are vested in the City Council, which consists of a Mayor and an eight-member Council. The City Council is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and hiring the City Manager and City Attorney. The City Manager is responsible for carrying out the policies and ordinances of the City Council, for overseeing the day-to-day operations of the City, and for hiring the heads of the City's departments. The Council members are elected to two-year staggered terms with one alderman from each ward elected annually. Aldermen serve a maximum of three terms. The Mayor is elected to a two-year term and serves a maximum of two terms.

The City provides a full range of services, including police protection, fire protection, paramedic service, refuse disposal, commuter parking, compost center, recreation center, senior center, community parks, golf course, street maintenance, forestry, cemetery and a water production facility.

The financial reporting entity of The City of Lake Forest includes all City funds as well as its component unit, the Lake Forest Library. Component units are legally separate entities for which the primary government is financially accountable.

Each year the City of Lake Forest prepares an annual budget document. This plan contains the following sections: the budget message and fiscal policy; summary tables of revenues, expenditures, and fund balance for the fiscal year; operating budgets for each department; pay plan and personnel data; and debt and statistical information. The budget message highlights the significant expenditure events that will occur and the objectives to accomplish these events. It justifies the planned capital expenditures and also lists the goals that are to be achieved during the budget year.

While the annual municipal budget represents the City's financial plan for expenditures over the course of the fiscal year, the annual Appropriation Ordinance is the formal legal mechanism by which the City Council authorizes the actual expenditure of funds budgeted in the annual budget. It appropriates specific sums of money by object and purpose of expenditure.

In addition, the Appropriation Ordinance provides for a 10% contingency above those expenditures actually budgeted. Each separate fund includes an item labeled contingency, with an appropriated amount equivalent to 10% of the total funds budgeted. Even though there is a 10% contingency line item, the City

Council and City staff follow the adopted budget as its spending guideline and not the Appropriation Ordinance. This practice has been followed for more than thirty years and has worked very efficiently as a mechanism to address unanticipated items that may arise throughout the fiscal year.

Budget-to-actual comparisons are provided for each individual governmental fund for which an appropriated annual budget has been adopted. For the General Fund and Parks and Recreation Fund, considered major funds, this comparison is presented as required supplementary information. For the Capital Improvements Fund (major fund), Debt Service Fund (non-major fund) and non-major special revenue funds with appropriated annual budgets, this comparison is presented in the Other Supplementary Information section of this report.

Factors Affecting Financial Condition

Local Economy. The City of Lake Forest is not immune to challenges brought on by national and state economic conditions but has been proactive in identifying mitigation strategies.

- Unemployment levels in Lake Forest are well below the levels of Lake County and comparable to the State of Illinois. For calendar year 2023, the City's annual average unemployment rate was estimated to be 4.4%, compared to 5.0% for Lake County and 4.4% for the State of Illinois.
- The consumer confidence index is closely monitored by economists because consumer spending accounts for 68% of the United States' economic activity. In August 2024, the index was 103.3, up from 101.9 in July and comparing unfavorably to the August 2023 index of 106.1. The index remains above 90, the minimum level associated with a healthy economy. An index above 100 signals growth.

As revenues declined in 2008-2010 due to national economic conditions, the City has proactively reduced operating expenses to ensure a balanced budget and compliance with the City's fiscal policies. Since personnel costs represent approximately 73% of the General Fund operating budget, it has been necessary to achieve cost savings through reduced personnel. In fiscal years (FY) 2004-2025, the City has reduced budgeted full-time employees by 41 positions (15.66%), returning the City's total employee count below FY1992 levels.

In February 2011, the City Council approved an organizational restructuring and Early Retirement Incentive (ERI) program which is offered and regulated by the Illinois Municipal Retirement Fund (IMRF). Twenty-six (26) employees participated in the ERI program, which was projected to generate net savings of \$4.5 million over the initial ten-year period. In December 2012, the City Council approved the use of excess fund balance reserves to pay off the ERI liability in its entirety, rather than amortizing over ten years as initially anticipated. This early payoff allowed the City to avoid \$1.8 million in interest costs over the amortization period.

In September 2014, the City transitioned to a consolidated dispatch operation with the Villages of Glenview and Lake Bluff, as well as the City of Highland Park. The consolidation of dispatch operations resulted in the reduction of ten (10) full-time positions and is saving the City more than \$350,000 per year while improving the infrastructure providing this vital service to residents.

Approximately half of the City's General Fund revenues come from property taxes, which continue to be a stable revenue source. The other major funding sources of sales tax, income tax, utility taxes and building permit revenues met FY2024 budget estimates in aggregate. Effective May 1, 2014, the City implemented a new sanitation fee that generates \$938,000 per year. This revenue is currently deposited to the General Fund. Effective May 1, 2017, the City implemented a new Public Safety Pension Fee to increase public awareness of the challenges in meeting police and fire pension obligations. Effective July 1, 2019, the City increased the Home Rule Sales tax from .5% to 1% to fund capital improvement projects.

The financial condition of the State of Illinois continues to be a significant concern although the City has taken measures to limit its reliance on the State for direct funding. The City is vigilant in monitoring legislation that may be introduced that could have a negative impact on the City's budget and vigorously opposes such legislation. In recent years, the State had reduced income tax distributions and imposed an administration fee of 2% on home rule sales tax collections (reduced to 1.5% for SFY19). The State has

returned to 100% funding of the City's portion of income tax distributions, which has been incorporated into the FY25 budget. The City Council and staff continue to budget conservatively and discuss fiscal scenarios for future years should the State continue to tap local revenues to balance its budget or in the event the State imposes property tax limitations on local units of government.

In order to assist the business community and enhance sales tax revenues, economic development initiatives are conducted through the Community Development Department. The City works with the Lake Forest/Lake Bluff Chamber of Commerce and representatives of the business districts in Lake Forest. The City is committed to attracting desired businesses and to promote the viability of the business districts. During FY23, a review of the Comprehensive Land Use Plan as it relates to the Central Business District was conducted with community engagement to provide guidance for future development. The final recommendation was approved by the City Council on August 7, 2023. During FY24, the City Council approved an evaluation of the Central Business District infrastructure to assist with implementation of areas identified in the Comprehensive Plan updates.

In an effort to proactively address budgetary issues that may arise throughout the year, City staff monitors revenues and expenses on a monthly basis. Monthly financial "flash" reports are provided to the City Council Finance Committee. The monthly financial "flash" reports are available on the City's website for additional transparency.

In addition, the City follows the fiscal policy approved annually by the City Council. The Fiscal Policy is designed to establish guidelines for the fiscal stability of the City and to provide guidelines for the City's chief executive officer, the City Manager. Effective fiscal policy:

- Contributes significantly to the City's ability to insulate itself from fiscal crisis,
- Enhances short-term and long-term financial credit ability by helping to achieve the highest credit and bond ratings possible,
- Promotes long-term financial stability by establishing clear and consistent guidelines,
- Directs attention to the total financial picture of the City rather than single issue areas,
- Promotes the view of linking long-term financial planning with day-to-day operations, and
- Provides the Council and the citizens a framework for measuring the fiscal impact of government services against established fiscal parameters and guidelines.

In Fiscal Year 2016, the City Council adopted revisions to the Fiscal Policy effective for FY2017 and continuing through FY2024. The revised policy clarified the applicability of the Property Tax Extension Limitation Law to the City, established a policy for setting aside reserves to meet the City's Other Post-Employment Benefits (OPEB) liability, revised the financing parameters for establishment of Special Service Areas, and committed to minimizing reliance on State and/or Federal revenues to fund core services.

In March 2020, the world was dramatically affected by the COVID-19 pandemic. While the General Fund revenues were not greatly affected by COVID-19, other areas of the City were significantly impacted. The City budgeted reduced sales tax and income tax revenue for FY21. Both sales tax and income tax exceeded FY21 budget projections. The Police and Fire Pension investments resulted in larger losses as of April 30, 2020. Investments rebounded in FY21, resulting in returns in excess of 25%. The City's Parks and Recreation programs were placed on hold in March 2020 resulting in the cancellation of many of the spring and summer programs reducing the revenue of the fund. Programs remained at reduced capacities throughout FY21. The Parks and Recreation Fund improved in FY2022, as programs returned with greater capacities. The City's golf course was shut down in March 2020 and was able to open at a limited capacity as of May 1. A revised FY21 preliminary budget was presented to the City for approval, reflecting changes based on anticipated reductions in consumer driven revenue. The Golf Course thrived by offering outside services for residents. The City continues to seek grant opportunities to assist with the financial impact of the pandemic. The City successfully applied for CARES funding and received \$899,471, through Lake County. The City has been awarded \$2.6 million in America Rescue Plan Act (ARPA) funds and received in FY22 and FY23. To date, the City has received \$227,899 in Federal Emergency Management Agency (FEMA) funding to assist with COVID-19 expenses.

Long-Term Financial Planning. The City is funding infrastructure expenditures primarily on a pay-as-you-go basis from dedicated revenues. A real estate transfer tax is imposed on residential and commercial real estate transactions and is deposited into the Capital Improvements Fund. The transfer tax of \$4.00 per \$1,000 of value is levied on the buyer of the real estate. FY2024 real estate transfer tax revenue totaled \$1.9 million, which is \$.2 million over budget. Significant fluctuations occur in this revenue source due to changes in economic conditions, and more specifically the housing market. The City will remain conservative in projecting this revenue source and in spending monies on capital projects.

In FY2017, the City took advantage of one-time proceeds from the sale of City property to call general obligation bonds issued in 2008. To provide an additional annual funding source for the Capital Improvement Program, the City Council approved the creation of a Capital Improvements property tax levy that would mirror the debt service maturities associated with the 2008 bonds. Beginning in FY2018, this measure provided an additional \$820,000 to the Capital Improvements Fund.

In FY2019, the City Council approved an increase to the Sanitation fee effective May 1, 2019. This measure provided an additional \$300,000 in funding. The City Council approved moving the Sanitation fee to the General Fund beginning in FY2020 to align the revenue with the Sanitation Division operating expenses. The Capital Fund Tax Levy has been increased for the Capital Improvement Fund to account for the Sanitation fees moved to the General Fund. The City Council also approved an increase to the City's Home Rule Sales tax from .5% to 1% effective July 1, 2019 to fund capital improvements.

A Public Works Committee consisting of three City Council members was created to oversee capital improvement projects and programs. Annually in October, the Public Works Committee and city staff finalize the draft of the Five-Year Capital Improvement Program. This draft is discussed at a City Council Finance Committee budget meeting, typically held in November.

Five-year fund balance forecasts are prepared for major funds of the City each year as part of the budget development process to assist the City in identifying budget challenges on the horizon and ensure that a proactive approach is taken to address these challenges. In recent years, a ten-year forecast has been developed for the General Fund.

Pension Benefits. Escalating costs for employee pension benefits will continue to pose financial challenges to the City. Sworn police and fire personnel receive retirement and disability benefits from the Police Pension Fund and Firefighters' Pension Fund, respectively. Both of these plans are defined benefit, single-employer plans administered by boards of trustees. The defined benefits and employee contribution levels are governed by Illinois Compiled Statutes and may only be amended by the Illinois General Assembly. Police participants are required to contribute 9.91% of their base salaries and fire participants are required to contribute 9.455% of their base salaries. The City is required to contribute the remaining amounts necessary to finance each plan as determined by an independent actuary. As of April 30, 2024, the most recent actuarial valuation date, the funded ratio for the Police Pension Plan is 57.54% and for the Firefighters' Pension Plan is 70.72%. Funding ratios were positively impacted by investment returns of 9.80% for the Police Pension Fund and 10.67% for the Firefighters' Pension Fund in FY24.

All other employees of the City who work over 1,000 hours per year are covered by the Illinois Municipal Retirement Fund (IMRF), a statewide pension plan. Benefit provisions and funding requirements are established by State statutes and may only be changed by the Illinois General Assembly. Employees participating are required to contribute 4.5% of their annual wages and the City is required to contribute the remaining amounts necessary to fund the coverage of its employees in the plan. Funding ratios were positively impacted as of December 31, 2023 due to a 2023 investment return of 13.2%, the funded ratio for IMRF is 96.43%, including the actuarial accrued liability for retirees which is 100% funded.

In early 2010, a bill was signed by the Governor with an effective date of January 1, 2011, approving a "two-tier" system, where current employees keep their existing pension plans, but new hires will join a less expensive new system. IMRF was included in the bill but not the Police and Firefighters' pension plans. By the end of 2010, the Illinois General Assembly approved police and firefighter pension reform legislation effective January 1, 2011. The law does not affect the pensions of all employed police officers and

firefighters - only those hired after January 1, 2011. Although cost savings from both bills will not be seen immediately, it does provide the City long-term financial relief.

Implementation of GASB Statement No. 67, *Financial Reporting for Pension Plans*, for Fiscal Year 2015 and No. 68, *Accounting and Financial Reporting for Pensions*, for Fiscal Year 2016 has resulted in significant changes to the reporting of pension obligations in the City's financial statements. In anticipation of these statements taking effect, the City made adjustments to the mortality table and interest rate assumptions for its police and fire pension fund actuarial valuations. These changes reduced the funded ratio of the plans but were intended to put the City in an even stronger position going forward. These changes are in addition to historically overfunding the annual pension cost compared to minimum requirements per State Statutes.

The City Council has continued deliberations on the funding of public safety pensions with the support of staff, the fire and police pension boards, and the City's independent actuary. Significant changes to actuarial assumptions were made for the April 30, 2017 actuarial valuations, increasing the funding requirement for FY2019 by a combined \$800,000 and additional \$190,000 in FY2020. The City Council approved a FY2021 transfer of \$500,000 to each pension fund from FY2020 General Fund excess fund balance to provide additional funding. A public safety pension fee was implemented effective May 1, 2017 as noted previously. A pension subcommittee established by the Mayor continues to discuss alternatives for future consideration by the City Council.

Post-Retirement Benefits. The City provides post-employment health care benefits to retirees and eligible dependents. Rising health care cost continue to pose financial challenges to the City. Implementation of GASB Statement No. 75, *Accounting and Financial Report for Postemployment Benefits Other Than Pensions*, for FY2019 has resulted in significant changes to the reporting of post-employment obligations in the City's financial statements. In anticipation of these statements, the City made adjustments to the City's health plan by moving retirees over the age of 65 to a separate medical plan. These changes reduced the City's outstanding obligation.

Additional information on the City's pension obligations, as well as other postemployment benefits, may be found in Note 4 of the financial statements, as well as in the Required Supplementary Information.

Leases. Implementation of GASB Statement No. 87, *Leases* for Fiscal Year 2023 has resulted in changes to the reporting of leases for both the financial statements and government-wide financial statements. Lease receivables and corresponding deferred inflow of resources are now recorded on the financial statements. For FY24, this resulted in the addition of \$2.0 million in receivables to cover the anticipated lease revenue over the course of the lease.

Major Initiatives

The City is committed to maintaining the quality of life and preserving the character and heritage of Lake Forest. The City will continue to adhere to its prudent financial management practices and remain focused on sustaining long-term financial stability. For FY2024, the most significant initiatives were as follows:

- In January 2015, the City Council approved ordinances adopting a Tax Increment Financing (TIF) District on a 10-acre site at the north end of the Commercial Business District. In FY2016, the City completed required demolition of existing structures and remediation of the site. In April 2016, the City Council approved a First Amendment to the Purchase/Sale Agreement, redevelopment agreement, final plat of subdivision and Final Development Planned Development Ordinance. The purchase price of the City property was \$12 million, consisting of \$5.625 million paid to the City at closing and a TIF Note of \$6.375 million between the City and the developer. The TIF Note was subsequently assigned by the developer to the City to allow repayment of the note from future TIF increment. The plan includes 165 total units – 12 single family homes, 42 condominium units and 111 apartments. As of April 30, 2024 construction of the three apartment buildings is complete and fully occupied. The first of the two condominiums are complete with all 24 units sold. Construction of the second building is underway and the majority of the 12 units are under contract pending

completion of the building. Ten single family homes have been sold and two additional homes are under construction. The first Note payment was made in FY22. In FY24, the Note payment of \$1.0m from Tax Increment proceeds for the sale of the property to a developer was made. A total of \$2.4 million has been paid on the outstanding Note. Additional information on the City's TIF District, may be found in Note 4 of the financial statements.

- Public Act 101-0610, effective January 1, 2020, mandates the consolidation of investment assets for all local police and fire pension funds for investment purposes only. In November 2021, the City's Fire Pension Board transferred its investment assets to the consolidated fire investment fund. A similar transfer of Police Pension Fund investment assets was completed in June 2022.
- In September 2022, the City received the second of two payments from the American Rescue Plan Act. The City received a total of \$2.6 million which will be used to fund a storm sewer project.
- In February 2023, the City Council approved \$16,431,870 for the Deerpath Park Athletic Field Improvement Project. The project to be funded through transfers from General Fund operating surplus, General Obligation Bond (GOB) issue and Parks and Public Land Fund. This project was substantially completed in FY24.
- In March 2023, the City Council approved \$905,000 for renovations of the Cemetery Memorial Garden, to be financed through a loan from the City's General Fund.
- In April 2023, the City issued General Obligation Bonds, Series 2023 \$10,770,000 to fund the Deerpath Park Athletic Field Project.
- In May 2023, the City Council approved \$762,850 for repairs to the Rockefeller-McCormick-Loch Ravine.
- In December 2023, the City Council approved \$1,735,935 for the replacement of the Forest Park Boardwalk. The decking for the boardwalk was approved in February 2024 for \$263,500. A grant of \$150,000 has been award through Illinois Department of Natural Resources to fund this portion of the project. Fund raising initiatives have raised \$1.2 million for the boardwalk replacement project.
- In April 2024, the City Council approved \$3,500,000 for the purchase of 1925 Field Ct. The property to be evaluated as a Adaptive Reuse as a new City of Lake Forest Police Facility.
- The Illinois Department of Transportation completed a storm sewer pumping station in FY24 to mitigate flooding. This \$12.1 million facility was donated to the City.

Awards and Acknowledgements

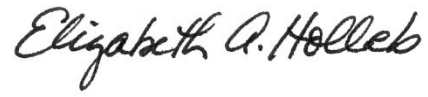
The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to The City of Lake Forest for its annual comprehensive financial report for the fiscal year ended April 30, 2023. This was the 45th consecutive year that the City of Lake Forest has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

We would like to express our appreciation to all members of the Finance Department who assisted and contributed to the preparation of this report. We would also like to thank the Mayor, members of the City Council and the Audit Committee for their interest and support in planning and conducting the financial operations of the City in a responsible and progressive manner.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Jason Wicha". The signature is fluid and cursive, with a large initial "J" and "W".

Jason Wicha
City Manager

A handwritten signature in black ink, appearing to read "Elizabeth A. Holleb". The signature is cursive and elegant, with a large initial "E".

Elizabeth A. Holleb
Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

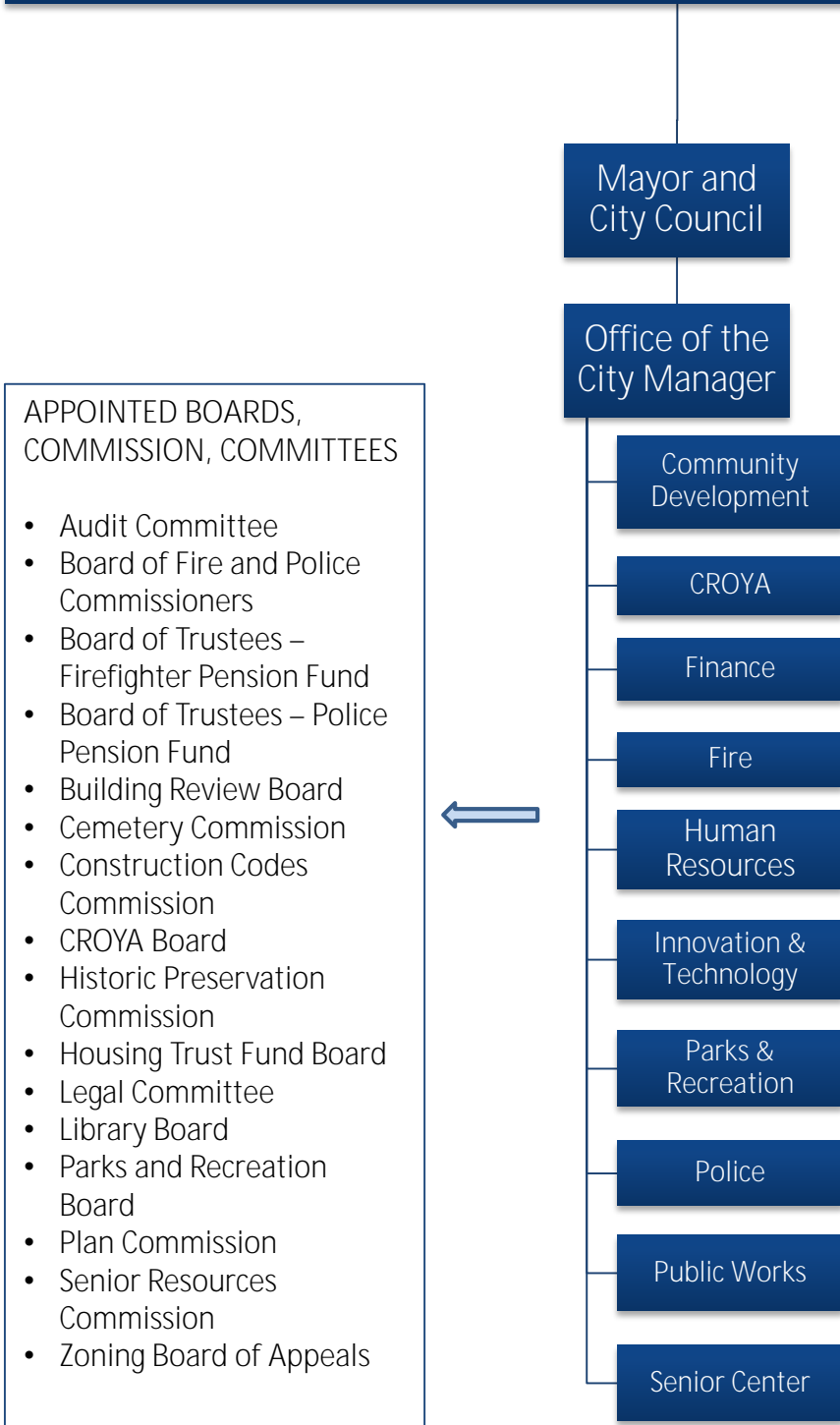
**City of Lake Forest
Illinois**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

April 30, 2023

Christopher P. Morill

Executive Director/CEO



City of Lake Forest

List of Principal Officials
Year Ended April 30, 2024

LEGISLATIVE

City Council

Stanford "Randy" Tack, Mayor

Nancy P. Novit

Jim Preschlack

Joseph Waldeck

Eileen Looby Weber

Ted Notz Jr.

Richard Walther

John G. Powers

Ara Goshgarian

AUDIT COMMITTEE

Tighe Magnuson ,Chairman

Mark Dillon

Fritz Hirsch

Brian Durkin

Joy Larisey

Stanford "Randy" Tack, Mayor (ex-officio)

Jim Preschlack, Finance Committee Chairman (ex-officio)

EXECUTIVE

Jason Wicha, City Manager

DEPARTMENT OF FINANCE

Elizabeth Holleb, Director of Finance

Diane Hall, Assistant Finance Director

FINANCIAL SECTION

Independent Auditors' Report

To the Honorable Mayor and City Council of
City of Lake Forest

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Lake Forest, Illinois (the City), as of and for the year ended April 30, 2024, and the related notes to the financial statements, which collectively comprise the City'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, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City as of April 30, 2024 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City'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.

Auditors' 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 auditors' 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 the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City'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 required supplementary information as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The supplementary information as listed in the table of contents 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 supplementary information is fairly stated in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introductory section and statistical section as listed in the table of contents but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 17, 2024 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Baker Tilly US, LLP". The signature is written in a cursive, flowing style.

Oak Brook, Illinois
October 17, 2024

CITY OF LAKE FOREST, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
APRIL 30, 2024

The City of Lake Forest's (the City) management's discussion and analysis is designed to (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the City's financial activity, (3) identify changes in the City's financial position (its ability to address the next and subsequent year's challenges), (4) identify any material deviations from the financial plan (the approved budget), and (5) identify individual fund issues or concerns.

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

Financial Highlights

- The City's net position increased \$30.3 million for the fiscal year ending April 30, 2024 (FY24). Governmental net position increased \$28.0 million and business-type net position increased \$2.3 million.
- The governmental activities revenue increased by \$16.3 million (22.7%) due to increased taxes, capital grants/contributions, charges for services, investment income and intergovernmental taxes. The expenses decreased by \$2.3 million (3.8%) due primarily to adjustments related to pensions and non-capitalized improvements.
- The business-type activities revenue increased by \$1.2 million (10.5%) primarily due to an increase in charges for services in the Water and Sewer Fund. The City's business-type activity expenses increased by \$.1 million (1.0%) due primarily to pension adjustments and non-capitalized improvements.
- The total cost of all City programs decreased from \$72.7 million in FY23 to \$70.5 million in FY24 – a decrease of \$2.2 million or 3.1% - attributable to, pension adjustments and non-capitalized improvements.

**USING THE FINANCIAL SECTION OF THE
ANNUAL COMPREHENSIVE REPORT**

The financial statement's focus is on both the City as a whole (government-wide) and on the major individual funds. Both perspectives (government-wide and major fund) allow the user to address relevant questions, broaden a basis for comparison (year to year or government to government) and enhance the City's accountability.

Government-Wide Financial Statements

The government-wide financial statements are designed to be corporate-like in that all governmental and business-type activities are consolidated into columns which add to a total for the Primary Government. The Statement of Net Position is designed to be similar to bottom line results for the City and its governmental and business-type activities. This statement combines and consolidates governmental fund's current financial resources (short-term spendable resources) with capital assets and long-term obligations using the accrual basis of accounting and economic resources measurement focus.

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

The Governmental Activities reflect the City's basic services, including highways and streets, sanitation, culture and recreation, public safety, and general government. Property taxes, sales tax, income taxes and local utility taxes finance the majority of these services. The Business-type Activities reflect private sector type operations (Waterworks and Sewerage, Golf) where the fee for service is intended to cover all or most of the costs of operation, including depreciation.

CITY OF LAKE FOREST, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
APRIL 30, 2024

Fund Financial Statements

Traditional users of governmental financial statements will find the Fund Financial Statements presentation more familiar. The focus is on Major Funds, rather than fund types.

The Governmental Major Funds presentation is presented on a sources and uses of liquid resources basis. This is the manner in which the financial plan (the budget) is typically developed. The flow and availability of liquid resources is a clear and appropriate focus of any analysis of a government. Funds are established for various purposes and the Fund Financial Statement allows the demonstration of sources and uses and/or budgeting compliance associated therewith.

The Fund Financial Statements also allow the government to address its Fiduciary Funds (Police Pension, Firefighters' Pension and Cemetery Trust Funds). While these Funds represent trust responsibilities of the government, these assets are restricted in purpose and do not represent discretionary assets of the government. Therefore, these assets are not presented as part of the Government-Wide Financial Statements.

While the Business-type Activities total column on the Business-type Fund Financial Statements is essentially the same as the Business-type column on the Government-Wide Financial Statement, the Governmental Major Funds Total column requires a reconciliation because of the different measurement focus (current financial resources versus total economic resources) which is reflected on the page following each statement. The flow of current financial resources will reflect debt proceeds and inter-fund transfers as other financing sources as well as capital expenditures and debt principal payments as expenditures. The reconciliation will eliminate these transactions and incorporate the capital assets and long-term obligations (bonds and others) into the Governmental Activities column (in the Government-wide statements).

Infrastructure Assets

Historically, a government's largest group of assets (infrastructure – roads, bridges, storm sewers, etc.) was not reported nor depreciated in governmental financial statements. Generally accepted accounting principles now require that these assets be valued and reported within the Governmental Activities column of the government-wide statements. Additionally, the government must elect to either (1) depreciate these assets over their estimated useful life or (2) develop a system of asset management designed to maintain the service delivery potential to near perpetuity. If the government develops the asset management system (the modified approach) which periodically (at least every third year) by category measures and demonstrates its maintenance of locally established levels of service standards, the government may record its cost of maintenance in lieu of depreciation. The City has chosen to depreciate assets over their useful life. If a road project is considered maintenance – a recurring cost that does not extend the road's original useful life or expand its capacity – the cost of the project will be expensed. An "overlay" of a road will be considered maintenance whereas a "rebuild" of a road will be capitalized.

GOVERNMENT-WIDE STATEMENT

Statement of Net Position

The City's combined net position increased by \$30.3 million for FY24 – from \$264.5 million to \$294.8 million. The analysis following will look at net position and net expenses of governmental and business-type activities separately. The total net position for the governmental activities increased by \$28.0 million – from \$211.7 million to \$239.7 million. The business-type activities net position increased by \$2.3 million – from \$52.8 million to \$55.1 million. Table 1 reflects the condensed Statement of Net Position compared to FY23. Table 2 will focus on the changes in net position of the governmental and business-type activities.

CITY OF LAKE FOREST, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
APRIL 30, 2024

Table 1
Statement of Net Position
As of April 30, 2023 and 2024
(in millions)

	Governmental		Business-		Total Primary	
	Activities		Type		Government	
	2023	2024	2023	2024	2023	2024
Current and Other Assets	\$150.7	\$148.5	\$17.7	\$19.7	\$168.4	\$168.2
Capital Assets	194.2	223.7	48.5	47.1	242.7	270.8
Total Assets	344.9	372.2	66.2	66.8	411.1	439.0
Deferred Outflows	19.3	13.3	1.3	1.0	20.6	14.3
Long- Term Liabilities	106.5	96.3	12.2	9.8	118.7	106.1
Other Liabilities	11.6	13.8	.9	1.4	12.5	15.2
Total Liabilities	118.1	110.1	13.1	11.2	131.2	121.3
Deferred Inflows	34.4	35.7	1.6	1.5	36.0	37.2
Net Position:						
Net Investment in						
Capital Assets	170.0	191.3	37.9	38.3	207.9	229.6
Restricted	50.8	47.0			50.8	47.0
Unrestricted	(9.1)	1.4	14.9	16.8	5.8	18.2
Total Net Position	\$211.7	\$239.7	\$52.8	\$55.1	\$264.5	\$294.8

For more detailed information see the Statement of Net Position.

Normal Impacts

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

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

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

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

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

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

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

CITY OF LAKE FOREST, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
APRIL 30, 2024

Current Year Impacts

The City's \$30.3 million increase in combined net position (which is the City's bottom line) was the result of the governmental activities net position increasing by \$28.0 million and the business-type activities net position increasing by \$2.3 million.

The governmental activities total assets increased by \$27.3 million (7.9%) and the governmental activities total liabilities decreased by \$8.0 million (7.3%). With the implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and GASB Statement No. 75, *Accounting and Financial Report for Postemployment Benefits Other Than Pensions* long-term liabilities now include the net pension liability and OPEB liability previously only disclosed in the notes to the financial statements. The increase in total assets is primarily due to the Deerpath Park Athletic Fields project and donated storm sewer pumping station. The decrease in total liabilities is due primarily to decreases in long term obligations relating to pension liabilities and reductions in outstanding bond payables. See additional information in the Long-Term Obligations and Employees' Retirement System sections of the Notes to Financial Statements and the Debt Outstanding section of the MD&A.

The decrease in deferred outflows of \$6.0 million relates to pensions, and an increase in deferred inflows of \$1.3 million relates to decrease in pensions and OPEB offset by an increase in property taxes levied for future periods and leases.

Net investment in capital assets increased by \$21.3 million (12.5%) due to the addition of the Deerpath Park Athletic Fields and the donation of a storm sewer pumping station and the pay down of G.O. Bonds that funded the capital assets. Restricted net position decreased \$3.8 million largely due to decreased restricted net positions related to the completion of capital projects in the Capital Improvement Fund, mainly the Deerpath Park Athletic Fields and the closing of two debt service funds (\$4 million) offset by increased investment income (\$3.6 million). Unrestricted net position increased by \$10.5 million primarily due to the net effect of GASB 68 reporting of pension liabilities and GASB 75 reporting of OPEB liabilities and excess fund balance from the General Fund transferred to the Capital Improvement Fund to fund future capital projects.

The net position of business-type activities increased by \$2.3 million, from \$52.8 million to \$55.1 million. The primary change in assets of the business-type activities was an increase of unrestricted net position (\$1.9 million) primarily due to the net effect of GASB 68.

Long-term liabilities decreased by \$2.4 million due to scheduled maturities of debt obligations (\$1.8 million) and a decrease of net effect of GASB 68 reporting (\$.7 million). Net investment in capital assets increased by \$.4 million due to bond-funded capital improvements and unrestricted net position increased by \$1.9 million. The majority of the unrestricted net position can be used by the City to finance water and sanitary sewer operations. The City has a policy of maintaining 33% of revenue plus one year's debt service plus \$500,000 as a reserve in its water fund. The annual operating cost for this program is approximately \$8.2 million per year and interest expense on bonds is \$.3 million.

Changes in Net Position

The City's combined change in net position was an increase of \$30.3 million in FY24. The City's total revenues increased by \$17.5 million, primarily driven by increased property taxes, capital contribution of the storm sewer pumping station, intergovernmental taxes and investment income. The City's cost of all programs decreased by \$2.2 million, largely attributable to pension adjustments, as well as non-capitalized improvements.

The chart on the following page compares the revenue and expenses for the current and previous fiscal year.

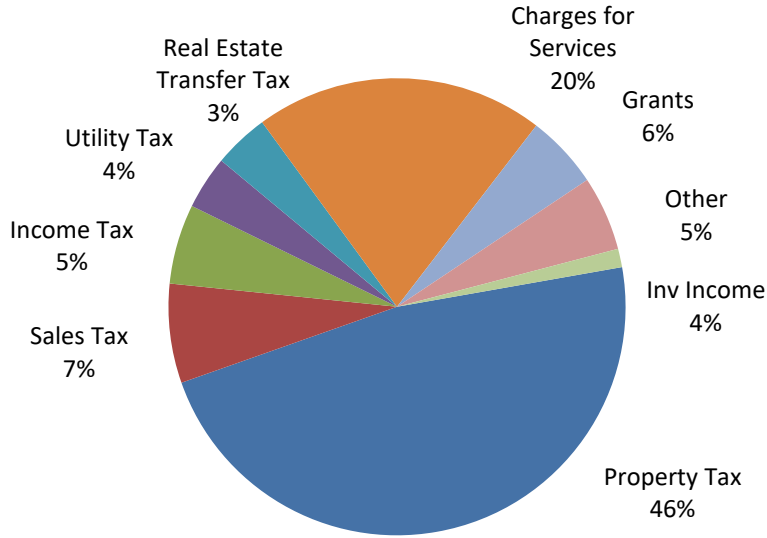
CITY OF LAKE FOREST, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
APRIL 30, 2024

Table 2
Changes in Net Position
For the Fiscal Year Ended April 30, 2023 and 2024
(in millions)

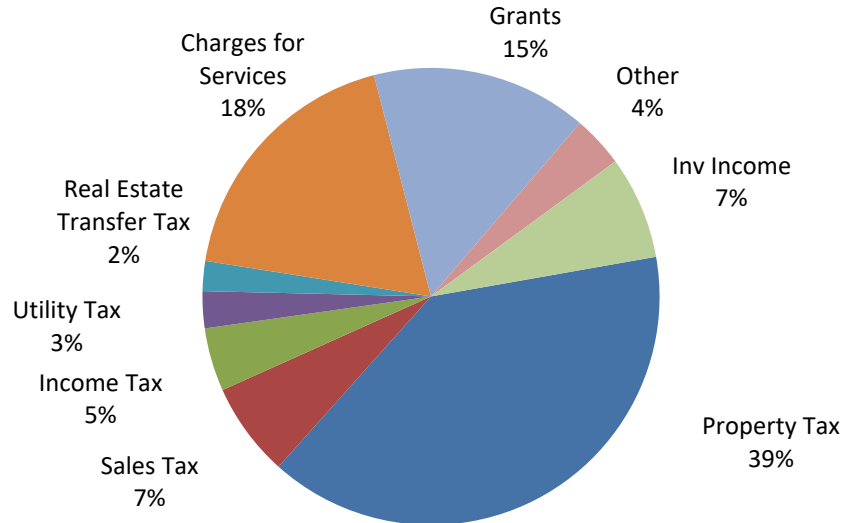
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2023	2024	2023	2024	2023	2024
REVENUE						
Program Revenue						
Charges for Services	\$14.2	\$16.3	\$10.6	\$11.4	\$24.8	\$27.7
Grants and Contributions						
Operating	1.3	1.1	0.0	0.0	1.3	1.1
Capital	3.4	12.4	0.1	0.2	3.5	12.6
General Revenue						
Property Taxes	33.1	34.8			33.1	34.8
Other Taxes	7.3	7.1			7.3	7.1
Intergovernmental - Taxes	8.2	8.4			8.2	8.4
Interest Revenue	2.8	6.4	0.5	0.8	3.3	7.2
Other	1.6	1.7	0.2	0.2	1.8	1.9
Total Revenue	71.9	88.2	11.4	12.6	83.3	100.8
EXPENSES						
Governmental Activities						
General Government	15.2	15.2			15.2	15.2
Highways and Streets	8.0	8.1			8.0	8.1
Sanitation	3.0	2.6			3.0	2.6
Culture and Recreation	12.4	10.7			12.4	10.7
Public Safety	22.9	22.3			22.9	22.3
Interest	0.5	0.8			0.5	0.8
Business-Type Activities						
Water and Sewer			8.5	8.4	8.5	8.4
Golf			2.2	2.4	2.2	2.4
Total Expenses	62.0	59.7	10.7	10.8	72.7	70.5
Excess before Transfers	9.9	28.5	0.7	1.8	10.6	30.3
Transfers In (out)	(0.1)	(0.5)	0.1	0.5	0.0	0.0
Change in Net Position	9.8	28.0	0.8	2.3	10.6	30.3
Net Position - Beginning	201.9	211.7	52.0	52.8	253.9	264.5
Net Position - Ending	\$211.7	\$239.7	\$52.8	\$55.1	\$264.5	\$294.8

CITY OF LAKE FOREST, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
APRIL 30, 2024

FY2023 Governmental Activities Revenue

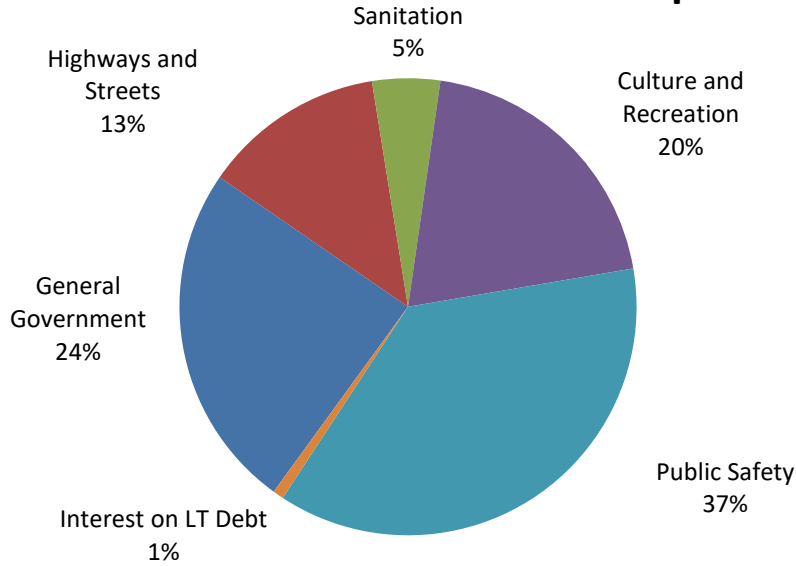


FY2024 Governmental Activities Revenue

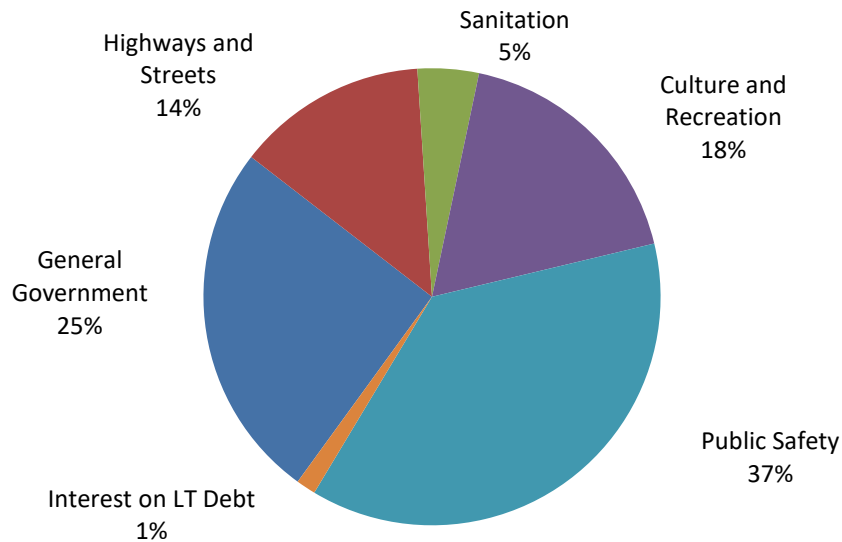


CITY OF LAKE FOREST, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
APRIL 30, 2024

FY2023 Governmental Activities Expenses



FY2024 Governmental Activities Expenses



Normal Impacts

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

CITY OF LAKE FOREST, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
APRIL 30, 2024

Revenues

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

Increase/Decrease in City approved rates – while certain tax rates are set by statute, the City Council has authority to impose and periodically increase/decrease rates (water, sewer, building fees, etc.).

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

Market Impacts on Investment income – investment income on the City's investment portfolio may fluctuate based on market conditions.

Expenses

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

Increase/Decrease in Authorized Personnel – changes in service demand may cause the City Council to increase/decrease authorized staffing. Staffing costs (salary and related benefits) represent nearly 73.0% of the City's general fund operating costs.

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

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

Current Year Impacts

Governmental Activities

Revenue

For the fiscal year ended April 30, 2024, revenues from governmental activities totaled \$88.2 million, increasing \$16.3 million compared to FY23. The primary changes occurred in Property Taxes (up \$1.7 million), Charges for Services (up \$2.1 million), Grants and Contributions (up \$8.8 million), Sales Taxes (up \$.6 million), Interest Revenue (up \$3.6 million) and Real Estate Transfer Taxes (down \$.2 million). Investment income increased due to rising interest rates. Grants and Contributions increased due to the contribution of storm sewer pumping station for \$11.9 million. Real Estate Transfer Tax decreased due to declining housing market impacted by rising interest rates. Property tax revenue continues to be the City's single largest revenue source, contributing \$34.8 million (39.4%) of governmental activities revenue.

Property tax revenues combined with sales tax, the local utility tax, shared state income tax and real estate transfer tax revenues total \$48.8 million and represent 55.3% of the total governmental activities' revenue.

The real estate transfer tax became effective July 5, 2006, with voter approval via referendum. The tax is imposed upon buyers of any residential or commercial real estate at a rate of \$4.00 per \$1,000 of value. The revenue is used strictly to improve the City's infrastructure.

CITY OF LAKE FOREST, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
APRIL 30, 2024

The City's 2023 equalized assessed valuation increased 4.6% compared to the prior year and totaled \$2,538,383,223. Although the City became a home rule municipality in November 2004, the City has historically self-imposed the Illinois Property Tax Extension Limitation Laws (PTELL), otherwise known as the tax cap, to the extent possible. The increase of approximately 5.1% over FY23 in property taxes was generated as a result of the City Council adopting a 4.35% increase in the levy and new growth. The City received \$1.5 million from the Laurel/Western Redevelopment TIF District, which are not included in the City Council approved tax levy. While the tax cap applicable to this levy was 5.0%, the levy for debt service exceeded the tax cap.

Investment income increased by \$3.6 million, from \$2.8 million to \$6.4 million. The City's strategy for investing did not change but the City was impacted by changing market conditions primarily due to increased interest rates.

Expenses

For the fiscal year ended April 30, 2024, expenses for governmental activities totaled \$59.7 million, a decrease of \$2.3 million (3.8%). The decrease is due in large part to pension adjustments. Increases in personnel costs, which represent nearly 73.0% of the General Fund operating costs, continue to outpace revenue growth. With high demand for skilled employees in both the public and private sectors in this region, it is important that the City provide competitive compensation levels for our employees. The FY24 expenses included funding for the City's performance-based employee compensation package plus a 2.5% general salary adjustment.

Business-type Activities

Revenue

Total revenue for the business-type activities increased by \$1.2 million (10.5%) primarily due to an increase of charges for services in the Water and Sewerage Fund and in the Golf Course Fund.

Expenses

The City's business-type activity expenses increased by \$.1 million (1.0%) primarily due to increased operating expenses and pension adjustments in the Water and Sewerage Fund.

CITY OF LAKE FOREST, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
APRIL 30, 2024

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

Governmental Funds

At April 30, 2024, the governmental funds (as presented on the balance sheet) reported a combined fund balance of \$86.8 million which is a \$7.3 million (8.4%) decrease from the beginning of the year (\$94.1 million). This decrease was largely driven by excess of revenues over expenditures in the General Fund, Parks and Recreation Fund and Cemetery Fund and decrease of revenue over expenditures in the Capital Improvement Fund, Park and Public Land Fund, Motor Fuel Tax Fund and Debt Service Fund. In addition, the City issued \$10.8 million in General Obligation Bonds on April 27, 2023, which was expended in FY24 and is included in the decrease to the Capital Improvement Fund. The City Council elected to transfer from the General Fund an additional \$4.98 million of the FY24 operating surplus to the Capital Improvement Fund to provide additional funding for future capital projects. Of the total fund balance of \$86.8 million, \$1.2 million is not available for continuing City services and capital projects, \$47.2 million is restricted in its use and \$6.0 is assigned for future capital projects. The unassigned fund balance for the total of all governmental funds is \$32.4 million, which is a \$1.2 million (3.8%) increase over the prior year.

Major Governmental Funds

The General Fund is the City's primary operating fund and the largest source of day-to-day service delivery. The total Fund Balance of the General Fund increased by \$2.2 million or 7.0% from FY23 (from \$31.4 million to \$33.6 million). The General Fund revenues increased by \$3.6 million (%) due primarily to higher property taxes, investment income, Licenses and Permits and intergovernmental revenues, including sales tax and income tax. The General Fund expenditures increased by \$2.1 million (5.7%) due to personnel costs. The excess of revenues over expenditures (before transfers) for FY24 of \$8.8 million was \$1.6 million greater than FY23 \$7.2 million. The other financing sources (uses) for FY24 of \$6.6 million was greater than FY23 \$4.8 million due to one-time revenues being transferred to other funds in FY23.

Property taxes increased \$.9 million, intergovernmental revenues increased \$.2 million, Licenses and Permits increased \$1.5 due to one-time construction projects and investment income increased \$.8 million. Although the City became a home rule unit in November 2004, the City has historically self-imposed the Illinois Property Tax Extension Limitation Law (PTELL), otherwise known as the tax cap. As noted previously, the 2022 levy extension (FY24 revenue) allowed for a 5.0% increase as well as new equalized assessed valuation growth.

General Fund expenditures increased overall due to personnel cost increases. General government increased 7.9%, highways and streets increased <.1% (personnel; snow and ice control), public safety increased 2.0% and sanitation increased 11.1%.

CITY OF LAKE FOREST, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
APRIL 30, 2024

Table 3
General Fund Budgetary Highlights
(in millions)

General Fund	Original Budget	Final Budget	Actual
Revenues:			
Taxes	\$25.2	\$25.2	\$25.3
Intergovernmental	7.1	7.1	8.5
Other	10.7	10.7	14.2
Total	43.0	43.0	48.0
Expenditures and Transfers:			
Expenditures	44.0	45.0	39.2
Transfers (Net)	2.3	2.2	6.6
Total	46.3	47.2	45.8
Change in Fund Balance	(\$3.3)	(\$4.2)	\$2.2

Actual General Fund revenues were higher than budgeted revenues by \$5.0 million during FY24. The primary variance resulted from income tax, sales tax, investment income and building permits exceeding projections. Actual General Fund expenditures and transfers were lower than the final budget by \$1.4 million. It is the City's policy to add 10%, which is \$4.2 million of contingency funding to the budget appropriation. The contingency amount is only for specific uses as determined by the City Council and was used to transfer excess revenues over expenditures to the Capital Improvement Fund to be used for future projects. Additional information can be found on the schedule of revenues, expenditures, and changes in fund balance – budget and actual.

The Parks and Recreation Fund accounts for the parks and recreation programs. Services include forestry and parks maintenance operations, a fitness center, dance academy, and a variety of other indoor and outdoor programs. The Fund Balance of the Parks and Recreation Fund increased by \$.7 million, from \$2.4 million to \$3.1 million. The Parks and Recreation Fund revenues increased by \$.6 million due to increased participation in Recreation Programs. Expenses increased by \$.3 million due to increased participation in Recreation Programs. Total other financing sources (uses) increased by \$23,000.

The Capital Improvements Fund is reported as a Major Fund for FY24 and is used to account for revenues associated with City building and infrastructure projects. Fund balance of this fund decreased by \$8.4 million in FY24. Compared to FY23, revenue decreased by \$1.3 million due to increases in investment income offset by decreases in grant funding. Total expenditures increased by \$14.8 million in the capital outlay category. This was primarily due to onetime Deerpath Park Athletic Field project. Transfers in of \$7.1 million for FY24 consisted of one-time fund balance transfer of \$4.9 million from the General Fund to provide funding for future projects, \$.4 million of onetime building permit fees and \$.4 million in remaining funds in debt service fund that was funded through .5% sales tax. The City issued 10.8 million in General Obligation Debt in FY23 to fund the synthetic turf project that was budgeted in FY2024.

CITY OF LAKE FOREST, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
APRIL 30, 2024

CAPITAL ASSETS

Table 4
Capital Assets at Year End - 2023 and 2024
Net of Depreciation
(in millions)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2023	2024	2023	2024	2023	2024
Land and Improvements	\$42.9	\$44.3	\$0.7	\$0.7	\$43.6	\$45.0
Infrastructure - Land	66.7	66.7			66.7	66.7
Construction in Progress	0.4	20.9	0.0	0.0	0.4	20.9
Infrastructure	52.4	55.9			52.4	55.9
Buildings	15.6	20.1	6.4	5.4	22.0	25.5
Improvements	12.4	11.7	29.7	29.1	42.1	40.8
Machinery and Equipment	3.8	4.1	1.2	1.4	5.0	5.5
Sanitary Sewers	0.0	0.0	10.5	10.5	10.5	10.5
Total	\$194.2	\$223.7	\$48.5	\$47.1	\$242.7	\$270.8

At the end of FY24, the City had a combined total of \$270.8 million invested in a broad range of capital assets. This amount represents a net increase (including additions and deductions) of \$28.1 million. The net increase is attributable to a \$29.5 million increase in governmental activities and a \$1.4 million decrease in the business-type activities.

The increase in the governmental activities was due to additions exceeding depreciation by \$29.5 million. The decrease in business-type activities was due primarily to \$1.4 million of depreciation exceeding additions.

The following reconciliation summarizes the changes in Capital Assets which are presented in detail in Note 3.

	Governmental Activities	Business-Type Activities	Total
Beginning Balance	\$194.2	\$48.5	\$242.7
Additions			
Not Depreciable	1.4	0.0	1.4
Depreciable	13.3	2.1	15.4
Construction in Progress	20.5	0.0	20.5
Retirements			
Depreciable	(0.1)	0.0	(0.1)
Depreciation	(5.7)	(3.5)	(9.2)
Retirements	0.1	0.0	0.1
Ending Balance	\$223.7	\$47.1	\$270.8

CITY OF LAKE FOREST, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
APRIL 30, 2024

The Addition in Governmental Activities Depreciable assets of \$13.3 million was primarily due to the donation of the stormwater facility. The addition in Governmental Activities Construction in progress of \$20.5 million was primarily due to the Deerpath Park athletic fields.

Debt Outstanding

The City had \$39.4 million of general obligation bonds outstanding at April 30, 2024. Of this amount \$26.8 million were payable from property taxes and the remainder were self-supporting. The City abates the property tax levies for these debt issues annually.

The City's per capita debt ratio for all direct and overlapping debt with other governmental units was \$8,466 and \$8,270 if self-supporting debt is excluded.

The City operated as a home rule community for FY24. The City was granted home rule status via a referendum held on November 2, 2004. Under home rule authority, the City does not have a legal debt limit. For more detailed information on long-term debt activity, see the notes to the financial statements.

As of April 30, 2024, the City's net pension liability is \$60.8 million, a decrease of \$7.3 million compared to the \$68.1 million balance as of April 30, 2023. Additional information regarding the net pension liability can be found in Note 4.

As of April 30, 2024, the City's OPEB liability is \$1.9 million, no change compared to the \$1.9 million balance as of April 30, 2023. Additional information regarding the OPEB liability can be found in Note 4.

Economic Factors

Unemployment levels in Lake Forest are well below the levels of Lake County and comparable to the State of Illinois. For calendar year 2023, the City's annual average unemployment rate was estimated to be 4.4%, compared to 5.04% for Lake County and 4.4% for the State of Illinois.

The City maintains a Aaa bond rating from Moody's Investors Service.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, customers, investors, and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. Questions concerning this report or requests for additional financial information should be directed to Elizabeth Holleb, Finance Director, City of Lake Forest, 800 N. Field Drive, Lake Forest, IL 60045 or by email at HollebE@cityoflakeforest.com.

BASIC FINANCIAL STATEMENTS

City of Lake Forest

Statement of Net Position
April 30, 2024

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Lake Forest Library
Assets and Deferred Outflows of Resources				
Assets				
Cash and cash equivalents	\$ 80,690,040	\$ 15,102,003	\$ 95,792,043	\$ 8,273,635
Investments	19,132,061	-	19,132,061	-
Receivables (net):				
Property taxes	34,199,961	-	34,199,961	4,907,879
Other taxes	234,228	-	234,228	15,187
Accounts	1,476,217	1,703,836	3,180,053	-
Loans	907,678	-	907,678	-
Other	8,274,273	192	8,274,465	273,447
Due from other governmental units	2,486,155	-	2,486,155	-
Internal balances	(1,237,501)	1,237,501	-	-
Inventories	775,681	117,755	893,436	-
Prepaid items	921,935	96,854	1,018,789	-
Due from fiduciary funds	119,988	-	119,988	-
Leases receivable	538,720	1,451,796	1,990,516	-
Capital assets:				
Capital assets not being depreciated	131,913,581	743,649	132,657,230	238,500
Capital assets being depreciated, net of accumulated depreciation	91,743,184	46,411,883	138,155,067	3,353,730
Total assets	<u>372,176,201</u>	<u>66,865,469</u>	<u>439,041,670</u>	<u>17,062,378</u>
Deferred Outflows of Resources				
Deferred outflows related to pensions	13,100,081	948,272	14,048,353	768,253
Deferred outflows related to total OPEB liability	201,331	18,476	219,807	4,783
Total deferred outflows of resources	<u>13,301,412</u>	<u>966,748</u>	<u>14,268,160</u>	<u>773,036</u>

City of Lake Forest

Statement of Net Position
April 30, 2024

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Lake Forest Library
Liabilities, Deferred inflows of Resources and Net Position				
Liabilities				
Accounts payable	\$ 4,505,515	\$ 616,929	\$ 5,122,444	\$ 66,655
Accrued liabilities	2,272,566	77,135	2,349,701	94,358
Accrued interest payable	403,812	99,269	503,081	-
Deposits	1,197,113	-	1,197,113	-
Unearned revenue	5,370,946	592,404	5,963,350	-
Due to fiduciary funds	74,676	-	74,676	-
Noncurrent liabilities:				
Due within one year	2,677,247	544,431	3,221,678	15,816
Due in more than one year	93,657,630	9,242,417	102,900,047	550,599
Total liabilities	<u>110,159,505</u>	<u>11,172,585</u>	<u>121,332,090</u>	<u>727,428</u>
Deferred Inflows of Resources				
Property taxes levied for future periods	34,199,961	-	34,199,961	4,907,879
Deferred inflows related to pensions	220,228	5,696	225,924	4,578
Deferred inflows related to total OPEB liability	709,463	65,108	774,571	32,075
Deferred inflows related to leases	538,720	1,451,796	1,990,516	-
Total deferred inflows of resources	<u>35,668,372</u>	<u>1,522,600</u>	<u>37,190,972</u>	<u>4,944,532</u>
Net Position				
Net investment in capital assets	191,315,567	38,340,595	229,656,162	3,592,230
Restricted for:				
Culture and recreation	4,673,707	-	4,673,707	-
Highways and streets	2,691,828	-	2,691,828	-
Public safety	1,927,894	-	1,927,894	-
Cemetery purposes	11,645,826	-	11,645,826	-
Affordable housing	2,517,575	-	2,517,575	-
Capital projects	23,339,515	-	23,339,515	-
Debt service	147,160	-	147,160	-
Unrestricted	1,390,664	16,796,437	18,187,101	8,571,224
Total net position	<u>\$ 239,649,736</u>	<u>\$ 55,137,032</u>	<u>\$294,786,768</u>	<u>\$ 12,163,454</u>

City of Lake Forest

Statement of Activities
Year Ended April 30, 2024

Functions/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Component Unit	
					Governmental Activities	Business-Type Activities	Total	Lake Forest Library
Primary Government								
Governmental activities:								
General government	\$ 15,224,182	\$ 4,312,388	\$ 141,869	\$ 12,368,198	\$ 1,598,273	\$ -	\$ 1,598,273	\$ -
Highway and streets	8,068,267	4,311,795	850,595	-	(2,905,877)	-	(2,905,877)	-
Sanitation	2,588,735	1,062,504	-	-	(1,526,231)	-	(1,526,231)	-
Culture and Recreation	10,726,079	3,527,885	140,680	-	(7,057,514)	-	(7,057,514)	-
Public safety	22,324,066	3,112,547	13,803	-	(19,197,716)	-	(19,197,716)	-
Interest on long-term debt	829,125	-	-	-	(829,125)	-	(829,125)	-
Total governmental activities	<u>59,760,454</u>	<u>16,327,119</u>	<u>1,146,947</u>	<u>12,368,198</u>	<u>(29,918,190)</u>	<u>-</u>	<u>(29,918,190)</u>	<u>-</u>
Business-type activities:								
Waterworks and Sewerage	8,416,647	9,321,933	-	184,270	-	1,089,556	1,089,556	-
Deerpath Golf Course	2,464,587	2,105,662	-	-	-	(358,925)	(358,925)	-
Total business-type activities	<u>10,881,234</u>	<u>11,427,595</u>	<u>-</u>	<u>184,270</u>	<u>-</u>	<u>730,631</u>	<u>730,631</u>	<u>-</u>
Total primary government	<u>\$ 70,641,688</u>	<u>\$ 27,754,714</u>	<u>\$ 1,146,947</u>	<u>\$ 12,552,468</u>	<u>(29,918,190)</u>	<u>730,631</u>	<u>(29,187,559)</u>	<u>-</u>
Component Unit								
Lake Forest Library	<u>\$ 4,105,450</u>	<u>\$ 30,553</u>	<u>\$ 362,468</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,712,429)</u>
General Revenues								
Taxes:								
Property					34,788,181	-	34,788,181	4,739,540
Home rule sales					2,364,194	-	2,364,194	-
Utility					2,302,715	-	2,302,715	-
Real estate transfer					1,869,145	-	1,869,145	-
Other					570,279	-	570,279	-
Intergovernmental, unrestricted:								
Sales					3,513,006	-	3,513,006	-
Income					3,954,429	-	3,954,429	-
Telecommunication					619,126	-	619,126	-
Replacement					287,156	-	287,156	83,274
Other					1,745,351	201,297	1,946,648	-
Investment income					6,429,817	814,537	7,244,354	475,273
Total general revenues					<u>58,443,399</u>	<u>1,015,834</u>	<u>59,459,233</u>	<u>5,298,087</u>
Transfers					<u>(542,706)</u>	<u>542,706</u>	<u>-</u>	<u>-</u>
Total general revenues and transfers					<u>57,900,693</u>	<u>1,558,540</u>	<u>59,459,233</u>	<u>5,298,087</u>
Change in net position					<u>27,982,503</u>	<u>2,289,171</u>	<u>30,271,674</u>	<u>1,585,658</u>
Net Position, Beginning					<u>211,667,233</u>	<u>52,847,861</u>	<u>264,515,094</u>	<u>10,577,796</u>
Net Position, Ending					<u>\$ 239,649,736</u>	<u>\$ 55,137,032</u>	<u>\$ 294,786,768</u>	<u>\$ 12,163,454</u>

See notes to financial statements

City of Lake Forest

Balance Sheet -
Governmental Funds
April 30, 2024

	<u>General</u>	<u>Parks and Recreation</u>	<u>Capital Improvements</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Assets					
Cash and cash equivalents	\$ 33,233,465	\$ 4,212,374	\$ 24,837,261	\$ 9,777,731	\$ 72,060,831
Investments	-	-	8,369,485	10,762,576	19,132,061
Receivables (net):					
Property taxes	22,825,525	7,097,444	1,528,654	2,748,338	34,199,961
Other taxes	234,228	-	-	-	234,228
Accounts	1,305,134	157,219	13,864	-	1,476,217
Loans	907,678	-	-	-	907,678
Other	140,000	-	8,369	1,515,811	1,664,180
Due from other governments	1,707,202	14,997	694,301	69,655	2,486,155
Advances to other funds	905,000	-	-	-	905,000
Due from fiduciary funds	-	-	-	119,988	119,988
Inventories	173,306	-	-	-	173,306
Prepaid items	113,449	1,010	-	37,037	151,496
Lease receivable	538,720	-	-	-	538,720
	<u>\$ 62,083,707</u>	<u>\$ 11,483,044</u>	<u>\$ 35,451,934</u>	<u>\$ 25,031,136</u>	<u>\$ 134,049,821</u>
Total assets					
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities					
Accounts payable	\$ 756,488	\$ 236,264	\$ 2,111,990	\$ 329,412	\$ 3,434,154
Accrued liabilities	1,236,890	126,297	-	21,054	1,384,241
Deposits	1,131,090	20,023	28,000	18,000	1,197,113
Unearned revenue	1,978,462	859,083	2,532,649	-	5,370,194
Due to fiduciary funds	74,676	-	-	-	74,676
Advances from other funds	-	-	-	905,000	905,000
	<u>5,177,606</u>	<u>1,241,667</u>	<u>4,672,639</u>	<u>1,273,466</u>	<u>12,365,378</u>
Total liabilities					
Deferred Inflows of Resources					
Property taxes levied for a future period	22,825,525	7,097,444	1,528,654	2,748,338	34,199,961
Unavailable revenues	-	-	185,602	-	185,602
Deferred inflows related to leases	538,720	-	-	-	538,720
	<u>23,364,245</u>	<u>7,097,444</u>	<u>1,714,256</u>	<u>2,748,338</u>	<u>34,924,283</u>
Total deferred inflows of resources					
Fund Balances					
Nonspendable	1,191,755	1,010	-	37,037	1,229,802
Restricted	-	3,142,923	23,046,497	20,972,295	47,161,715
Assigned	-	-	6,018,542	-	6,018,542
Unassigned	32,350,101	-	-	-	32,350,101
	<u>33,541,856</u>	<u>3,143,933</u>	<u>29,065,039</u>	<u>21,009,332</u>	<u>86,760,160</u>
Total fund balances					
Total liabilities, deferred inflows of resources and fund balances					
	<u>\$ 62,083,707</u>	<u>\$ 11,483,044</u>	<u>\$ 35,451,934</u>	<u>\$ 25,031,136</u>	<u>\$ 134,049,821</u>

See notes to financial statements

City of Lake Forest

Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
April 30, 2024

Total Fund Balances, Governmental Funds	\$ 86,760,160
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental funds are not financial resources and, therefore, are not reported in the funds.	223,656,765
Some receivables that are not currently available are reported as unavailable revenues in the fund financial statements but are recognized as revenue when earned in the government-wide statements.	185,602
Deferred outflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds. Less amount reported in the internal service fund below.	13,100,081 (304,754)
Deferred inflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds. Less amount reported in the internal service fund below.	(220,228) 1,830
Deferred outflows of resources related to total OPEB liability do not relate to current financial resources and are not reported in the governmental funds. Less amount reported in the internal service fund below.	201,331 (5,755)
Deferred inflows of resources related to total OPEB liability do not relate to current financial resources and are not reported in the governmental funds. Less amount reported in the internal service fund below.	(709,463) 20,281
Some liabilities, including long-term debt, are not due and payable in the current period and, therefore, are not reported in the funds.	
Bonds and notes payable	(30,625,000)
Compensated absences	(1,998,220)
Accrued interest	(403,812)
Unamortized debt premium	(1,716,198)
Net pension liabilities	(60,298,213)
Total OPEB liability	(1,697,246)
Less internal service fund long-term liabilities	258,272
Internal service funds are reported in the Statement of Net Position as governmental activities.	<u>13,444,303</u>
Net Position of Governmental Activities	<u><u>\$ 239,649,736</u></u>

See notes to financial statements

City of Lake Forest

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds Year Ended April 30, 2024

	<u>General</u>	<u>Parks and Recreation</u>	<u>Capital Improvements</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Revenues					
Taxes:					
Property	\$ 22,443,397	\$ 6,901,073	\$ 1,552,957	\$ 3,890,754	\$ 34,788,181
Other taxes	2,836,994	-	4,251,339	18,000	7,106,333
Intergovernmental	8,514,925	89,941	-	864,398	9,469,264
Licenses and permits	5,145,944	-	-	-	5,145,944
Fines, forfeitures and penalties	249,043	-	-	-	249,043
Charges for services	5,229,343	3,327,314	131,090	1,966,349	10,654,096
Grants and contributions	29,311	148,959	372,476	234,846	785,592
Investment income	2,110,387	260,512	1,626,034	2,011,685	6,008,618
Miscellaneous revenues	1,464,998	20,079	219,368	-	1,704,445
Total revenues	<u>48,024,342</u>	<u>10,747,878</u>	<u>8,153,264</u>	<u>8,986,032</u>	<u>75,911,516</u>
Expenditures					
Current:					
General government	12,344,137	-	617,703	1,154,159	14,115,999
Highways and streets	3,149,494	-	310,654	-	3,460,148
Sanitation	3,007,715	-	2,500	-	3,010,215
Culture and recreation	-	9,525,320	29,011	1,478,503	11,032,834
Public safety	20,567,848	-	-	399,887	20,967,735
Capital outlay	161,416	403,925	22,700,511	2,900,034	26,165,886
Debt service:					
Principal retirement	-	-	-	3,144,246	3,144,246
Interest and fiscal charges	-	-	-	991,914	991,914
Total expenditures	<u>39,230,610</u>	<u>9,929,245</u>	<u>23,660,379</u>	<u>10,068,743</u>	<u>82,888,977</u>
Excess (deficiency) of revenues over expenditures	<u>8,793,732</u>	<u>818,633</u>	<u>(15,507,115)</u>	<u>(1,082,711)</u>	<u>(6,977,461)</u>
Other Financing Sources (Uses)					
Transfers in	-	24,798	7,090,639	973,941	8,089,378
Transfers out	(6,608,782)	(74,832)	-	(1,818,539)	(8,502,153)
Proceeds from capital asset sales	-	-	13,256	-	13,256
Total other financing sources (uses)	<u>(6,608,782)</u>	<u>(50,034)</u>	<u>7,103,895</u>	<u>(844,598)</u>	<u>(399,519)</u>
Net change in fund balances	2,184,950	768,599	(8,403,220)	(1,927,309)	(7,376,980)
Fund Balances, Beginning	<u>31,356,906</u>	<u>2,375,334</u>	<u>37,468,259</u>	<u>22,936,641</u>	<u>94,137,140</u>
Fund Balances, Ending	<u>\$ 33,541,856</u>	<u>\$ 3,143,933</u>	<u>\$ 29,065,039</u>	<u>\$ 21,009,332</u>	<u>\$ 86,760,160</u>

See notes to financial statements

City of Lake Forest

Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
Year Ended April 30, 2024

Net Change in Fund Balances, Total Governmental Funds \$ (7,376,980)

Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of net position the cost of these assets is capitalized and they are depreciated over their estimated useful lives and reported as depreciation expense in the Statement of Activities.

Capital outlay is reported as an expenditure in the fund financial statements but is capitalized in the government-wide financial statements	23,300,391
Depreciation is reported in the government-wide financial statements	(5,717,551)
Retirement of capital assets	(17,262)

Contributed capital assets are reported as revenues in the government-wide financial statements.	11,930,208
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Receivables not currently available are reported as revenue when collected or currently available in the fund financial statements but are recognized as revenue when earned in the government-wide financial statements.

Unavailable revenue	22,740
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Debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.

Principal repaid	3,144,246
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Governmental funds report debt premiums and discounts as other financing sources or uses. However, in the Statement of Net Position, these are reported as additions to or deductions from long-term debt. These are allocated over the period the debt is outstanding in the Statement of Activities and are reported as interest expense.

Debt premium	320,727
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Some expenses in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

Compensated absences	125,878
Accrued interest on debt	(157,938)
Deferred outflows of resources related to pensions	(5,963,054)
Deferred inflows of resources related to pensions	335,874
Net pension liability	6,604,475
Deferred outflows of resources related to OPEB Liability	(33,375)
Deferred inflows of resources related to OPEB Liability	31,613
Total OPEB liability	5,987
Less amount reported in internal service funds below	(97,133)

Internal service funds are used by management to charge self insurance costs to individual funds. The change in net position of the internal service fund reported with governmental activities

1,523,657

Change in Net Position of Governmental Activities \$ 27,982,503

City of Lake Forest

Statement of Net Position -
Proprietary Funds
April 30, 2024

	Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Waterworks and Sewerage	Nonmajor Enterprise Fund - Deerpath Golf Course	Total	
Assets				
Current assets:				
Cash and cash equivalents	\$ 14,677,818	\$ 424,185	\$ 15,102,003	\$ 8,629,209
Receivables:				
Accounts	1,576,658	127,178	1,703,836	-
Other	192	-	192	6,610,093
Inventories	-	117,755	117,755	602,375
Prepaid items	-	96,854	96,854	770,439
Lease receivable	107,326	-	107,326	-
Total current assets	<u>16,361,994</u>	<u>765,972</u>	<u>17,127,966</u>	<u>16,612,116</u>
Noncurrent assets:				
Lease receivable	1,344,470	-	1,344,470	-
Capital assets:				
Capital assets not being depreciated	648,132	95,517	743,649	-
Capital assets being depreciated	119,436,719	6,192,581	125,629,300	48,047
Less accumulated depreciation	<u>(74,637,033)</u>	<u>(4,580,384)</u>	<u>(79,217,417)</u>	<u>(48,047)</u>
Total noncurrent assets	<u>46,792,288</u>	<u>1,707,714</u>	<u>48,500,002</u>	<u>-</u>
Total assets	<u>63,154,282</u>	<u>2,473,686</u>	<u>65,627,968</u>	<u>16,612,116</u>
Deferred Outflows of Resources				
Deferred outflows related to pensions	932,791	15,481	948,272	304,754
Deferred outflows related to total OPEB liability	<u>18,243</u>	<u>233</u>	<u>18,476</u>	<u>5,755</u>
Total deferred outflows of resources	<u>951,034</u>	<u>15,714</u>	<u>966,748</u>	<u>310,509</u>

See notes to financial statements

City of Lake Forest

Statement of Net Position -
Proprietary Funds
April 30, 2024

	Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Waterworks and Sewerage	Nonmajor Enterprise Fund - Deerpath Golf Course	Total	
Liabilities				
Current liabilities:				
Accounts payable	\$ 409,485	\$ 207,444	\$ 616,929	\$ 1,071,361
Accrued liabilities	51,626	25,509	77,135	888,325
Accrued interest payable	99,269	-	99,269	-
Unearned revenue	15,298	577,106	592,404	752
General obligation bonds	525,000	-	525,000	-
Compensated absences	5,000	-	5,000	-
Total OPEB liability	<u>14,249</u>	<u>182</u>	<u>14,431</u>	<u>4,495</u>
Total current liabilities	<u>1,119,927</u>	<u>810,241</u>	<u>1,930,168</u>	<u>1,964,933</u>
Noncurrent liabilities:				
Long-term debt:				
General obligation debt payable	8,289,937	-	8,289,937	-
Compensated absences	285,632	-	285,632	40,920
Net pension liability	518,738	6,783	525,521	168,832
Total OPEB liability	<u>139,545</u>	<u>1,782</u>	<u>141,327</u>	<u>44,025</u>
Total noncurrent liabilities	<u>9,233,852</u>	<u>8,565</u>	<u>9,242,417</u>	<u>253,777</u>
Total liabilities	<u>10,353,779</u>	<u>818,806</u>	<u>11,172,585</u>	<u>2,218,710</u>
Deferred Inflows of Resources				
Deferred inflows related to pensions	5,622	74	5,696	1,830
Deferred inflows related to total OPEB liability	64,287	821	65,108	20,281
Deferred inflows related to leases	<u>1,451,796</u>	<u>-</u>	<u>1,451,796</u>	<u>-</u>
Total deferred inflows of resources	<u>1,521,705</u>	<u>895</u>	<u>1,522,600</u>	<u>22,111</u>
Net Position				
Net investment in capital assets	36,632,881	1,707,714	38,340,595	-
Unrestricted	<u>15,596,951</u>	<u>(38,015)</u>	<u>15,558,936</u>	<u>14,681,804</u>
Total net position	<u>\$ 52,229,832</u>	<u>\$ 1,669,699</u>	53,899,531	<u>\$ 14,681,804</u>
Adjustments to reflect the consolidation of internal service funds activities related to enterprise funds			<u>1,237,501</u>	
Net position business-type activities			<u>\$ 55,137,032</u>	

See notes to financial statements

City of Lake Forest

Statement of Revenues, Expenses and Changes in Net Position -
Proprietary Funds
Year Ended April 30, 2024

	Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Waterworks and Sewerage	Nonmajor Enterprise Fund - Deerpath Golf Course	Total	
Operating Revenues				
Charges for services	\$ 9,417,562	\$ 2,105,592	\$ 11,523,154	\$ 10,564,133
Connection fees	104,263	-	104,263	-
Miscellaneous	1,189	70	1,259	-
Total operating revenues	<u>9,523,014</u>	<u>2,105,662</u>	<u>11,628,676</u>	<u>10,564,133</u>
Operating Expenses				
General and administrative	2,382,601	834,943	3,217,544	9,370,627
Operations and maintenance	2,652,583	1,307,740	3,960,323	-
Depreciation and amortization	3,158,183	334,467	3,492,650	-
Total operating expenses	<u>8,193,367</u>	<u>2,477,150</u>	<u>10,670,517</u>	<u>9,370,627</u>
Operating income (loss)	<u>1,329,647</u>	<u>(371,488)</u>	<u>958,159</u>	<u>1,193,506</u>
Nonoperating Revenues (Expenses)				
Investment income	789,561	24,976	814,537	421,199
Gain on disposal of capital assets	216	-	216	-
Interest expense	(299,784)	(2,731)	(302,515)	-
Paying agent fees	(750)	-	(750)	-
Total nonoperating revenues (expenses)	<u>489,243</u>	<u>22,245</u>	<u>511,488</u>	<u>421,199</u>
Income (loss) before contributions and transfers	<u>1,818,890</u>	<u>(349,243)</u>	<u>1,469,647</u>	<u>1,614,705</u>
Contributions and Transfers				
Capital contributions	315,701	-	315,701	-
Transfers in	361,275	50,000	411,275	1,500
Total contributions and transfers	<u>676,976</u>	<u>50,000</u>	<u>726,976</u>	<u>1,500</u>
Change in net position	2,495,866	(299,243)	2,196,623	1,616,205
Net Position, Beginning	<u>49,733,966</u>	<u>1,968,942</u>	<u>51,702,908</u>	<u>13,065,599</u>
Net Position, Ending	<u>\$ 52,229,832</u>	<u>\$ 1,669,699</u>	<u>53,899,531</u>	<u>\$ 14,681,804</u>
Adjustment to change in net position to reflect the consolidation of internal service funds activities related to enterprise funds			<u>92,548</u>	
Change in net position of business-type activities			<u>\$ 2,289,171</u>	

See notes to financial statements

City of Lake Forest

Statement of Cash Flows -
Proprietary Funds
Year Ended April 30, 2024

	Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Waterworks and Sewerage	Nonmajor Enterprise Fund - Deerpath Golf Course	Total	
Cash Flows From Operating Activities				
Received from customers	\$ 9,469,755	\$ 2,203,273	\$ 11,673,028	\$ 9,714,455
Paid to suppliers for goods and services	(2,631,712)	(1,237,162)	(3,868,874)	(8,494,486)
Paid to employees for services	(2,661,540)	(833,801)	(3,495,341)	(717,208)
Net cash flows from operating activities	<u>4,176,503</u>	<u>132,310</u>	<u>4,308,813</u>	<u>502,761</u>
Cash Flows From Investing Activities				
Investment income	<u>789,561</u>	<u>24,976</u>	<u>814,537</u>	<u>421,199</u>
Net cash flows from investing activities	<u>789,561</u>	<u>24,976</u>	<u>814,537</u>	<u>421,199</u>
Cash Flows From Noncapital Financing Activities				
Transfers from (to) other funds	<u>361,275</u>	<u>(75,000)</u>	<u>286,275</u>	<u>1,500</u>
Net cash flows from noncapital financing activities	<u>361,275</u>	<u>(75,000)</u>	<u>286,275</u>	<u>1,500</u>
Cash Flows From Capital and Related Financing Activities				
Principal paid	(1,698,588)	(87,778)	(1,786,366)	-
Interest paid	(330,331)	(4,389)	(334,720)	-
Acquisition and construction of capital assets	<u>(1,547,009)</u>	<u>(75,062)</u>	<u>(1,622,071)</u>	<u>-</u>
Net cash flows from capital and related financing activities	<u>(3,575,928)</u>	<u>(167,229)</u>	<u>(3,743,157)</u>	<u>-</u>
Net change in cash and cash equivalents	1,751,411	(84,943)	1,666,468	925,460
Cash and Cash Equivalents, Beginning	<u>12,926,407</u>	<u>509,128</u>	<u>13,435,535</u>	<u>7,703,749</u>
Cash and Cash Equivalents, Ending	<u>\$ 14,677,818</u>	<u>\$ 424,185</u>	<u>\$ 15,102,003</u>	<u>\$ 8,629,209</u>

See notes to financial statements

City of Lake Forest

Statement of Cash Flows -
Proprietary Funds
Year Ended April 30, 2024

	Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Waterworks and Sewerage	Nonmajor Enterprise Fund - Deerpath Golf Course	Total	
Reconciliation of Operating Income (Loss) to Net Cash Flows From Operating Activities				
Operating income (loss)	\$ 1,329,647	\$ (371,488)	\$ 958,159	\$ 1,193,506
Nonoperating expenses	(750)	-	(750)	-
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:				
Depreciation	3,158,183	334,467	3,492,650	-
Changes in assets and liabilities:				
Accounts receivable	(54,850)	(79,106)	(133,956)	(845,023)
Inventories	-	(21,582)	(21,582)	(87,444)
Prepaid items	-	(34,629)	(34,629)	(84,918)
Deferred outflows related to pensions	371,956	16,104	388,060	112,682
Deferred outflows related to OPEB	2,841	122	2,963	895
Accounts payable	21,621	126,789	148,410	105,838
Accrued liabilities	-	-	-	316,853
Accrued salaries	18,486	8,097	26,583	5,737
Net pension liability	(683,030)	(14,107)	(697,137)	(212,671)
Deferred inflows related to pensions	(2,434)	(66)	(2,500)	(727)
Deferred inflows related to OPEB	(2,285)	(300)	(2,585)	(715)
Deferred revenue	1,591	176,717	178,308	(4,655)
Compensated absences	14,736	(8,095)	6,641	3,138
Total OPEB liability	791	(613)	178	265
Net cash flows from operating activities	<u>\$ 4,176,503</u>	<u>\$ 132,310</u>	<u>\$ 4,308,813</u>	<u>\$ 502,761</u>
Noncash Capital and Related Financing Activities				
Capital contributions	<u>\$ 315,701</u>	<u>\$ -</u>		<u>\$ -</u>

See notes to financial statements

City of Lake Forest

Statement of Fiduciary Net Position -
Fiduciary Funds
April 30, 2024

	Private Purpose Trust Fund	Pension Trust Funds
Assets		
Cash	\$ -	\$ 137,770
Money markets	17,090	295,001
Investments:		
Equity securities	616,776	-
Mutual funds	164,489	-
Illinois police officers' pension investment fund	-	47,880,128
Illinois firefighters' pension investment fund	-	50,823,365
Prepaid items	-	7,446
Due from primary government	-	74,676
	<u>798,355</u>	<u>99,218,386</u>
Total assets		
Liabilities		
Accounts payable	-	4,599
Due to primary government	119,988	-
	<u>119,988</u>	<u>4,599</u>
Total liabilities		
Net Position		
Restricted for pension benefits	-	99,213,787
Restricted for other purposes	678,367	-
	<u>\$ 678,367</u>	<u>\$ 99,213,787</u>
Total net position		

City of Lake Forest

Statement of Changes in Fiduciary Net Position -
Fiduciary Funds
Year Ended April 30, 2024

	<u>Private Purpose Trust Fund</u>	<u>Pension Trust Funds</u>
Additions		
Contributions:		
Employer	\$ -	\$ 6,297,794
Employee	-	907,383
Total contributions	<u>-</u>	<u>7,205,177</u>
Investment income:		
Interest	14,574	1,253,654
Net appreciation in fair value of investments	<u>77,040</u>	<u>8,043,133</u>
Total investment income	91,614	9,296,787
Less investment expense	<u>-</u>	<u>(80,167)</u>
Net investment income	<u>91,614</u>	<u>9,216,620</u>
Miscellaneous	<u>-</u>	<u>15,067</u>
Total additions	<u>91,614</u>	<u>16,436,864</u>
Deductions		
Pension benefits and refunds	-	7,256,188
Other administrative expenses	<u>43,111</u>	<u>94,390</u>
Total deductions	<u>43,111</u>	<u>7,350,578</u>
Change in fiduciary net position	48,503	9,086,286
Net Position, Beginning	<u>629,864</u>	<u>90,127,501</u>
Net Position, Ending	<u>\$ 678,367</u>	<u>\$ 99,213,787</u>

See notes to financial statements

City of Lake Forest

Index to Notes to Financial Statements
April 30, 2024

	<u>Page</u>
1. Summary of Significant Accounting Policies	16
Reporting Entity	16
Government-Wide and Fund Financial Statements	17
Measurement Focus, Basis of Accounting and Financial Statement Presentation	20
Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Equity	21
Deposits and Investments	21
Receivables	25
Inventories and Prepaid Items	25
Capital Assets	25
Deferred Outflows of Resources	26
Compensated Absences	26
Long-Term Obligations	26
Leases	27
Deferred Inflows of Resources	27
Equity Classifications	27
2. Stewardship, Compliance and Accountability	28
Budgetary Information	28
Excess Expenditures Over Budget	29
3. Detailed Notes on All Funds	30
Deposits and Investments	30
Receivables	33
Capital Assets	34
Interfund Advances and Transfers	36
Long-Term Obligations	37
Lease Disclosures	39
Net Position/Fund Balances	39
4. Other Information	40
Employees' Retirement System	40
Risk Management	56
Joint Ventures	58
Other Postemployment Benefits	59
Subsequent Event	62
Laurel and Western Tax Increment Financing (TIF) District	62
Effect of New Accounting Standards on Current-Period Financial Statements	63

City of Lake Forest

Notes to Financial Statements
April 30, 2024

1. Summary of Significant Accounting Policies

The City of Lake Forest, Illinois (the City) was incorporated in 1861 under a charter granted by the Illinois State Legislature that was amended in 1869. The City is a home-rule municipality, under the 1970 Illinois Constitution, located in Lake County, Illinois. The City provides the following services as authorized by its charter: public safety (police and fire protection), water and sewer, recreation, refuse collection, a senior center, public library, a cemetery and a golf course.

The accounting policies of the City of Lake Forest, Illinois conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The accepted standard-setting body for establishing governmental accounting and financial reporting principles is the Governmental Accounting Standards Board (GASB).

Reporting Entity

This report includes all of the funds of the City. The reporting entity for the City consists of the primary government and its component units. Component units are legally separate organizations for which the primary government is financially accountable or other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading. The primary government is financially accountable if (1) it appoints a voting majority of the organization's governing body and it is able to impose its will on that organization, (2) it appoints a voting majority of the organization's governing body and there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on, the primary government, (3) the organization is fiscally dependent on and there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on, the primary government. Certain legally separate, tax exempt organizations should also be reported as a component unit if all of the following criteria are met: (1) the economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units or its constituents; (2) the primary government or its component units, is entitled to or has the ability to access, a majority of the economic resources received or held by the separate organization; and (3) the economic resources received or held by an individual organization that the primary government or its component units, is entitled to or has the ability to otherwise access, are significant to the primary government.

Component units are reported using one of three methods, discrete presentation, blended or fiduciary. Generally, component units should be discretely presented in a separate column in the financial statements. A component unit should be reported as part of the primary government using the blending method if it meets any one of the following criteria: (1) the primary government and the component unit have substantively the same governing body and a financial benefit or burden relationship exists, (2) the primary government and the component unit have substantively the same governing body and management of the primary government has operational responsibility for the component unit, (3) the component unit serves or benefits, exclusively or almost exclusively, the primary government rather than its citizens or (4) the total debt of the component unit will be paid entirely or almost entirely from resources of the primary government.

Discretely Presented Component Unit

Lake Forest Library

The government-wide financial statements include the Lake Forest Library (Library) as a component unit. The Library is a legally separate organization governed by a seven member Board of Trustees. The board of the Library is appointed by the Mayor of the City. The Library is financially accountable to the City as the City's approval is needed for the Library to issue bonded debt. Complete financial statements of the Library are available at the City's Administrative Office, 800 North Field Drive, Lake Forest, Illinois 60045. The Library follows the same accounting policies as the City.

Fiduciary Component Units

The Police Pension Employees Retirement System (PPERS) is established for the City's police employees. PPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the City's Mayor with approval of the City Council, one pension beneficiary elected by the membership and two police employees elected by the membership constitute the pension board. The City and the PPERS participants are obligated to fund all PPERS costs based upon actuarial valuations. A municipality is considered to have a financial burden if it is legally obligated or has otherwise assumed the obligation to make contributions to the pension plan. The State of Illinois is authorized to establish benefit levels and the City is authorized to approve the actuarial assumptions used in the determination of contribution levels. PPERS is reported as a fiduciary component unit pension trust fund and the data for the pension is included in the government's fiduciary fund financial statements as a pension trust fund. No separate annual financial report is issued for the PPERS.

The Firefighters' Pension Employees Retirement System (FPERS) is established for the City's firefighters. FPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the City's Mayor with approval of the City Council, one pension beneficiary elected by the membership; and two fire employees elected by the membership constitute the pension board. The City and the FPERS participants are obligated to fund all FPERS costs based upon actuarial valuations. A municipality is considered to have a financial burden if it is legally obligated or has otherwise assumed the obligation to make contributions to the pension plan. The State of Illinois is authorized to establish benefit levels and the City is authorized to approve the actuarial assumptions used in the determination of contribution levels. FPERS is reported as a fiduciary component unit and the data for the pension is included in the government's fiduciary fund financial statements as a pension trust fund. No separate annual financial report is issued for the FPERS.

Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. The City does not allocate indirect expenses to functions in the statement of activities. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not included among program revenues are reported as general revenues. Internally dedicated resources are reported as general revenues rather than as program revenues.

Fund Financial Statements

Financial statements of the City are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position/fund balance, revenues and expenditures/expenses.

Funds are organized as major funds or nonmajor funds within the governmental and proprietary statements. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the City or meets the following criteria:

- a. Total assets/deferred outflows of resources, liabilities/deferred inflows of resources, revenues or expenditures/expenses of that individual governmental or enterprise fund are at least 10% of the corresponding total for all funds of that category or type and
- b. The same element of the individual governmental or enterprise fund that met the 10% test is at least 5% of the corresponding total for all governmental and enterprise funds combined.
- c. In addition, any other governmental or enterprise fund that the City believes is particularly important to financial statement users may be reported as a major fund.

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

The City reports the following major governmental funds:

General Fund

General Fund accounts for the City's primary operating activities. It is used to account for and report all financial resources except those accounted for and reported in another fund.

Special Revenue Fund

Parks and Recreation Fund is used to account for the maintenance of parks and recreation programs. Services include a fitness center, dance academy and a variety of other indoor and outdoor programs. Principal revenue sources for this fund include a dedicated tax levy, grants, contributions and program fees.

Capital Projects Fund

Capital Improvements Fund is used to account for revenues to be used to fund City building and infrastructure projects.

The City reports the following major enterprise fund:

Enterprise Fund

Waterworks and Sewerage Fund accounts for operations of the waterworks and sewerage system for the residents of the City.

City of Lake Forest

Notes to Financial Statements
April 30, 2024

The City reports the following nonmajor governmental and enterprise funds:

Special Revenue Funds

Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes (other than debt service or capital projects).

- Police Restricted
- Foreign Fire Insurance Tax
- Emergency Telephone
- Parks and Public Land
- Motor Fuel Tax
- Senior Resources Commission
- Housing Trust
- General Cemetery

Debt Service Fund

Debt Service Fund is used to account for and report financial resources that are restricted, committed or assigned to expenditure for the payment of general long-term debt principal, interest and related costs.

Capital Projects Fund

Capital Projects Fund is used to account for and report financial resources that are restricted, committed or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

- Laurel/Western Redevelopment TIF

Enterprise Fund

Enterprise Fund is used to account for and report any activity for which a fee is charged to external uses for goods or services and must be used for activities which meet certain debt or cost recovery criteria.

- Deerpath Golf Course

In addition, the City reports the following fund types:

Internal Service Funds

Internal Service Funds are used to account for and report the financing of goods or services provided by one department or agency to other departments or agencies of the City or to other governmental units, on a cost-reimbursement basis.

- Fleet
- Self Insurance
- Liability Insurance

Private-Purpose Trust Fund

Private-Purpose Trust Fund is used to account for and report any trust arrangement not properly reported in a pension trust fund or investment trust fund under which principal and income benefit individuals, private organizations or other governments.

Cemetery Trust

Pension Trust Funds

Pension Trust Funds are used to account for and report resources that are required to be held in trust for the members and beneficiaries of defined benefit pension plans.

Police Pension
Firefighters' Pension

Measurement Focus, Basis of Accounting and Financial Statement Presentation

Government-Wide Financial Statements

The government-wide statement of net position and statement of activities are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Property taxes are recognized as revenues in the year for which they are levied. Taxes receivable for the following year are recorded as receivables and deferred inflows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider are met. Special assessments are recorded as revenue when earned. Unbilled receivables are recorded as revenues when services are provided.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Interfund services provided and used are not eliminated in the process of consolidation.

Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the City considers revenues, except for property taxes and income taxes, to be available if they are collected within 90 days of the end of the current fiscal period. Revenues for property taxes are considered to be available if they are collected within 60 days of the end of the current fiscal year. Revenues for income taxes are considered to be available if they are collected within 120 days of the end of the current fiscal year. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on long-term debt, claims, judgments, compensated absences and pension expenditures, which are recorded as a fund liability when expected to be paid with expendable available financial resources.

Property taxes are recorded in the year levied as receivables and deferred inflows. They are recognized as revenues in the succeeding year when services financed by the levy are being provided.

City of Lake Forest

Notes to Financial Statements
April 30, 2024

Intergovernmental aids and grants are recognized as revenues in the period the City is entitled the resources and the amounts are available. Amounts owed to the City which are not available are recorded as receivables and unavailable revenues. Amounts received before eligibility requirements (excluding time requirements) are met are recorded as liabilities. Amounts received in advance of meeting time requirements are recorded as deferred inflows.

Revenues susceptible to accrual include property taxes, miscellaneous taxes, public charges for services, special assessments and interest. Other general revenues such as fines and forfeitures, inspection fees, recreation fees and miscellaneous revenues are recognized when received in cash or when measurable and available under the criteria described above.

Proprietary and Fiduciary Funds

Proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as described previously in this note.

The proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Waterworks and Sewerage Fund and the Deerpath Golf Course Fund are charges to customers for sales and services. Special assessments are recorded as receivables and contribution revenue when levied. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

All Financial Statements

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

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

Deposits and Investments

For purposes of the statement of cash flows, the City considers all highly liquid investments with an initial maturity of three months or less when acquired to be cash equivalents.

The City and Library are authorized to invest in the following types of securities under Illinois law and the City's investment policy:

- Bonds, notes, certificates of indebtedness, treasury bills or other securities which are guaranteed by the full faith and credit of the United States of America;
- Bonds, notes, debentures or other similar obligations of U.S. Government or its agencies;

City of Lake Forest

Notes to Financial Statements
April 30, 2024

- Interest bearing bonds of any county, township, city, incorporated town, municipal corporation or school district and the bonds shall be registered in the name of the municipality or held under a custodial agreement at a bank, provided the bonds shall be rated at the time of purchase within the 4 highest general classifications established by a rating service of nationally recognized expertise in rating bonds of both states and their political subdivisions;
- Interest bearing savings accounts, interest bearing certificates of deposit, interest bearing deposits or any other investments constituting direct obligations of any bank as defined by the Illinois Banking Act (205 ILCS 5/1 et. seq.), provided, however, that such investments may be made in only banks which are insured by the Federal Deposit Insurance Corporation;
- Commercial Paper - issuer must be a United States corporation with more than \$500 million in assets, rating must be within the highest tier (e.g. A-1, P-1, F-1, D-1 or higher) by two standard rating services, must mature within 180 days of purchase, such purchases cannot exceed 10% of the corporation's outstanding obligations and such purchases cannot exceed one-third of funds;
- Money Market Mutual Funds - registered under the Investment Company Act of 1940 (15 U.S.C.A. § 80a-1 et. seq.), provided the portfolio is limited to bonds, notes, certificates, treasury bills or other securities which are guaranteed by the full faith and credit of the federal government as to principal and interest;
- Short term discount obligations of the Federal National Mortgage Association (established by or under the National Housing Act (1201 U.S.C. 1701 et. seq.)) or in shares or other forms of securities legally issuable by savings banks or savings and loans associations incorporated under the laws of Illinois or any other state or under the laws of the United States, provided, however, that the shares or investment certificates of such savings banks or savings and loans associations are insured by the Federal Deposit Insurance Corporation;
- Dividend-bearing share accounts, share certificate accounts or class of share accounts of a credit union chartered under the law of the State of Illinois or the laws of the United States; provided, however, the principal office of the credit unions must be located within the State of Illinois; and, provided further, that such investments may be made only in those credit union accounts of which are insured by applicable law;
- The Public Treasurer's Investment Pool created under Section 17 of the State Treasurer Act (15 ILCS 505/17) or in a fund managed, operated and administered by a bank subsidiary of a bank or subsidiary of a bank holding company or use the services of such an entity to hold and invest or advise regarding the investment of any public funds; and

City of Lake Forest

Notes to Financial Statements
 April 30, 2024

- Repurchase agreements of government securities having the meaning set out in the Government Securities Act of 1986 (15 U.S.C.A § 780-5) subject to the provisions of that Act and the regulations issued there under, provided, however, that such government securities, unless registered or inscribed in the name of the City, shall be purchased through banks or trust companies authorized to do business in the State of Illinois; and such other repurchase agreements as are authorized in subsection (h) of Section 2 of the Public Funds Investment Act (30 ILCS 235/2). Repurchase agreements may be executed only with approved financial institutions or broker/dealers meeting the City's established standards, which shall include mutual execution of a Master Repurchase Agreement adopted by the City.

The Lake Forest Cemetery Investment Fund is also permitted to invest in the following instruments:

- Common and preferred stock authorized for investments of trust funds under the laws of the State of Illinois limited to 60% of the fund's investments.

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Fair values are based on quoted market prices. No investments are reported at amortized cost. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income. Investment income on commingled investments of municipal accounting funds is allocated based on average balances. The difference between the bank statement balance and carrying value is due to outstanding checks and/or deposits in transit.

Illinois Funds is an investment pool managed by the State of Illinois, Office of the Treasurer, which allows governments within the State to pool their funds for investment purposes. Illinois Funds is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in Illinois Funds are valued at Illinois Fund's share price, the price for which the investments could be sold.

Illinois Public Act 101 0610 consolidated the assets of the state's more than 650 downstate and suburban public safety pension funds into two consolidated investment funds and required the Police Pension Fund and Firefighters' Pension Fund to pool their funds for investment purposes. In fiscal year 2023, the investments of the Police Pension Fund were transferred to Illinois Police Officers' Pension Investment Fund. In fiscal year 2022, the investments of the Firefighters' Pension Fund were transferred to the Illinois Firefighters' Pension Investment Fund. The Illinois Police Officers' Pension Investment Fund and the Illinois Firefighters' Pension Investment Fund are external investment pools valued at share price, the price for which the investments could be sold.

The Police Pension Fund's investment policy, in accordance with Illinois Statutes, establishes the following target allocation across asset classes:

Asset Class	Target	Long-Term Expected Real Rate of Return
Illinois Police Officers' Pension Investment Fund	100.00 %	4.20 %

The long-term expected rate of return on the Police Pension Fund's investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major asset class. These ranges were combined to produce long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Police Pension Fund's target asset allocation are listed in the table above.

City of Lake Forest

Notes to Financial Statements
April 30, 2024

The Firefighters' Pension Fund's investment policy, in accordance with Illinois Statutes, establishes the following target allocation across asset classes:

Asset Class	Target	Long-Term Expected Real Rate of Return
Illinois Firefighters Pension Investment Fund	100 %	4.20 %

The long-term expected rate of return on the Firefighters' Pension Fund's investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major asset class. These ranges were combined to produce long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates or arithmetic real rates of return for each major asset class included in the Firefighters' Pension Fund's target asset allocation are listed in the table above.

Interest Rate Risk

Although the City and Cemetery Fund's investment policy does not specifically limit the length of maturity of investments, it requires that the City and Cemetery Funds to minimize the interest rate risk by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity and by investing operating funds primarily in short-term securities, money market mutual funds or similar investment pools.

Credit Risk

The City's investment policy limits the City's exposure to credit risk by limiting investments to the safest types as described above.

The Cemetery and Pension Funds' general investment policy is to follow the prudent person rule subject to specific restrictions of the Illinois Cemetery Care Act, the Illinois Pension Code and the respective Cemetery and Pension Fund's asset allocation policy. Under the prudent person rule, investments shall be made with care, skill, prudence and diligence under the prevailing circumstances that a prudent person acting in similar capacity and familiar with such matters would use in the investment of a fund or like character and with like aims.

Concentration of Credit Risk

The Cemetery Fund's investment policy further limits the investment in any one company or issuer to 5% of the funds' total assets and limits the investment in any one equity industry group to no more than 15% of the Fund's assets.

Custodial Credit Risk, Deposits

The City's investment policy requires that deposits that exceed the amount insured by FDIC, NCUA and/or SPIC insurance should be collateralized at the rate of 110% of such deposits, by U.S. Government Securities, obligations of Federal instrumentalities, obligations of the state of Illinois or general obligation bonds of the City. The Cemetery Investment Fund and the Pension Funds do not have a deposit policy for custodial credit risk.

Custodial Credit Risk, Investments

The investment policies for the City, Cemetery and Pension Funds require investment securities be held by an authorized custodial bank pursuant to a written custodial agreement.

City of Lake Forest

Notes to Financial Statements
April 30, 2024

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Fair values are based on methods and inputs as outlined in Note 3. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income. Investment income on commingled investments of municipal accounting funds is allocated based on average balances.

See Note 3 for further information.

Receivables

Property taxes for levy year 2023 attaches as an enforceable lien on January 1, 2023, on property values assessed as of the same date. Taxes are levied by December following the lien date (by passage of a Tax Levy Ordinance). The 2024 tax levy, which attached as an enforceable lien on the property as of January 1, 2024, has not been recorded as a receivable as of April 30, 2024, as the tax has not yet been levied by the City and will not be levied until December 2024 and therefore, the levy is not measurable at April 30, 2024.

Tax bills for levy year 2023 are prepared by Lake County and issued on or about May, 2024 and are payable in two installments, on or about June 1, 2024 and September 1, 2024 or within 30 days of the tax bills being issued.

The County collects such taxes and remits them periodically. The 2023 property tax levy is recognized as a receivable and deferred inflows in fiscal 2024, net the 1.5% allowance for uncollectible. As the taxes become available to finance current expenditures, they are recognized as revenues. At April 30, 2024, the property taxes receivable and related deferred inflows consisted of the estimated amount collectible from the 2023 levy.

During the course of operations, transactions occur between individual funds that may result in amounts owed between funds. Short-term interfund loans are reported as due to and from other funds. Long-term interfund loans (noncurrent portion) are reported as advances from and to other funds. Interfund receivables and payables between funds within governmental activities are eliminated in the statement of net position. Any residual balances outstanding between the governmental activities and business-type activities are reported in the governmental-wide financial statements as internal balances.

Inventories and Prepaid Items

Inventories are recorded at cost and are recorded as expenditures/expenses when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Capital Assets

Government-Wide Statements

Capital assets, which include property, plant and equipment, are reported in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$10,000 and an estimated useful life in excess of one year. All capital assets are valued at historical cost or estimated historical cost if actual amounts are unavailable. Donated capital assets are recorded at their estimated acquisition value at the date of donation.

City of Lake Forest

Notes to Financial Statements
April 30, 2024

Additions to and replacements of capital assets of business-type activities are recorded at original cost, which includes material, labor, overhead and an allowance for the cost of funds used during construction when significant. For tax-exempt debt, the amount of interest capitalized equals the interest expense incurred during construction netted against any interest revenue from temporary investment of borrowed fund proceeds. The cost of renewals and betterments relating to retirement units is added to plant accounts. The cost of property replaced, retired or otherwise disposed of, is deducted from plant accounts and, generally, together with removal costs less salvage, is charged to accumulated depreciation.

Depreciation and amortization of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation and amortization reflected in the statement of net position. Depreciation and amortization is provided over the assets' estimated useful lives using the straight-line method. The range of estimated useful lives by type of asset is as follows:

Public domain infrastructure	20-60	Years
Buildings	30-50	Years
Improvements other than buildings	40-80	Years
Vehicles, machinery, equipment and software	3-20	Years
Water mains	40	Years
Sanitary sewers	50	Years

Fund Financial Statements

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for the same way as in the government-wide statements.

Deferred Outflows of Resources

A deferred outflow of resources represent a consumption of net assets that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until that future time.

Compensated Absences

Under terms of employment, employees are granted sick leave and vacations in varying amounts. Only benefits considered to be vested are disclosed in these statements.

All vested vacation and sick leave pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements and are payable with expendable resources.

Long-Term Obligations

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

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

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

Leases

The City is a lessor because it leases capital assets to other entities. As a lessor, the City reports a lease receivable and corresponding deferred inflow of resources in both the fund financial statements and government-wide financial statements. The City continues to report and depreciate the capital assets being leased as capital assets of the primary government.

Deferred Inflows of Resources

A deferred inflow of resources represent an acquisition of net assets that applies to a future period and therefore will not be recognized as an inflow of resources (revenue) until that future time.

Equity Classifications

Government-Wide Statements

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

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

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

Fund Statements

Governmental fund balances are displayed as follows:

- a. **Nonspendable** - Includes fund balance amounts that cannot be spent either because they are not in spendable form or because legal or contractual requirements require them to be maintained intact.
- b. **Restricted** - Consists of fund balances with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.

- c. **Committed** - Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority. Fund balance amounts are committed through a formal action (resolution) of the City Council. This formal action must occur prior to the end of the reporting period, but the amount of the commitment, which will be subject to the constraints, may be determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the City Council that originally created the commitment.
- d. **Assigned** - Includes spendable fund balance amounts that are intended to be used for specific purposes that do not meet the criteria to be classified as restricted or committed. Intent is expressed by: a) The City Council itself; or b) a body or official to which the City Council has delegated the authority to assign amounts to be used for specific purposes. Annually, the City Council approves the fiscal policy which delegates this authority to the City's Finance Director. Within the other governmental fund types (special revenue, debt service, capital projects) resources are assigned in accordance with the established fund purpose and approved budget/appropriation. Assignments may take place after the end of the reporting period.
- e. **Unassigned** - Includes residual positive fund balance within the general fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed or assigned for those purposes.

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

In the General Fund, it is the City's policy to consider restricted resources to have been spent first when an expenditure is incurred for which both restricted and unrestricted (i.e. committed, assigned or unassigned) fund balances are available, followed by committed and then assigned fund balances. Unassigned amounts are only used after the other resources have been used. In other governmental funds (special revenue, capital projects and debt service fund types), it is the City's policy to consider restricted resources to have been spent last. When an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available, the City first uses any assigned amounts, followed by committed and then restricted amounts.

See Note 3 for further information.

Fiduciary fund net position is classified as restricted for pension benefits and other purposes on the statement of fiduciary net position. Various donor restrictions apply, including authorizing and spending trust income and the City believes it is in compliance with all significant restrictions.

2. Stewardship, Compliance and Accountability

Budgetary Information

The budget amounts represent the operating budget for the City and the appropriations represent the City's legal expenditure limit. The City Council follows these procedures in establishing the budgetary and appropriations data reflected in the financial statements:

- (1) The City Manager submits to the City Council a proposed operating budget for the fiscal year. The operating budget includes proposed expenditures and estimated revenues.
- (2) Public budget and appropriations meetings are conducted by the City to obtain taxpayer comments.

City of Lake Forest

Notes to Financial Statements
April 30, 2024

- (3) The budget and the appropriation ordinance, which is 10% higher than the budget, are both legally enacted through action of the City Council. Once enacted, the budget cannot be amended without approval from the City Council. Funds may have expenditures in excess of budgeted amounts, but legally may not have expenditures in excess of appropriations.
- (4) The legal level of budgetary control is the fund level. Management may make transfers of appropriations within a fund. Any expenditures that exceed the total appropriations at the fund level must be approved by the City Council.
- (5) Formal budgetary integration and legally adopted budgets are employed as a management control device during the year for the General and Special Revenue Funds, through an internal reporting system. Such budgetary integration permits the City's department managers to monitor actual revenues and expenditures relative to budgets on an ongoing basis throughout the year. Formal encumbrance accounting is not used and appropriations not used by the end of the fiscal year lapse.
- (6) Governmental fund budgets are adopted for all funds and are on a basis consistent with generally accepted accounting principles (GAAP). All proprietary funds have budgets and are generally in accordance with GAAP except that principal retirement is budgeted and depreciation expense is not budgeted. Additionally, the Pension Trust Funds adopted budgets which are generally in accordance with GAAP.

Excess Expenditures Over Budget

Fund	Budgeted Expenditures	Actual Expenditures	Excess Expenditures Over Budget
Debt service	\$ 4,131,320	\$ 4,154,686	\$ 23,366

City of Lake Forest

Notes to Financial Statements
April 30, 2024

3. Detailed Notes on All Funds

Deposits and Investments

The City's and Library's deposits and investments at year end were comprised of the following:

	<u>Carrying Value</u>	<u>Statement Balances</u>	<u>Associated Risks</u>
Deposits	\$ 67,391,887	\$ 68,229,217	Custodial Credit Risk, Deposits
Mutual funds, other than bonds	1,296,955	1,296,955	N/A
Negotiable certificates of deposit	8,369,485	8,369,485	Custodial Credit Risk, Investments, Credit Risk, Interest Rate Risk
Illinois police officers' pension investment	47,880,128	47,880,128	Custodial Credit Risk, Investments, Credit Risk
Illinois firefighters' pension investment	50,823,365	50,823,365	Custodial Credit Risk, Investments, Credit Risk
Illinois funds	37,112,477	37,112,477	Credit Risk
Equity securities	9,030,108	9,030,108	Custodial Credit Risk, Investments, Foreign Currency Risk
Mutual funds, bond funds	1,216,778	1,216,778	Credit Risk, Interest Rate Risk
Petty cash	11,175	-	N/A
	<u>\$223,132,358</u>	<u>\$223,958,513</u>	
Reconciliation to financial statements			
Per statement of net position:			
Cash and cash equivalents, primary government	\$ 95,792,043		
Investments, primary government	19,132,061		
Cash and cash equivalents, Lake Forest Library	8,273,635		
Per statement of net position, fiduciary funds:			
Private Purpose Trust, money markets	17,090		
Private Purpose Trust, equity securities	616,776		
Private Purpose Trust, mutual funds	164,489		
Pension Trusts, cash	137,770		
Pension Trusts, Illinois police officers' pension investment fund	47,880,128		
Pension Trusts, Illinois firefighters' pension investment fund	50,823,365		
Pension Trusts, money markets	295,001		
	<u>\$223,132,358</u>		

City of Lake Forest

Notes to Financial Statements
April 30, 2024

Deposits in each local and area bank are insured by the FDIC in the amount of \$250,000 for time and savings accounts (including NOW accounts) and \$250,000 for demand deposit accounts (interest-bearing and noninterest-bearing). In addition, if deposits are held in an institution outside of the state in which the government is located, insured amounts are further limited to a total of \$250,000 for the combined amount of all deposit accounts. Deposits in the credit union are insured by the National Credit Union Administration in the amount of \$250,000 for all share draft accounts and \$250,000 for all share certificate and regular share accounts.

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The valuation methods for recurring fair value measurements are as follows:

- For Level 2 inputs, the City utilizes investments valued by a pricing service that uses matrix pricing. A Level 2 input would be a price or yield of a similar investment.
- The investments in the Illinois police officers' pension investment fund and the Illinois firefighters' pension investment fund are measured at the net asset value.

City

Investment Type	April 30, 2024			
	Level 1	Level 2	Level 3	Total
Mutual funds, other than bond funds	\$ 1,215,989	\$ -	\$ -	\$ 1,215,989
Negotiable certificates of deposit	-	8,369,485	-	8,369,485
Equity securities	8,413,332	-	-	8,413,332
Mutual funds, bond funds	1,133,255	-	-	1,133,255
Total	<u>\$ 10,762,576</u>	<u>\$ 8,369,485</u>	<u>\$ -</u>	<u>\$ 19,132,061</u>

Private Purpose Trust

Investment Type	April 30, 2024			
	Level 1	Level 2	Level 3	Total
Mutual funds, other than bond funds	\$ 80,966	\$ -	\$ -	\$ 80,966
Equity securities	616,776	-	-	616,776
Mutual funds, bond funds	83,523	-	-	83,523
Total	<u>\$ 781,265</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 781,265</u>

Custodial Credit Risk

Deposits

Custodial credit risk is the risk that in the event of a financial institution failure, the City's deposits may not be returned to the City.

The City does not have any deposits exposed to custodial credit risk.

City of Lake Forest

Notes to Financial Statements
April 30, 2024

Investments

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

The City does not have any investments exposed to custodial credit risk.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

As of April 30, 2024, the investments were rated as follows:

Investment Type	Standard & Poors	Moody's Investors Services
Illinois funds	AAAm	Not rated
Negotiable certificates of deposit	Not rated	Not rated
Mutual funds, bond funds	Not rated	Not rated
Illinois firefighters' pension investment fund	Not rated	Not rated
Illinois police officers' pension investment fund	Not rated	Not rated

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the value of an investment.

As of April 30, 2024, investments were as follows:

City

Investment Type	Fair Value	Maturity (in Years)			
		Less Than One Year	1 - 5 Years	6-10 Years	More Than 10 Years
Negotiable certificates of deposit	\$ 8,369,485	\$ 2,678,796	\$ 5,690,689	\$ -	\$ -
Mutual funds, bond funds	1,133,255	1,133,255	-	-	-
Total	\$ 9,502,740	\$ 3,812,051	\$ 5,690,689	\$ -	\$ -

Private Purpose Trust

Investment Type	Fair Value	Maturity (in Years)			
		Less than One Year	1 - 5 Years	6 - 10 Years	More Than 10 Years
Mutual funds, bond funds	\$ 83,523	\$ 83,523	\$ -	\$ -	\$ -
Total	\$ 83,523	\$ 83,523	\$ -	\$ -	\$ -

City of Lake Forest

Notes to Financial Statements
April 30, 2024

Money-Weighted Rate of Return

Police Pension Fund

For the year ended April 30, 2024, the annual money-weighted rate of return on the Police Pension plan investments, net of pension plan investment expense, was 9.80%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Firefighters' Pension Fund

For the year ended April 30, 2024, the annual money-weighted rate of return on the Firefighters' Pension plan investments, net of pension plan investment expense, was 10.67%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

See Note 1 for further information on deposit and investment policies.

Receivables

All of the receivables on the balance sheet are expected to be collected within one year with the exception of the lease receivable.

Governmental funds report unearned revenue to defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of unearned revenue reported in the governmental funds were as follows:

	<u>Unearned</u>
Vehicle licenses for subsequent year	\$ 1,058,100
Grants	2,704,387
Recreation fees	859,083
Parking ticket fees	371,109
Miscellaneous	<u>377,515</u>
Total unearned revenue for governmental funds	<u>\$ 5,370,194</u>

City of Lake Forest

Notes to Financial Statements
April 30, 2024

Capital Assets

Capital asset activity for the year ended April 30, 2024, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Governmental Activities				
Capital assets not being depreciated:				
Land and land improvements	\$ 42,892,553	\$ 1,375,187	\$ -	\$ 44,267,740
Infrastructure, land	66,740,770	-	-	66,740,770
Construction in progress	410,742	20,494,329	-	20,905,071
Total capital assets not being depreciated	<u>110,044,065</u>	<u>21,869,516</u>	<u>-</u>	<u>131,913,581</u>
Capital assets being depreciated:				
Infrastructure	193,998,436	5,822,064	-	199,820,500
Buildings	30,576,659	5,299,813	-	35,876,472
Improvements other than buildings	35,734,984	426,296	-	36,161,280
Machinery and equipment	21,477,228	1,812,910	146,796	23,143,342
Total capital assets being depreciated	<u>281,787,307</u>	<u>13,361,083</u>	<u>146,796</u>	<u>295,001,594</u>
Total capital assets	<u>391,831,372</u>	<u>35,230,599</u>	<u>146,796</u>	<u>426,915,175</u>
Less accumulated depreciation for:				
Infrastructure	(141,628,810)	(2,328,634)	-	(143,957,444)
Buildings	(15,033,405)	(805,088)	-	(15,838,493)
Improvements other than buildings	(23,294,474)	(1,203,152)	-	(24,497,626)
Machinery and equipment	(17,713,704)	(1,380,677)	129,534	(18,964,847)
Total accumulated depreciation	<u>(197,670,393)</u>	<u>(5,717,551)</u>	<u>129,534</u>	<u>(203,258,410)</u>
Net capital assets being depreciated	<u>84,116,914</u>	<u>7,643,532</u>	<u>17,262</u>	<u>91,743,184</u>
Total governmental activities capital assets, net of accumulated depreciation	<u>\$ 194,160,979</u>	<u>\$ 29,513,048</u>	<u>\$ 17,262</u>	<u>\$ 223,656,765</u>

Depreciation expense was charged to functions as follows:

Governmental Activities	
General government	\$ 1,259,381
Highways and streets	2,649,422
Sanitation	164,807
Culture and recreation	1,119,120
Public safety	524,821
Total governmental activities depreciation expense	<u>\$ 5,717,551</u>

City of Lake Forest

Notes to Financial Statements
April 30, 2024

	Beginning Balance	Additions	Deletions	Ending Balance
Business-Type Activities				
Capital assets not being depreciated:				
Land	\$ 743,649	\$ -	\$ -	\$ 743,649
Total capital assets not being depreciated	<u>743,649</u>	<u>-</u>	<u>-</u>	<u>743,649</u>
Capital assets being depreciated:				
Buildings	27,020,235	-	-	27,020,235
Improvements other than buildings	59,394,921	794,474	-	60,189,395
Machinery and equipment	6,078,146	645,659	51,321	6,672,484
Sanitary sewers and related property	<u>31,057,754</u>	<u>689,432</u>	<u>-</u>	<u>31,747,186</u>
Total capital assets being depreciated	<u>123,551,056</u>	<u>2,129,565</u>	<u>51,321</u>	<u>125,629,300</u>
Total capital assets	<u>124,294,705</u>	<u>2,129,565</u>	<u>51,321</u>	<u>126,372,949</u>
Less accumulated depreciation for:				
Buildings	(20,620,281)	(1,003,574)	-	(21,623,855)
Improvements other than buildings	(29,706,615)	(1,349,887)	-	(31,056,502)
Machinery and equipment	(4,905,239)	(437,067)	51,321	(5,290,985)
Sanitary sewers and related property	<u>(20,543,953)</u>	<u>(702,122)</u>	<u>-</u>	<u>(21,246,075)</u>
Total accumulated depreciation	<u>(75,776,088)</u>	<u>(3,492,650)</u>	<u>51,321</u>	<u>(79,217,417)</u>
Net capital assets being depreciated	<u>47,774,968</u>	<u>(1,363,085)</u>	<u>-</u>	<u>46,411,883</u>
Business-type capital assets, net of accumulated depreciation	<u>\$ 48,518,617</u>	<u>\$ (1,363,085)</u>	<u>\$ -</u>	<u>\$ 47,155,532</u>
Component Unit				
Capital assets not being depreciated:				
Land	\$ 70,000	\$ -	\$ -	\$ 70,000
Construction in progress	480,000	592,800	1,072,800	-
Art	<u>168,500</u>	<u>-</u>	<u>-</u>	<u>168,500</u>
Total capital assets not being depreciated	<u>718,500</u>	<u>592,800</u>	<u>1,072,800</u>	<u>238,500</u>
Capital assets being depreciated:				
Buildings	1,180,907	1,072,800	-	2,253,707
Improvements other than buildings	2,271,091	-	-	2,271,091
Machinery and equipment	<u>3,890,227</u>	<u>351,975</u>	<u>340,293</u>	<u>3,901,909</u>
Total capital assets being depreciated	<u>7,342,225</u>	<u>1,424,775</u>	<u>340,293</u>	<u>8,426,707</u>
Total capital assets	<u>8,060,725</u>	<u>2,017,575</u>	<u>1,413,093</u>	<u>8,665,207</u>
Less accumulated depreciation for:				
Buildings	(826,068)	(46,535)	-	(872,603)
Improvements other than buildings	(1,796,498)	(58,838)	-	(1,855,336)
Machinery and equipment	<u>(2,346,367)</u>	<u>(338,964)</u>	<u>340,293</u>	<u>(2,345,038)</u>
Total accumulated depreciation	<u>(4,968,933)</u>	<u>(444,337)</u>	<u>340,293</u>	<u>(5,072,977)</u>
Net capital assets being depreciated	<u>2,373,292</u>	<u>980,438</u>	<u>-</u>	<u>3,353,730</u>
Total component units capital assets, net of accumulated depreciation	<u>\$ 3,091,792</u>	<u>\$ 1,573,238</u>	<u>\$ 1,072,800</u>	<u>\$ 3,592,230</u>

City of Lake Forest

Notes to Financial Statements
April 30, 2024

Interfund Advances and Transfers

Advances

The General Fund is advancing \$905,000 to the Cemetery Fund to renovate the Memorial Garden at Lake Forest Cemetery. This amount will be repaid over a 10-year period.

Transfers

The following is a schedule of interfund transfers:

<u>Fund Transferred To</u>	<u>Fund Transferred From</u>	<u>Amount</u>	<u>Principal Purpose</u>
Capital improvement	Nonmajor government	\$ 1,129,107	Funding for debt service payment
Parks and recreation	General	24,798	Funding for budgeted salary amounts
Capital improvement	General	5,936,700	Funding for capital outlay projects
Nonmajor government	General	284,509	Funding for debt service and budgeted salary amounts
Nonmajor government	Nonmajor government	689,432	Funding for debt service payment
Waterworks and sewerage	General	361,275	Funding for budgeted salary amounts and capital outlay
Nonmajor enterprise	Parks and recreation	50,000	Funding for debt service payment
Internal service	General	1,500	Funding for budgeted salary amounts
Capital improvement	Parks and recreation	<u>24,832</u>	Funding for capital outlay projects
Total, fund financial statements		8,502,153	
Less government-wide eliminations		(8,090,878)	
Plus capital contribution from governmental activities to business-type activities		<u>131,431</u>	
Total transfers, government-wide statement of activities		<u>\$ 542,706</u>	

Generally, transfers are used to (1) move revenues from the fund that collects them to the fund that the budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

City of Lake Forest

Notes to Financial Statements
April 30, 2024

Long-Term Obligations

Long-term obligations activity for the year ended April 30, 2024, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Governmental Activities					
Bonds and notes payable:					
General obligation debt	\$ 33,769,246	\$ -	\$ 3,144,246	\$ 30,625,000	\$ 2,395,000
Premiums	2,036,925	-	320,727	1,716,198	-
Total bonds and notes payable	<u>35,806,171</u>	<u>-</u>	<u>3,464,973</u>	<u>32,341,198</u>	<u>2,395,000</u>
Other liabilities:					
Compensated absences	2,124,098	2,841,598	2,967,476	1,998,220	125,000
Total OPEB liability	1,703,233	187,801	193,788	1,697,246	157,247
Net pension liability	66,902,688	19,642,019	26,246,494	60,298,213	-
Total other liabilities	<u>70,730,019</u>	<u>22,671,418</u>	<u>29,407,758</u>	<u>63,993,679</u>	<u>282,247</u>
Total governmental activities long-term liabilities	<u>\$ 106,536,190</u>	<u>\$ 22,671,418</u>	<u>\$ 32,872,731</u>	<u>\$ 96,334,877</u>	<u>\$ 2,677,247</u>
Business-Type Activities					
Bonds and notes payable:					
General obligation debt	\$ 10,566,366	\$ -	\$ 1,786,366	\$ 8,780,000	\$ 525,000
Premium	39,961	-	5,024	34,937	-
Total bonds and notes payable	<u>10,606,327</u>	<u>-</u>	<u>1,791,390</u>	<u>8,814,937</u>	<u>525,000</u>
Other liabilities:					
Compensated absences	283,991	254,158	247,517	290,632	5,000
Total OPEB liability	155,580	17,235	17,057	155,758	14,431
Net pension liability	1,222,658	1,213,593	1,910,730	525,521	-
Total other liabilities	<u>1,662,229</u>	<u>1,484,986</u>	<u>2,175,304</u>	<u>971,911</u>	<u>19,431</u>
Total business-type activities long-term liabilities	<u>\$ 12,268,556</u>	<u>\$ 1,484,986</u>	<u>\$ 3,966,694</u>	<u>\$ 9,786,848</u>	<u>\$ 544,431</u>
Component Unit					
Other liabilities:					
Compensated absences	\$ 100,531	\$ 166,628	\$ 167,924	\$ 99,235	\$ 5,000
Total OPEB liability	71,473	3,348	29,976	44,845	10,816
Net pension liability	952,408	936,079	1,466,152	422,335	-
Total other liabilities	<u>1,124,412</u>	<u>1,106,055</u>	<u>1,664,052</u>	<u>566,415</u>	<u>15,816</u>
Total component units long-term liabilities	<u>\$ 1,124,412</u>	<u>\$ 1,106,055</u>	<u>\$ 1,664,052</u>	<u>\$ 566,415</u>	<u>\$ 15,816</u>

City of Lake Forest

Notes to Financial Statements
April 30, 2024

General Obligation Debt

All general obligation debt payable is backed by the full faith and credit of the City. Debt in the governmental funds will be retired by future property tax levies accumulated by the Debt Service Fund. Business-type activities debt is payable by revenues from user fees of those funds or, if the revenues are not sufficient, by future tax levies.

Governmental Activities

<u>General Obligation Debt</u>	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance April 30, 2024</u>
2015 Series	08/03/2015	12/15/2036	2.50-3.75%	\$ 9,780,000	\$ 7,695,000
2019 Series Refunding	12/19/2019	12/15/2032	2.00-5.00	10,751,022	6,640,000
2021 Series Refunding	09/15/2021	12/15/2032	2.00	7,590,000	6,455,000
2023 Series	04/27/2023	12/15/2033	5.00	10,770,000	9,835,000
Total governmental activities, general obligation debt					<u>\$ 30,625,000</u>

Business-Type Activities

<u>General Obligation Debt</u>	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance April 30, 2024</u>
2017 Series	06/05/2017	12/15/2037	2.00-3.50%	\$ 9,295,000	\$ 8,780,000
Total business-type activities, general obligation debt					<u>\$ 8,780,000</u>

Debt service requirements to maturity are as follows:

<u>Years</u>	<u>Governmental Activities General Obligation Debt</u>		<u>Business-Type Activities General Obligation Debt</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2025	\$ 2,395,000	\$ 1,061,113	\$ 525,000	\$ 260,853
2026	2,500,000	968,988	535,000	247,728
2027	2,580,000	872,563	550,000	234,352
2028	2,695,000	772,263	565,000	220,602
2029	3,040,000	687,950	580,000	206,477
2030-2034	16,395,000	1,885,738	3,140,000	775,588
2035-2038	1,020,000	74,725	2,885,000	251,463
Total	<u>\$ 30,625,000</u>	<u>\$ 6,323,340</u>	<u>\$ 8,780,000</u>	<u>\$ 2,197,063</u>

Other Debt Information

Estimated payments of compensated absences, total OPEB liability and net pension liability are not included in the debt service requirement schedules. The compensated absences will be liquidated by the applicable governmental funds (primarily the General, Parks and Recreation, Senior Commission and Cemetery Funds) that account for the salaries and wages for the related employees. Total OPEB liability and the net pension liability attributable to governmental activities will be liquidated primarily by the General Fund.

City of Lake Forest

Notes to Financial Statements
April 30, 2024

Lease Disclosures

Lessor - Lease Receivables

Governmental Activities

<u>Lease Receivables Description</u>	<u>Date of Inception</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Receivable Balance April 30, 2024</u>
Building rental	05/01/2019	04/30/2028	2.73%	\$ 11,658
Building rental	06/01/2021	05/31/2030	2.73	45,584
Building rental	06/02/2021	06/01/2026	2.73	85,857
Building rental	04/01/2022	03/31/2027	2.73	21,542
Land rental	01/01/2024	12/31/2029	2.73	<u>374,079</u>
Total governmental activities				<u>\$ 538,720</u>

Business-Type Activities

<u>Lease Receivables Description</u>	<u>Date of Inception</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Receivable Balance April 30, 2024</u>
Water tower lease	08/01/2018	07/30/2033	2.73%	\$ 573,537
Water tower lease	08/01/2020	07/31/2035	2.73	<u>878,259</u>
Total business-type activities				<u>\$ 1,451,796</u>

The City recognized \$217,732 and \$66,352 of lease revenue and interest revenue, respectively, during the fiscal year.

Net Position/Fund Balances

Net position reported on the government-wide statement of net position at April 30, 2024, includes the following:

Governmental Activities

Net investment in capital assets:	
Capital assets not being depreciated	\$ 131,913,581
Capital assets being depreciated, net of accumulated depreciation	91,743,184
Less long-term debt outstanding	(30,625,000)
Less unamortized debt premium	<u>(1,716,198)</u>
Total net investment in capital assets	<u>\$ 191,315,567</u>

City of Lake Forest

Notes to Financial Statements
April 30, 2024

Governmental Funds

Governmental fund balances reported on the fund financial statements at April 30, 2024, include the following:

	<u>General Fund</u>	<u>Parks and Recreation Fund</u>	<u>Capital Improvements Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Fund Balances					
Nonspendable:					
Prepaid items	\$ 113,449	\$ 1,010	\$ -	\$ 37,037	\$ 151,496
Inventories	173,306	-	-	-	173,306
Advances	<u>905,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>905,000</u>
Subtotal	<u>1,191,755</u>	<u>1,010</u>	<u>-</u>	<u>37,037</u>	<u>1,229,802</u>
Restricted for:					
Culture and recreation	-	3,142,923	-	1,530,784	4,673,707
Highway and streets	-	-	-	2,691,828	2,691,828
Public safety, fire	-	-	-	204,302	204,302
Public safety, police	-	-	-	1,723,592	1,723,592
Cemetery perpetual care	-	-	-	11,645,826	11,645,826
Affordable housing	-	-	-	2,517,575	2,517,575
Capital projects	-	-	23,046,497	107,416	23,153,913
Debt service	<u>-</u>	<u>-</u>	<u>-</u>	<u>550,972</u>	<u>550,972</u>
Subtotal	<u>-</u>	<u>3,142,923</u>	<u>23,046,497</u>	<u>20,972,295</u>	<u>47,161,715</u>
Assigned to:					
Capital projects	-	-	6,018,542	-	6,018,542
Unassigned:	<u>32,350,101</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>32,350,101</u>
Total fund balances	<u>\$ 33,541,856</u>	<u>\$ 3,143,933</u>	<u>\$ 29,065,039</u>	<u>\$ 21,009,332</u>	<u>\$ 86,760,160</u>

Business-Type Activities

Net investment in capital assets:

Capital assets not being depreciated	\$ 743,649
Capital assets being depreciated, net of accumulated depreciation	46,411,883
Less long-term debt outstanding	(8,780,000)
Less unamortized debt premium	<u>(34,937)</u>

Total net investment in capital assets \$ 38,340,595

4. Other Information

Employees' Retirement System

The City contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), an agent-multiple-employer public employee retirement system; the Police Pension Plan which is a single-employer pension plan; and the Firefighters' Pension Plan which is a single-employer pension plan. The benefits, benefit levels, employee contributions and employer contributions for the plans are governed by Illinois Compiled Statutes and can only be amended by the Illinois General Assembly. The Police Pension Plan and the Firefighters' Pension Plan do not issue separate reports on the pension plans. IMRF does issue a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. That report can be obtained from IMRF, 2211 York Road, Suite 500, Oak Brook, Illinois 60523. This report is also available for download at www.imrf.org.

City of Lake Forest

Notes to Financial Statements
April 30, 2024

For the year ended April 30, 2024, the City recognized the following balances in the government-wide financial statements:

	Total Pension Liability	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense/ (Income)
IMRF	\$ 115,042,714	\$ 4,197,652	\$ 7,555,040	\$ 45,499	\$ (1,577,954)
Police Pension Plan	83,392,192	35,410,564	3,259,892	180,425	3,895,131
Firefighters' Pension Plan	<u>72,447,677</u>	<u>21,215,518</u>	<u>3,233,421</u>	<u>-</u>	<u>3,597,945</u>
Total	<u>\$270,882,583</u>	<u>\$ 60,823,734</u>	<u>\$ 14,048,353</u>	<u>\$ 225,924</u>	<u>\$ 5,915,122</u>

Illinois Municipal Retirement Fund

Plan Description

All employees (other than those covered by the Police and Firefighters' Pension plans) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. IMRF has a two tier plan. Members who first participated in IMRF or an Illinois Reciprocal System prior to January 1, 2011 participate in Tier 1. All other members participate in Tier 2. For Tier 1 participants, pension benefits vest after 8 years of service. Participating members who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with 8 years of service are entitled to an annual retirement benefit, payable monthly for life in an amount equal to 1-2/3% of their final rate of earnings (average of the highest 48 consecutive months' earnings during the last 10 years) for credited service up to 15 years and 3% for each year thereafter to a maximum of 75% of their final rate of earnings.

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

Under the employer number within IMRF, both the City and Library contribute to the plan. As a result, IMRF is considered to be an agent multiple-employer plan through which cost-sharing occurs between the City and Library.

Plan Membership

At December 31, 2023, the measurement date, membership in the plan was as follows:

Retirees and beneficiaries	321
Inactive, nonretired members	221
Active members	<u>201</u>
Total	<u><u>743</u></u>

Contributions

As set by statute, City and Library employees participating in IMRF are required to contribute 4.50% of their annual covered salary. The statute requires the City and Library to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The City and Library's actuarially determined contribution rate for calendar year 2023 was 5.88% of annual covered payroll for IMRF. The City and Library also contribute for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability/(Asset)

The net pension liability/(asset) was measured as of December 31, 2023 and the total pension liability used to calculate the net pension liability/(asset) was determined by an actuarial valuation as of that date.

Summary of Significant Accounting Policies

For purposes of measuring the net pension liability/(asset), deferred outflows of resources and deferred inflows of resources related to pensions and pension expense, information about the fiduciary net position of IMRF and additions to/deductions from IMRF fiduciary net position have been determined on the same basis as they are reported by IMRF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Actuarial Assumptions

The total pension liability for IMRF was determined by actuarial valuations performed as of December 31, 2023 using the following actuarial methods and assumptions:

Actuarial cost method	Entry Age Normal
Asset valuation method	Fair Value
Actuarial assumptions:	
Investment rate of return	7.25%
Salary increases	2.85% to 13.75%, including inflation
Price inflation	2.25%

Mortality

For nondisabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 108.0%) and Female (adjusted 106.4%) tables and future mortality improvements projected using scale MP-2021. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables and future mortality improvements projected using scale MP-2021. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables and future mortality improvements projected using scale MP-2021.

City of Lake Forest

Notes to Financial Statements
April 30, 2024

Long-Term Expected Real Rate of Return

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

Asset Class	Target Allocation	Projected Returns/Risks	
		One Year Arithmetic	Ten Year Geometric
Equities	34.50 %	6.35 %	5.00 %
International equities	18.00	8.00	6.35
Fixed income	24.50	4.85	4.75
Real estate	10.50	7.20	6.30
Alternatives	11.50		
Private equity		12.35	8.65
Commodities		7.20	6.05
Cash equivalents	1.00	3.80	3.80

Discount Rate

The discount rate used to measure the total pension liability for IMRF was 7.25%. The discount rate calculated using the December 31, 2022 measurement date was 7.25%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that City and Library contributions will be made at rates equal to the difference between actuarially determined contribution rate and the member rate. Based on those assumptions, the fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on investments was applied to all periods of projected benefits to determine the total pension liability.

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability/(asset) to changes in the discount rate. The table below presents the net pension liability/(asset) of the City and Library calculated using the discount rate of 7.25% as well as what the net pension liability/(asset) would be if it were to be calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
City:			
Total pension liability	\$ 127,508,330	\$ 115,042,714	\$ 105,022,251
Plan fiduciary net position	<u>110,845,062</u>	<u>110,845,062</u>	<u>110,845,062</u>
Net pension liability/(asset)	<u>\$ 16,663,268</u>	<u>\$ 4,197,652</u>	<u>\$ (5,822,811)</u>

City of Lake Forest

Notes to Financial Statements
April 30, 2024

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Library:			
Total pension liability	\$ 16,082,367	\$ 14,510,104	\$ 13,246,243
Plan fiduciary net position	<u>14,087,769</u>	<u>14,087,769</u>	<u>14,087,769</u>
Net pension liability/(asset)	<u>\$ 1,994,598</u>	<u>\$ 422,335</u>	<u>\$ (841,526)</u>
Total:			
Total pension liability	\$ 143,590,697	\$ 129,552,818	\$ 118,268,494
Plan fiduciary net position	<u>124,932,831</u>	<u>124,932,831</u>	<u>124,932,831</u>
Net pension liability/(asset)	<u>\$ 18,657,866</u>	<u>\$ 4,619,987</u>	<u>\$ (6,664,337)</u>

Changes in Net Pension Liability/(Asset)

The changes in net pension liability/(asset) for the calendar year ended December 31, 2023 were as follows:

	<u>Increase (Decrease)</u>		
	<u>Total Pension Liability (a)</u>	<u>Plan Fiduciary Net Position (b)</u>	<u>Net Pension Liability/(Asset) (a) - (b)</u>
City:			
Balances at December 31, 2022	\$ 111,095,509	\$ 101,516,693	\$ 9,578,816
Service cost	1,250,172	-	1,250,172
Interest on total pension liability	8,053,655	-	8,053,655
Differences between expected and actual experience of the total pension liability	1,307,053	-	1,307,053
Change of assumptions	(78,758)	-	(78,758)
Benefit payments, including refunds of employee contributions	(6,584,917)	(6,584,917)	-
Contributions, employer	-	867,326	(867,326)
Contributions, employee	-	691,991	(691,991)
Net investment income	-	11,647,328	(11,647,328)
Other (net transfer)	-	2,706,641	(2,706,641)
Balances at December 31, 2023	<u>\$ 115,042,714</u>	<u>\$ 110,845,062</u>	<u>\$ 4,197,652</u>

City of Lake Forest

Notes to Financial Statements
April 30, 2024

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (a) - (b)
Library:			
Balances at December 31, 2022	\$ 14,101,630	\$ 13,149,222	\$ 952,408
Service cost	125,783	-	125,783
Interest on total pension liability	810,296	-	810,296
Differences between expected and actual experience of the total pension liability	131,505	-	131,505
Change of assumptions	3,413	-	3,413
Benefit payments, including refunds of employee contributions	(662,523)	(662,523)	-
Contributions, employer	-	87,264	(87,264)
Contributions, employee	-	69,623	(69,623)
Net investment income	-	1,171,862	(1,171,862)
Other (net transfer)	-	272,321	(272,321)
	<u>\$ 14,510,104</u>	<u>\$ 14,087,769</u>	<u>\$ 422,335</u>
Balances at December 31, 2023	<u>\$ 14,510,104</u>	<u>\$ 14,087,769</u>	<u>\$ 422,335</u>
Total:			
Balances at December 31, 2022	\$ 125,197,139	\$ 114,665,915	\$ 10,531,224
Service cost	1,375,955	-	1,375,955
Interest on total pension liability	8,863,951	-	8,863,951
Differences between expected and actual experience of the total pension liability	1,438,558	-	1,438,558
Change of assumptions	(75,345)	-	(75,345)
Benefit payments, including refunds of employee contributions	(7,247,440)	(7,247,440)	-
Contributions, employer	-	954,590	(954,590)
Contributions, employee	-	761,614	(761,614)
Net investment income	-	12,819,190	(12,819,190)
Other (net transfer)	-	2,978,962	(2,978,962)
	<u>\$ 129,552,818</u>	<u>\$ 124,932,831</u>	<u>\$ 4,619,987</u>
Balances at December 31, 2023	<u>\$ 129,552,818</u>	<u>\$ 124,932,831</u>	<u>\$ 4,619,987</u>
Plan fiduciary net position as a percentage of the total pension liability			96.43 %

City of Lake Forest

Notes to Financial Statements
April 30, 2024

Pension Expense/(Income) and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended April 30, 2024, the City and Library recognized pension expense/(income) of \$(1,577,954) and \$(158,761), respectively. The City and Library reported deferred outflows and inflows of resources related to pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
City:		
Difference between expected and actual experience	\$ 1,305,823	\$ -
Assumption changes	-	45,499
Net difference between projected and actual earnings on pension plan investments	5,912,177	-
Contributions subsequent to the measurement date	<u>337,040</u>	<u>-</u>
Total	<u>\$ 7,555,040</u>	<u>\$ 45,499</u>
Library:		
Difference between expected and actual experience	\$ 137,839	\$ -
Assumption changes	-	4,578
Net difference between projected and actual earnings on pension plan investments	594,837	-
Contributions subsequent to the measurement date	<u>35,577</u>	<u>-</u>
Total	<u>\$ 768,253</u>	<u>\$ 4,578</u>
Total:		
Difference between expected and actual experience	\$ 1,443,662	\$ -
Assumption changes	-	50,077
Net difference between projected and actual earnings on pension plan investments	6,507,014	-
Contributions subsequent to the measurement date	<u>372,617</u>	<u>-</u>
Total	<u>\$ 8,323,293</u>	<u>\$ 50,077</u>

The amount reported as deferred outflows resulting from contributions subsequent to the measurement date in the above table will be recognized as a reduction in the net pension liability/(asset) for the year ending April 30, 2025. The remaining amounts reported as deferred outflows and inflows of resources related to pensions is \$7,900,599 and will be recognized in pension expense as follows:

<u>Year Ending December 31,</u>	<u>City</u>	<u>Library</u>	<u>Total</u>
2024	\$ 1,392,331	\$ 141,340	\$ 1,533,671
2025	2,438,711	247,559	2,686,270
2026	4,176,390	423,955	4,600,345
2027	<u>(834,931)</u>	<u>(84,756)</u>	<u>(919,687)</u>
Total	<u>\$ 7,172,501</u>	<u>\$ 728,098</u>	<u>\$ 7,900,599</u>

Police Pension

Plan Description

Police sworn personnel are covered by the Police Pension Plan, which is a defined benefit single-employer pension plan. Although this is a single employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois State Statutes (Chapter 40 ILCS 5/3) and may be amended only by the Illinois legislature. The City accounts for the plan as a pension trust fund.

As provided for in the Illinois Compiled Statutes, the Plan provides retirement benefits as well as death and disability benefits to employees grouped into two tiers. Tier 1 is for employees hired prior to January 1, 2011 and Tier 2 is for employees hired after that date. The following is a summary of the Police Pension Fund as provided for in Illinois Compiled Statutes.

Tier 1 - Covered employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of one half of the salary attached to the rank on the last day of service or for one year prior to the last day, whichever is greater. The pension shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least 8 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced retirement benefit. The monthly pension of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and paid upon reaching at least the age 55, by 3% of the original pension and 3% compounded annually thereafter.

Tier 2 - Covered employees attaining the age of 55 or more with 10 or more years of creditable service are entitled to receive a monthly pension of 2.5% of the final average salary for each year of creditable service. The salary is initially capped at \$106,800 but increases annually thereafter and is limited to 75% of final average salary. Employees with 10 or more years of creditable service may retire at or after age 50 and receive a reduced retirement benefit. The monthly pension of a police shall be increased annually on the January 1 occurring either on or after the attainment of age 60 or the first anniversary of the pension start date, whichever is later. Each annual increase shall be calculated at 3% or one-half the annual unadjusted percentage increase in the CPI, whichever is less.

Plan Membership

At April 30, 2024, the Police Pension membership consisted of:

Retirees and beneficiaries	50
Inactive, nonretired members	12
Active members	<u>38</u>
 Total	 <u><u>100</u></u>

Contributions

Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the plans as actuarially determined by an enrolled actuary. Effective January 1, 2011 the City's contributions must accumulate to the point where the past service cost for the Police Pension Plan is 90% funded by the year 2041. The City's actuarially determined contribution rate for the fiscal year ending April 30, 2024 was 85.34% of annual covered payroll.

Net Pension Liability/(Asset)

The net pension liability/(asset) was measured as of April 30, 2024 and the total pension liability used to calculate the net pension liability/(asset) was determined by an annual actuarial valuation as of that date.

Summary of Significant Accounting Policies

The financial statements of the Police Pension Plan are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which contributions are due. The City's contributions are recognized when due and a formal commitment to provide the contributions are made. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Plan investments are reported at fair value. Short-term investments are reported at cost, which approximated fair value. Investments that do not have an established market are reported at estimated fair values.

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation performed as of April 30, 2024 using the following actuarial methods and assumptions:

Actuarial cost method	Entry Age Normal
Asset valuation method	Fair Value
Actuarial assumptions:	
Interest rate	6.50%
Inflation	2.50%
Projected salary increases	Service Based
Cost-of-living adjustments	Tier 1: 3.00% Tier 2: 1.25%

Mortality rates for active lives, inactive lives, survivor lives and disabled lives were based on the Pub-2010 Employee Mortality Table with generational improvement Scale MP-2021. Ten percent of active deaths are assumed to be in the line of duty. The actuarial assumptions were based on the results of an actuarial experience study conducted by the Illinois Police Officers' Pension Investment Fund dated March 4, 2022.

Discount Rate

The discount rate used to measure the total pension liability for the Police Pension Plan was 6.50%, the same as the prior valuation. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

City of Lake Forest

Notes to Financial Statements
April 30, 2024

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the City calculated using the discount rate of 6.50% as well as what the net pension liability would be if it were to be calculated using a discount rate that is 1-percentage-point lower (5.50%) or 1-percentage-point higher (7.50%) than the current rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Total pension liability	\$ 95,364,771	\$ 83,392,192	\$ 73,677,662
Plan fiduciary net position	<u>47,981,628</u>	<u>47,981,628</u>	<u>47,981,628</u>
Net pension liability	<u>\$ 47,383,143</u>	<u>\$ 35,410,564</u>	<u>\$ 25,696,034</u>

Changes in Net Pension Liability/(Asset)

The City's changes in net pension liability/(asset) for the year ended April 30, 2024 was as follows:

	<u>Increase (Decrease)</u>		
	<u>Total Pension Liability (a)</u>	<u>Plan Fiduciary Net Position (b)</u>	<u>Net Pension Liability/Asset (a) - (b)</u>
Balances at April 30, 2023	\$ 79,134,271	\$ 43,451,138	\$ 35,683,133
Service cost	992,054	-	992,054
Interest on total pension liability	5,081,509	-	5,081,509
Differences between expected and actual experience of the total pension liability	2,082,874	-	2,082,874
Benefit payments, including refunds of employee contributions	(3,898,516)	(3,898,516)	-
Contributions, employer	-	3,703,402	(3,703,402)
Contributions, employee	-	501,413	(501,413)
Net investment income	-	4,272,819	(4,272,819)
Administration	-	(48,628)	48,628
Balances at April 30, 2024	<u>\$ 83,392,192</u>	<u>\$ 47,981,628</u>	<u>\$ 35,410,564</u>
Plan fiduciary net position as a percentage of the total pension liability			57.54 %

City of Lake Forest

Notes to Financial Statements
April 30, 2024

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

For the year ended April 30, 2024, the City recognized pension expense of \$3,895,131. The City reported deferred outflows and inflows of resources related to pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 2,711,288	\$ 180,425
Assumption changes	143,886	-
Net difference between projected and actual earnings on pension plan investments	<u>404,718</u>	<u>-</u>
Total	<u>\$ 3,259,892</u>	<u>\$ 180,425</u>

The amounts reported as deferred outflows and inflows of resources related to pensions is \$3,079,467 and will be recognized in pension expense as follows:

<u>Year Ending April 30,</u>	<u>Amount</u>
2025	\$ 502,437
2026	1,594,883
2027	853,597
2028	<u>128,550</u>
Total	<u>\$ 3,079,467</u>

Firefighters' Pension

Plan Description

Fire sworn personnel are covered by the Firefighters' Pension Plan, which is a defined benefit single-employer pension plan. Although this is a single employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois State Statutes (Chapter 40 ILCS 5/3) and may be amended only by the Illinois legislature. The City accounts for the plan as a pension trust fund.

As provided for in the Illinois Compiled Statutes, the Firefighters' Pension Plan provides retirement benefits as well as death and disability benefits to employees grouped into two tiers. Tier 1 is for employees hired prior to January 1, 2011 and Tier 2 is for employees hired after that date. The following is a summary of the Firefighters' Pension Plan as provided for in Illinois Compiled Statutes.

City of Lake Forest

Notes to Financial Statements
April 30, 2024

Tier 1 - Covered employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive a monthly retirement benefit of one half of the monthly salary attached to the rank held in the fire service at the date of retirement. The monthly pension shall be increased by one twelfth of 2.5% of such monthly salary for each additional month over 20 years of service through 30 years of service to a maximum of 75% of such monthly salary. Employees with at least 10 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced retirement benefit. The monthly pension of a firefighter who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and paid upon reaching at least the age 55, by 3% of the original pension and 3% compounded annually thereafter.

Tier 2 - Covered employees attaining the age of 55 or more with 10 or more years of creditable service are entitled to receive a monthly pension of 2.5% of the final average salary for each year of creditable service. The salary is initially capped at \$106,800 but increases annually thereafter and is limited to 75% of final average salary. Employees with 10 or more years of creditable service may retire at or after age 50 and receive a reduced retirement benefit. The monthly pension of a firefighter shall be increased annually on the January 1 occurring either on or after the attainment of age 60 or the first anniversary of the pension start date, whichever is later. Each annual increase shall be calculated at 3% or one-half the annual unadjusted percentage increase in the CPI, whichever is less.

Plan Membership

At April 30, 2024, the Firefighters' Pension Plan membership consisted of:

Retirees and beneficiaries	47
Inactive, nonretired members	3
Active members	<u>34</u>
Total	<u><u>84</u></u>

Contributions

Participants contribute a fixed percentage of their base salary to the plans. At April 30, 2024, the contribution percentage was 9.455%. If a participant leaves covered employment with less than 20 years of service, accumulated participant contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the plans as actuarially determined by an enrolled actuary. Effective January 1, 2011 the City's contributions must accumulate to the point where the past service cost for the Firefighters' Pension Plan is 90% funded by the year 2040. The City's actuarially determined contribution rate for the fiscal year ending April 30, 2024 was 66.94% of annual covered payroll.

Net Pension Liability/(Asset)

The net pension liability/(asset) was measured as of April 30, 2024 and the total pension liability used to calculate the net pension liability/(asset) was determined by an annual actuarial valuation as of that date.

Summary of Significant Accounting Policies

The financial statements of the Firefighters' Pension Plan are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which contributions are due. The City's contributions are recognized when due and a formal commitment to provide the contributions are made. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Plan investments are reported at fair value. Short-term investments are reported at cost, which approximated fair value. Investments that do not have an established market are reported at estimated fair values.

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation performed as of April 30, 2024 using the following actuarial methods and assumptions:

Actuarial cost method	Entry Age
Asset valuation method	5-year average Fair Value
Actuarial assumptions:	
Interest rate	6.50%
Inflation	2.25%
Projected salary increases	Service based
Cost-of-living adjustments	Tier 1: 3.00% Tier 2: 1.25%

Mortality rates for active lives, inactive lives, survivor lives and disabled lives were based on the Pub-2010 Employee Mortality Table with generational improvement Scale MP-2021. Twenty percent of active deaths are assumed to be in the line of duty. The actuarial assumptions were based on the results of an actuarial experience study conducted by the Illinois Firefighters' Pension Investment Fund dated December 1, 2021.

Discount Rate

The discount rate used to measure the total pension liability for the Firefighters' Pension Plan was 6.50%, the same as the prior valuation. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

City of Lake Forest

Notes to Financial Statements
April 30, 2024

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the City calculated using the discount rate of 6.50% as well as what the net pension liability would be if it were to be calculated using a discount rate that is 1-percentage-point lower (5.50%) or 1-percentage-point higher (7.50%) than the current rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Total pension liability	\$ 82,556,609	\$ 72,447,677	\$ 64,198,571
Plan fiduciary net position	<u>51,232,159</u>	<u>51,232,159</u>	<u>51,232,159</u>
Net pension liability	<u>\$ 31,324,450</u>	<u>\$ 21,215,518</u>	<u>\$ 12,966,412</u>

Changes in Net Pension Liability/(Asset)

The City's changes in net pension liability/(asset) for the year ended April 30, 2024 was as follows:

	<u>Increase (Decrease)</u>		
	<u>Total Pension Liability (a)</u>	<u>Plan Fiduciary Net Position (b)</u>	<u>Net Pension Liability/Asset (a) - (b)</u>
Balances at April 30, 2023	\$ 69,539,760	\$ 46,676,363	\$ 22,863,397
Service cost	1,002,124	-	1,002,124
Interest on total pension liability	4,476,098	-	4,476,098
Differences between expected and actual experience of the total pension liability	787,367	-	787,367
Benefit payments, including refunds of employee contributions	(3,357,672)	(3,357,672)	-
Contributions, employer	-	2,594,392	(2,594,392)
Contributions, employee	-	405,970	(405,970)
Net investment income	-	4,958,868	(4,958,868)
Administration	-	(45,762)	45,762
Balances at April 30, 2024	<u>\$ 72,447,677</u>	<u>\$ 51,232,159</u>	<u>\$ 21,215,518</u>

Plan fiduciary net position as a percentage of the total pension liability

70.72 %

City of Lake Forest

Notes to Financial Statements
April 30, 2024

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

For the year ended April 30, 2024, the City recognized pension expense of \$3,597,945. The City reported deferred outflows and inflows of resources related to pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 1,712,696	\$ -
Assumption changes	737,881	-
Net difference between projected and actual earnings on pension plan investments	<u>782,844</u>	<u>-</u>
Total	<u>\$ 3,233,421</u>	<u>\$ -</u>

The amounts reported as deferred outflows and inflows of resources related to pensions is \$3,233,421 and will be recognized in pension expense as follows:

<u>Year Ending April 30,</u>	<u>Amount</u>
2025	\$ 635,488
2026	1,947,995
2027	605,806
2028	(87,095)
2029	<u>131,227</u>
Total	<u>\$ 3,233,421</u>

City of Lake Forest

Notes to Financial Statements
April 30, 2024

Pension Segment Information

Fiduciary Net Position

	Pension Trust		Total
	Police Pension	Firefighters' Pension	
Assets			
Cash	\$ 53,178	\$ 84,592	\$ 137,770
Money markets	-	295,001	295,001
Investments:			
Illinois police officers' pension investment fund	47,880,128	-	47,880,128
Illinois firefighters' pension investment fund	-	50,823,365	50,823,365
Prepaid items	1,820	5,626	7,446
Due from primary government	47,662	27,014	74,676
	<u>47,982,788</u>	<u>51,235,598</u>	<u>99,218,386</u>
Liabilities			
Accounts payable	<u>1,160</u>	<u>3,439</u>	<u>4,599</u>
	<u>1,160</u>	<u>3,439</u>	<u>4,599</u>
Restricted for pension benefits	<u>\$ 47,981,628</u>	<u>\$ 51,232,159</u>	<u>\$ 99,213,787</u>

City of Lake Forest

Notes to Financial Statements
April 30, 2024

Changes in Plan Net Position

	Pension Trust		Total
	Police Pension	Firefighters' Pension	
Additions			
Contributions:			
Employer	\$ 3,703,402	\$ 2,594,392	\$ 6,297,794
Employee	501,413	405,970	907,383
Total contributions	<u>4,204,815</u>	<u>3,000,362</u>	<u>7,205,177</u>
Investment income:			
Interest	298,182	955,472	1,253,654
Net appreciation in fair value of investments	<u>3,999,709</u>	<u>4,043,424</u>	<u>8,043,133</u>
Total investment income	4,297,891	4,998,896	9,296,787
Less investment expense	<u>(25,325)</u>	<u>(54,842)</u>	<u>(80,167)</u>
Net investment income	4,272,566	4,944,054	9,216,620
Miscellaneous	<u>253</u>	<u>14,814</u>	<u>15,067</u>
Total additions	<u>8,477,634</u>	<u>7,959,230</u>	<u>16,436,864</u>
Deductions			
Pension benefits and refunds	3,898,516	3,357,672	7,256,188
Other administrative expenses	<u>48,628</u>	<u>45,762</u>	<u>94,390</u>
Total deductions	<u>3,947,144</u>	<u>3,403,434</u>	<u>7,350,578</u>
Change in net position	4,530,490	4,555,796	9,086,286
Net Position, Beginning	<u>43,451,138</u>	<u>46,676,363</u>	<u>90,127,501</u>
Net Position, Ending	<u>\$ 47,981,628</u>	<u>\$ 51,232,159</u>	<u>\$ 99,213,787</u>

Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to or destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City accounts for its risk of loss in the Liability Insurance Fund through payments to the Intergovernmental Risk Management Agency.

The City has also purchased insurance from private insurance companies. For insured programs, there have been no significant reductions in insurance coverage. For all programs, settlement amounts have not exceeded insurance coverage for the current or three prior years.

City of Lake Forest

Notes to Financial Statements
April 30, 2024

Public Entity Risk Pool

IRMA

The City participates in the Intergovernmental Risk Management Agency (IRMA). IRMA is an organization of municipalities and special districts in Northeastern Illinois that have formed an association under the Illinois Intergovernmental Co-operations Statute to pool their risk management needs. The agency administers a mix of self-insurance and commercial insurance coverages; property/casualty and workers' compensation claim administration/litigation management services; cyber liability insurance; unemployment claim administration; extensive risk management/loss control consulting and training programs; and a risk information system and financial reporting service for its members.

The City's payments to IRMA are displayed on the financial statements as expenditures/expenses in appropriate funds. Each member assumes the first \$25,000 of each occurrence and IRMA has a mix of self-insurance and commercial insurance at various amounts above that level.

Each member appoints one delegate, along with an alternate delegate, to represent the member on the Board of Directors. The City does not exercise any control over the activities of IRMA beyond its representation on the Board of Directors.

Initial contributions are determined each year based on the individual member's eligible revenue as defined in the bylaws of IRMA and experience modification factors based on past member loss experience. Members have a contractual obligation to fund any deficit of IRMA attributable to any membership year during which they were a member. Supplemental contributions may be required to fund these deficits.

	<u>Beginning of Fiscal Year Liability</u>	<u>Claims and Changes in Estimates</u>	<u>Claim Payments</u>	<u>End of Fiscal Year Liability</u>
2022-2023	\$ 215,389	\$ 343,970	\$ 352,680	\$ 206,679
2023-2024	206,679	374,904	370,557	211,026

City of Lake Forest Medical and Dental Plan

The City established the City of Lake Forest Medical and Dental Plan, a self-insurance plan providing health insurance for all employees of the City, effective January 1, 2000. Administration of the Plan is provided by Professional Benefit Administrators, Inc. (an outside agency). Liabilities are reported when it is probable that a loss has been incurred and the amount of the loss can be reasonably estimated. An excess coverage insurance policy covers total claims in excess of \$100,000 per participant in a plan year. Liabilities include all amounts for claims, including incremental costs that have been incurred but not reported (IBNR) and are reported in the Self Insurance Fund (internal service fund). The City has not had significant reductions in insurance coverage in any of the last three years.

Changes in the balances of claims liabilities for the years ended April 30, 2024 and 2023 are as follows:

	<u>Beginning of Fiscal Year Liability</u>	<u>Changes in Estimates</u>	<u>Claim Payments</u>	<u>End of Fiscal Year Liability</u>
2022-2023	\$ 839,378	\$ 5,424,344	\$ 5,837,093	\$ 426,629
2023-2024	426,629	6,181,712	5,820,919	787,422

Joint Ventures

Solid Waste Agency of Lake County

The City of Lake Forest and 41 other municipalities jointly operate the Solid Waste Agency of Lake County, which is called the Solid Waste Agency of Lake County (the Agency). The purpose of the Agency is to implement a regional approach to solid waste management which addresses the economic, political and environmental issues in Lake County.

The Agency is governed by a Board of Directors consisting of one official elected by each member. Each director has one vote. The governing body has authority to adopt its own budget and control the financial affairs of the the Agency. The Executive Committee of the Agency consists of nine members of the Board of Directors elected by the Board. Each member is entitled to one vote on the committee. The Executive Committee may take any action not specifically reserved on the Board of Directors by the Act, the Agency agreement or the by-laws.

To obtain the Agency's financial statements, contact the Solid Waste Agency of Lake County, Illinois at 1311 N. Estes Street, Gurnee Illinois 60031

The City does not have an equity interest in the Agency.

Northern Suburban Special Recreation Association

The City is a member of the Northern Suburban Special Recreation Association (NSSRA), which was organized by ten organizations in order to provide special recreation programs for residents with physical and intellectual disabilities within their districts and to share the expenses of such programs on a cooperative basis. Each member's 1999 contribution was determined based upon the ratio of the members' assessed valuations.

The NSSRA is governed by a Board of Directors which consists of one representative from each participating organization. Each Director has an equal vote. The representatives of NSSRA are appointed by the Board of Directors. The Board of Directors is the governing body of the NSSRA and is responsible for establishing all major policies and changes therein and for approving all budgets, capital outlay, programming and master plans.

The City does not have an equity interest in NSSRA although there does exist a residual interest in NSSRA's assets upon dissolution of the joint venture. The City has an ongoing financial responsibility for its share of the NSSRA's liabilities. Each participant is liable for their share of any of the NSSRA contracts entered into while bound by the intergovernmental agreement until those contracts are paid off.

To obtain NSSRA's financial statements, contact Northern Suburban Special Recreation Association at 3105 MacArthur Blvd., Northbrook, Illinois 60062.

City of Lake Forest

Notes to Financial Statements
April 30, 2024

Other Postemployment Benefits

General Information about the OPEB Plan

Plan Description

The City's defined benefit OPEB plan, City Plan, and the Library's defined benefit OPEB plan, Library Plan, provide insurance coverage for eligible retirees and their dependents through the City's and Library's group health insurance plans, which covers both active employees and retired members participating in the plan at blended rates.

The City and Library Plans, which are single-employer plans, are funded on a pay-as-you-go basis and no assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Benefits Provided

The City Plan provides healthcare and dental coverage for retirees and their dependents. Non-PSEBA employees before the age of 65 may remain on the City's insurance plan and pay the full cost of coverage. Dependent coverage may continue under COBRA should the Retiree coverage terminate. For PSEBA employees, the City will pay the full cost of coverage prior to the age of 65. Eligible dependent coverage may continue with the City paying full cost of coverage should Retiree coverage terminate due to death until the dependent reaches Medicare eligibility or in the case of an underage dependent, until the maximum age of 26 is reached. Once a retiree turns 65, they may elect a separate policy that is not administered by the City.

The Library Plan provides healthcare and dental coverage for retirees and their dependents. Employees before the age of 65 may remain on the Library's insurance plan and pay the full cost of coverage. Dependent coverage may continue under COBRA should the Retiree coverage terminate. Once a retiree turns 65, they may elect a separate policy that is not administered by the Library.

Employees Covered by Benefit Terms

At April 30, 2024, the following employees were covered by the benefit terms:

	<u>City</u>	<u>Library</u>
Inactive plan members or beneficiaries currently receiving benefit payments	23	3
Active plan members	<u>201</u>	<u>19</u>
Total	<u><u>224</u></u>	<u><u>22</u></u>

Total OPEB Liability

The City's total OPEB liability of \$1,853,004 was measured as of April 30, 2024 and was determined by an actuarial valuation as of that date. The Library's total OPEB liability of \$44,845 was measured as of April 30, 2024 and was determined by an actuarial valuation as of that date.

City of Lake Forest

Notes to Financial Statements
April 30, 2024

Actuarial Assumptions and Other Inputs

For both the City and Library, the total OPEB liability in the April 30, 2024 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.25%
Salary increases	3.00%
Healthcare cost trend rates	10.00% - 5.00% for Medical, 4.00% for dental
Retirees' share of benefit-related costs	100%

The discount rate was based on Bond Buyer 20-Bond G.O. Index.

Mortality rates were based on the PubG-2010(B) Improved Generationally using MP-2020 Improvement Rates, weighted per IMRF Experience Study Report dated December 14, 2020, for IMRF members. For police and fire members, mortality rates were based on the PubS-2010(A) Study improved to 2017 using MP-2019 improvement rates.

The actuarial assumptions used in the April 30, 2024 valuation were based on the results of an actuarial experience study dated December 14, 2020.

Changes in the Total OPEB Liability

	<u>City- Total OPEB Liability</u>	<u>Library- Total OPEB Liability</u>
Balances at April 30, 2023	\$ 1,858,813	\$ 71,473
Changes for the year:		
Service cost	142,209	1,349
Interest	62,827	1,999
Changes in assumptions or other inputs	(52,806)	(252)
Benefit payments	<u>(158,039)</u>	<u>(29,724)</u>
Net changes	<u>(5,809)</u>	<u>(26,628)</u>
Balances at April 30, 2024	<u>\$ 1,853,004</u>	<u>\$ 44,845</u>

Changes of assumptions and other inputs reflect a change in the discount rate from 3.53% in 2023 to 4.07% in 2024 for both the City and the Library.

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

The following presents the total OPEB liability of the City and the Library, as well as what the total OPEB liability would be for each if it were calculated using a discount rate that is 1-percentage-point lower (3.07%) or 1-percentage-point higher (5.07%) than the current discount rate:

	<u>1% Decrease</u>	<u>Discount Rate</u>	<u>1% Increase</u>
Total OPEB liability, City	\$ 1,950,981	\$ 1,853,004	\$ 1,756,832
Total OPEB liability, Library	\$ 45,308	\$ 44,845	\$ 44,380

City of Lake Forest

Notes to Financial Statements
April 30, 2024

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the City and the Library, as well as what the total OPEB liability would be for each if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (9.0% decreasing to 4.0%) or 1-percentage-point higher (11.0% decreasing to 6.0%) than the current healthcare cost trend rates:

	<u>1% Decrease</u>	<u>Healthcare Cost Trend Rates</u>	<u>1% Increase</u>
Total OPEB liability, City	\$ 1,656,497	\$ 1,853,004	\$ 2,084,649
Total OPEB liability, Library	\$ 43,284	\$ 44,845	\$ 46,558

OPEB Expense/(Income) and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended April 30, 2024, the City recognized OPEB expense/(income) of \$154,370. At April 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 591,547
Changes of assumptions or other inputs	219,807	183,024
Total	<u>\$ 219,807</u>	<u>\$ 774,571</u>

For the year ended April 30, 2024, the Library recognized OPEB expense/(income) of \$(2,871). At April 30, 2024, the Library reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 28,622
Changes of assumptions or other inputs	4,783	3,453
Total	<u>\$ 4,783</u>	<u>\$ 32,075</u>

City of Lake Forest

Notes to Financial Statements
April 30, 2024

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

Years Ended April 30:	City	Library
2025	\$ (50,666)	\$ (6,219)
2026	(50,666)	(6,219)
2027	(50,666)	(4,234)
2028	(50,666)	(2,299)
2029	(50,666)	(2,458)
Thereafter	<u>(301,434)</u>	<u>(5,863)</u>
Total	<u>\$ (554,764)</u>	<u>\$ (27,292)</u>

Subsequent Event

City Council approved the purchase of the building and property at 1925 Field Court on July 15, 2024 for a purchase price of \$3,500,000. The approval anticipates the adaptive reuse of the building as a new City of Lake Forest Police Facility. Requests for Proposals will be issued in Fiscal Year 2025 for architectural and design services, preparation of construction plans and consideration of the approval of the build out of the space and related financing.

Laurel and Western Tax Increment Financing (TIF) District

The City approved the Laurel and Western TIF in January 2015. The TIF district is comprised of 10.6 acres. The City acquired the single parcel not previously owned by the City and prepared the site for a mix of housing options. Demolition of the seven structures was completed in preparation for the development of the site. The City entered into a Property Purchase Agreement with Focus Acquisition Company LLC for the sale and redevelopment of all the developable land within the district. Following environmental remediation and site preparation required by the City, as well as the completion of contingency and inspection periods under the agreement, the sale of the property was closed in September 2016. The purchase price of the City property was \$12 million, consisting of \$5.625 million paid to the City at closing and a TIF Note of \$6.375 million executed between the City and the developer. The TIF Note was subsequently assigned by the developer to the City to allow repayment of the note from future TIF increment. As of April 30, 2024, the City received \$3,028,942 in TIF increment property tax revenue. Because the TIF Note does not meet the definition of an asset pursuant to GASB Concept Statement 4 as of the financial statement date, the Note receivable has not been reported on the City's financial statements. Revenue will be recognized as payments on the TIF Note are made. The initial TIF Note payment was made in FY22. Payments of \$2,404,494 have been made on the TIF Note as of April 30, 2024.

A redevelopment agreement between the City and developer was also executed in September 2016. As of April 30, 2024, the City has received the development fees of \$2,368,712 (FY17), as well as a payment in lieu of affordable housing in the amount of \$650,000 (FY18). As of April 30 2024, construction of the three apartment buildings is complete and the buildings are fully occupied with a normal rate of turnover as leases expire. The first of two condominiums is complete with all twenty-four (24) condominiums sold. Construction of the second condominium building is underway and the majority of the 12 units are under contract pending completion of the building. The interiors of the units will all be custom build outs. Ten single family homes are completed, have been sold by the developer to private owners and are occupied. The final two single family homes are under construction with completion anticipated by Spring 2025. This work will complete the buildout of the development.

Effect of New Accounting Standards on Current-Period Financial Statements

The Governmental Accounting Standards Board (GASB) has approved the following:

- Statement No. 100, *Accounting Changes and Error Corrections an amendment of GASB Statement No. 62*
- Statement No. 101, *Compensated Absences*
- Statement No. 102, *Certain Risk Disclosures*
- Statement No. 103, *Financial Reporting Model Improvements*

When they become effective, application of these standards may restate portions of these financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

City of Lake Forest

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -
 General Fund
 Year Ended April 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes:				
Property	\$ 22,378,099	\$ 22,378,099	\$ 22,443,397	\$ 65,298
Other taxes	2,832,866	2,832,866	2,836,994	4,128
Intergovernmental	7,127,634	7,127,634	8,514,925	1,387,291
Licenses and permits	3,799,412	3,799,412	5,145,944	1,346,532
Fines, forfeitures and penalties	255,450	255,450	249,043	(6,407)
Charges for services	4,792,217	4,792,217	5,229,343	437,126
Grants and contributions	-	-	29,311	29,311
Investment income	500,045	500,045	2,110,387	1,610,342
Miscellaneous revenues	1,293,323	1,293,323	1,464,998	171,675
	<u>42,979,046</u>	<u>42,979,046</u>	<u>48,024,342</u>	<u>5,045,296</u>
Total revenues				
Expenditures				
General government	12,822,504	13,462,478	12,344,137	1,118,341
Highways and streets	3,352,745	3,473,773	3,149,494	324,279
Sanitation	2,818,307	2,822,557	3,007,715	(185,158)
Public safety	20,605,422	20,782,743	20,567,848	214,895
Capital outlay	200,000	200,000	161,416	38,584
Contingency	4,219,008	4,219,008	-	4,219,008
	<u>44,017,986</u>	<u>44,960,559</u>	<u>39,230,610</u>	<u>5,729,949</u>
Total expenditures				
Excess (deficiency) of revenues over (under) expenditures	<u>(1,038,940)</u>	<u>(1,981,513)</u>	<u>8,793,732</u>	<u>10,775,245</u>
Other Financing Sources (Uses)				
Transfers out	<u>(2,230,910)</u>	<u>(2,207,703)</u>	<u>(6,608,782)</u>	<u>(4,401,079)</u>
Total other financing sources (uses)	<u>(2,230,910)</u>	<u>(2,207,703)</u>	<u>(6,608,782)</u>	<u>(4,401,079)</u>
Net change in fund balance	<u><u>\$ (3,269,850)</u></u>	<u><u>\$ (4,189,216)</u></u>	<u>2,184,950</u>	<u><u>\$ 6,374,166</u></u>
Fund Balance, Beginning			<u>31,356,906</u>	
Fund Balance, Ending			<u><u>\$ 33,541,856</u></u>	

See notes to required supplementary information

City of Lake Forest

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -
Parks and Recreation Fund
Year Ended April 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Property taxes	\$ 6,876,495	\$ 6,876,495	\$ 6,901,073	\$ 24,578
Intergovernmental	80,000	80,000	89,941	9,941
Charges for services	3,123,063	3,123,063	3,327,314	204,251
Grants and contributions	65,000	65,000	148,959	83,959
Investment income	70,000	70,000	260,512	190,512
Miscellaneous revenues	<u>30,500</u>	<u>30,500</u>	<u>20,079</u>	<u>(10,421)</u>
Total revenues	<u>10,245,058</u>	<u>10,245,058</u>	<u>10,747,878</u>	<u>502,820</u>
Expenditures				
Current:				
Culture and recreation	9,792,704	9,859,670	9,525,320	334,350
Capital outlay	298,709	612,367	403,925	208,442
Contingency	<u>1,063,204</u>	<u>1,063,204</u>	<u>-</u>	<u>1,063,204</u>
Total expenditures	<u>11,154,617</u>	<u>11,535,241</u>	<u>9,929,245</u>	<u>1,605,996</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(909,559)</u>	<u>(1,290,183)</u>	<u>818,633</u>	<u>2,108,816</u>
Other Financing Sources (Uses)				
Transfers in	-	-	24,798	24,798
Transfers out	<u>(160,000)</u>	<u>(160,000)</u>	<u>(74,832)</u>	<u>85,168</u>
Total other financing sources (uses)	<u>(160,000)</u>	<u>(160,000)</u>	<u>(50,034)</u>	<u>109,966</u>
Net change in fund balance	<u><u>\$ (1,069,559)</u></u>	<u><u>\$ (1,450,183)</u></u>	<u>768,599</u>	<u><u>\$ 2,218,782</u></u>
Fund Balance, Beginning			<u>2,375,334</u>	
Fund Balance, Ending			<u><u>\$ 3,143,933</u></u>	

City of Lake Forest

Illinois Municipal Retirement Fund
 Schedule of Changes in the City's Net Pension Liability/(Asset) and Related Ratios
 Past Nine Fiscal Years

	2016			2017			2018		
	City	Library	Total	City	Library	Total	City	Library	Total
Total Pension Liability									
Service cost	\$ 1,549,831	\$ 208,143	\$ 1,757,974	\$ 1,315,386	\$ 160,837	\$ 1,476,223	\$ 1,230,871	\$ 146,913	\$ 1,377,784
Interest on total pension liability	7,086,670	951,742	8,038,412	6,584,652	668,406	7,253,058	6,690,906	767,094	7,458,000
Differences between expected and actual experience of the total pension liability	796,382	106,954	903,336	(689,342)	(84,288)	(773,630)	79,717	9,515	89,232
Changes of assumptions	103,436	13,891	117,327	(209,390)	(25,603)	(234,993)	(2,740,693)	(327,120)	(3,067,813)
Transfer of liability	(13,798,877)	(1,853,193)	(15,652,070)	-	-	-	-	-	-
Benefit payments, including refunds of member contributions	(4,968,065)	(667,212)	(5,635,277)	(4,566,385)	(558,348)	(5,124,733)	(4,708,228)	(561,958)	(5,270,186)
Net change in total pension liability	(9,230,623)	(1,239,675)	(10,470,298)	2,434,921	161,004	2,595,925	552,573	34,444	587,017
Total Pension Liability, Beginning	96,324,203	12,936,367	109,260,570	87,093,580	11,696,692	98,790,272	89,528,501	11,857,696	101,386,197
Total Pension Liability, Ending (a)	\$ 87,093,580	\$ 11,696,692	\$ 98,790,272	\$ 89,528,501	\$ 11,857,696	\$ 101,386,197	\$ 90,081,074	\$ 11,892,140	\$ 101,973,214
Plan Fiduciary Net Position									
Employer contributions	\$ 1,757,095	\$ 235,978	\$ 1,993,073	\$ 1,494,964	\$ 182,795	\$ 1,677,759	\$ 1,485,109	\$ 177,258	\$ 1,662,367
Employee contributions	664,444	89,235	753,679	558,977	68,348	627,325	532,665	63,577	596,242
Net investment income	442,808	59,469	502,277	5,250,256	641,968	5,892,224	14,307,003	1,707,636	16,014,639
Benefit payments, including refunds of member contributions	(4,968,065)	(667,212)	(5,635,277)	(4,566,385)	(558,348)	(5,124,733)	(4,708,228)	(561,958)	(5,270,186)
Other (net transfer)	(12,005,830)	(1,612,386)	(13,618,216)	262,841	32,138	294,979	(1,329,766)	(158,716)	(1,488,482)
Net change in plan fiduciary net position	(14,109,548)	(1,894,916)	(16,004,464)	3,000,653	366,901	3,367,554	10,286,783	1,227,797	11,514,580
Plan Fiduciary Net Position, Beginning	89,834,842	12,064,844	101,899,686	75,725,294	10,169,928	85,895,222	78,725,947	10,536,829	89,262,776
Plan Fiduciary Net Position, Ending (b)	\$ 75,725,294	\$ 10,169,928	\$ 85,895,222	\$ 78,725,947	\$ 10,536,829	\$ 89,262,776	\$ 89,012,730	\$ 11,764,626	\$ 100,777,356
Employer's Net Pension Liability, Ending (a) - (b)	\$ 11,368,286	\$ 1,526,764	\$ 12,895,050	\$ 10,802,554	\$ 1,320,867	\$ 12,123,421	\$ 1,068,344	\$ 127,514	\$ 1,195,858
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability			86.95%			88.04%			98.83%
Covered payroll			\$ 13,391,112			\$ 13,135,941			\$ 13,224,884
Employer's Net Pension Liability as a Percentage of Covered Payroll			96.30%			92.29%			9.04%

Notes to Schedule:

The City implemented GASB Statement No. 68 in fiscal year 2016. Information prior to fiscal year 2016 is not available.

See notes to required supplementary information

City of Lake Forest

Illinois Municipal Retirement Fund
 Schedule of Changes in the City's Net Pension Liability/(Asset) and Related Ratios
 Past Nine Fiscal Years

	2019			2020			2021		
	City	Library	Total	City	Library	Total	City	Library	Total
Total Pension Liability									
Service cost	\$ 1,162,585	\$ 120,326	\$ 1,282,911	\$ 1,244,941	\$ 134,702	\$ 1,379,643	\$ 1,268,902	\$ 131,502	\$ 1,400,404
Interest on total pension liability	6,788,684	702,616	7,491,300	6,990,156	756,331	7,746,487	7,326,612	759,293	8,085,905
Differences between expected and actual experience of the total pension liability	819,901	84,858	904,759	1,465,195	158,533	1,623,728	(786,697)	(81,529)	(868,226)
Changes of assumptions	2,657,676	258,123	2,915,799	(58,022)	58,022	-	(783,863)	(103,244)	(887,107)
Transfer of liability	-	-	-	-	-	-	-	-	-
Benefit payments, including refunds of member contributions	(4,949,110)	(512,224)	(5,461,334)	(5,321,027)	(575,732)	(5,896,759)	(5,672,563)	(587,876)	(6,260,439)
Net change in total pension liability	6,479,736	653,699	7,133,435	4,321,243	531,856	4,853,099	1,352,391	118,146	1,470,537
Total Pension Liability, Beginning	90,081,074	11,892,140	101,973,214	96,560,810	12,545,839	109,106,649	100,882,053	13,077,695	113,959,748
Total Pension Liability, Ending (a)	<u>\$ 96,560,810</u>	<u>\$ 12,545,839</u>	<u>\$ 109,106,649</u>	<u>\$ 100,882,053</u>	<u>\$ 13,077,695</u>	<u>\$ 113,959,748</u>	<u>\$ 102,234,444</u>	<u>\$ 13,195,841</u>	<u>\$ 115,430,285</u>
Plan Fiduciary Net Position									
Employer contributions	\$ 1,535,144	\$ 158,885	\$ 1,694,029	\$ 1,224,123	\$ 132,449	\$ 1,356,572	\$ 1,525,544	\$ 158,100	\$ 1,683,644
Employee contributions	557,075	57,656	614,731	575,110	62,227	637,337	610,488	63,268	673,756
Net investment income	(5,144,778)	(532,475)	(5,677,253)	16,063,705	1,738,084	17,801,789	14,246,702	1,476,456	15,723,158
Benefit payments, including refunds of member contributions	(4,949,110)	(512,224)	(5,461,334)	(5,321,027)	(575,732)	(5,896,759)	(5,672,563)	(587,876)	(6,260,439)
Other (net transfer)	1,872,470	193,797	2,066,267	635,098	68,717	703,815	(182,338)	(18,898)	(201,236)
Net change in plan fiduciary net position	(6,129,199)	(634,361)	(6,763,560)	13,177,009	1,425,745	14,602,754	10,527,833	1,091,050	11,618,883
Plan Fiduciary Net Position, Beginning	89,012,730	11,764,626	100,777,356	82,883,531	11,130,265	94,013,796	96,060,540	12,556,010	108,616,550
Plan Fiduciary Net Position, Ending (b)	<u>\$ 82,883,531</u>	<u>\$ 11,130,265</u>	<u>\$ 94,013,796</u>	<u>\$ 96,060,540</u>	<u>\$ 12,556,010</u>	<u>\$ 108,616,550</u>	<u>\$ 106,588,373</u>	<u>\$ 13,647,060</u>	<u>\$ 120,235,433</u>
Employer's Net Pension Liability, Ending (a) - (b)	<u>\$ 13,677,279</u>	<u>\$ 1,415,574</u>	<u>\$ 15,092,853</u>	<u>\$ 4,821,513</u>	<u>\$ 521,685</u>	<u>\$ 5,343,198</u>	<u>\$ (4,353,929)</u>	<u>\$ (451,219)</u>	<u>\$ (4,805,148)</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability			86.17%			95.31%			104.16%
Covered Payroll			\$ 13,522,211			\$ 14,163,049			\$ 14,122,896
Employer's Net Pension Liability as a Percentage of Covered Payroll			111.62%			37.73%			-34.02%

Notes to Schedule:

The City implemented GASB Statement No. 68 in fiscal year 2016. Information prior to fiscal year 2016 is not available.

See notes to required supplementary information

City of Lake Forest

Illinois Municipal Retirement Fund
 Schedule of Changes in the City's Net Pension Liability/(Asset) and Related Ratios
 Past Nine Fiscal Years

	2022			2023			2024		
	City	Library	Total	City	Library	Total	City	Library	Total
Total Pension Liability									
Service cost	\$ 1,192,260	\$ 119,044	\$ 1,311,304	\$ 1,235,060	\$ 122,800	\$ 1,357,860	\$ 1,250,172	\$ 125,783	\$ 1,375,955
Interest on total pension liability	7,443,020	743,169	8,186,189	7,784,121	773,964	8,558,085	8,053,655	810,296	8,863,951
Differences between expected and actual experience of the total pension liability	2,050,858	204,773	2,255,631	1,265,540	125,831	1,391,371	1,307,053	131,505	1,438,558
Changes of assumptions	(14,992)	14,992	-	(5,642)	5,642	-	(78,758)	3,413	(75,345)
Transfer of liability	-	-	-	-	-	-	-	-	-
Benefit payments, including refunds of member contributions	(5,769,875)	(576,108)	(6,345,983)	(6,319,285)	(628,318)	(6,947,603)	(6,584,917)	(662,523)	(7,247,440)
Net change in total pension liability	4,901,271	505,870	5,407,141	3,959,794	399,919	4,359,713	3,947,205	408,474	4,355,679
Total Pension Liability, Beginning	102,234,444	13,195,841	115,430,285	107,135,715	13,701,711	120,837,426	111,095,509	14,101,630	125,197,139
Total Pension Liability, Ending (a)	<u>\$ 107,135,715</u>	<u>\$ 13,701,711</u>	<u>\$ 120,837,426</u>	<u>\$ 111,095,509</u>	<u>\$ 14,101,630</u>	<u>\$ 125,197,139</u>	<u>\$ 115,042,714</u>	<u>\$ 14,510,104</u>	<u>\$ 129,552,818</u>
Plan Fiduciary Net Position									
Employer contributions	\$ 1,553,376	\$ 155,101	\$ 1,708,477	\$ 1,161,723	\$ 115,509	\$ 1,277,232	\$ 867,326	\$ 87,264	\$ 954,590
Employee contributions	645,521	64,454	709,975	638,230	63,458	701,688	691,991	69,623	761,614
Net investment income	18,659,240	1,863,080	20,522,320	(16,214,595)	(1,612,194)	(17,826,789)	11,647,328	1,171,862	12,819,190
Benefit payments, including refunds of member contributions	(5,769,875)	(576,108)	(6,345,983)	(6,319,285)	(628,318)	(6,947,603)	(6,584,917)	(662,523)	(7,247,440)
Other (net transfer)	260,999	26,060	287,059	312,986	31,120	344,106	2,706,641	272,321	2,978,962
Net change in plan fiduciary net position	15,349,261	1,532,587	16,881,848	(20,420,941)	(2,030,425)	(22,451,366)	9,328,369	938,547	10,266,916
Plan Fiduciary Net Position, Beginning	106,588,373	13,647,060	120,235,433	121,937,634	15,179,647	137,117,281	101,516,693	13,149,222	114,665,915
Plan Fiduciary Net Position, Ending (b)	<u>\$ 121,937,634</u>	<u>\$ 15,179,647</u>	<u>\$ 137,117,281</u>	<u>\$ 101,516,693</u>	<u>\$ 13,149,222</u>	<u>\$ 114,665,915</u>	<u>\$ 110,845,062</u>	<u>\$ 14,087,769</u>	<u>\$ 124,932,831</u>
Employer's Net Pension Liability, Ending (a) - (b)	<u>\$ (14,801,919)</u>	<u>\$ (1,477,936)</u>	<u>\$ (16,279,855)</u>	<u>\$ 9,578,816</u>	<u>\$ 952,408</u>	<u>\$ 10,531,224</u>	<u>\$ 4,197,652</u>	<u>\$ 422,335</u>	<u>\$ 4,619,987</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability			113.47%			91.59%			96.43%
Covered Payroll			14,653,276			15,204,138			16,234,531
Employer's Net Pension Liability as a Percentage of Covered Payroll			-111.10%			69.27%			28.46%

Notes to Schedule:

The City implemented GASB Statement No. 68 in fiscal year 2016. Information prior to fiscal year 2016 is not available.

See notes to required supplementary information

City of Lake Forest

Illinois Municipal Retirement Fund
 Schedule of Employer Contributions
 Past Nine Fiscal Years

	2024			2023			2022			2021		
	City	Library	Total	City	Library	Total	City	Library	Total	City	Library	Total
Actuarially determined contribution	\$ 867,326	\$ 87,264	\$ 954,590	\$ 1,161,647	115,501	\$ 1,277,148	\$ 1,553,462	\$ 155,110	\$ 1,708,572	\$ 1,525,367	\$ 158,082	\$ 1,683,449
Contributions in relation to the actuarially determined contribution	(867,326)	(87,264)	(954,590)	(1,161,723)	(115,509)	(1,277,232)	(1,553,376)	(155,101)	(1,708,477)	(1,525,544)	(158,100)	(1,683,644)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ (76)	\$ (8)	\$ (84)	\$ 86	\$ 9	\$ 95	\$ (177)	\$ (18)	\$ (195)
Covered Payroll			\$ 16,611,639			\$ 15,404,437			\$ 14,860,617			\$ 15,519,529
Contributions as a Percentage of Covered Payroll			5.75%			8.29%			11.50%			10.85%
	2020			2019			2018			2017		
	City	Library	Total	City	Library	Total	City	Library	Total	City	Library	Total
Actuarially determined contribution	\$ 1,217,957	\$ 131,782	\$ 1,349,739	\$ 1,514,588	\$ 156,757	\$ 1,671,345	\$ 1,447,303	\$ 172,745	\$ 1,620,048	\$ 1,454,901	\$ 177,896	\$ 1,632,797
Contributions in relation to the actuarially determined contribution	(1,224,123)	(132,449)	(1,356,572)	(1,535,144)	(158,885)	(1,694,029)	(1,485,109)	(177,258)	(1,662,367)	(1,494,964)	(182,795)	(1,677,759)
Contribution deficiency (excess)	\$ (6,166)	\$ (667)	\$ (6,833)	\$ (20,556)	\$ (2,128)	\$ (22,684)	\$ (37,806)	\$ (4,513)	\$ (42,319)	\$ (40,063)	\$ (4,899)	\$ (44,962)
Covered Payroll			\$ 14,612,252			\$ 14,446,880			\$ 13,247,776			\$ 13,135,941
Contributions as a Percentage of Covered Payroll			9.28%			11.73%			12.55%			12.77%
	2016											
	City	Library	Total									
Actuarially determined contribution	\$ 1,741,632	\$ 233,902	\$ 1,975,534									
Contributions in relation to the actuarially determined contribution	(1,757,095)	(235,978)	(1,993,073)									
Contribution deficiency (excess)	\$ (15,463)	\$ (2,076)	\$ (17,539)									
Covered payroll			\$ 13,391,112									
Contributions as a percentage of covered payroll			14.88%									

Notes to Schedule:

The City implemented GASB Statement No. 68 in fiscal year 2016. Information prior to fiscal year 2016 is not available.

Valuation Date:

Actuarially determined contribution rates are calculated as of December 31 each year, which are 6 months prior to the beginning of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial cost method	Aggregate Entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	20 years
Asset valuation method	5-Year Smoothed Fair Value, 20% corridor
Inflation	2.25%
Salary increases	2.75% to 13.75%, including inflation
Investment rate of return	7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition
Mortality	MP-2020 Employee Mortality Table, adjusted to match current IMRF experience

Other Information:

There were no benefit changes during the year.

See notes to required supplementary information

City of Lake Forest

Police Pension Fund
 Schedule of Changes in the City's Net Pension Liability and Related Ratios
 Last Ten Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total Pension Liability										
Service cost	\$ 845,979	\$ 883,178	\$ 931,083	\$ 895,320	\$ 900,450	\$ 908,951	\$ 1,053,151	\$ 948,636	\$ 1,040,068	\$ 992,054
Interest on total pension liability	3,219,893	3,657,765	3,660,514	3,908,626	4,051,210	4,435,870	4,511,442	4,721,027	4,857,058	5,081,509
Change on benefit terms	-	-	-	-	-	231,490	-	-	-	-
Differences between expected and actual experience of the total pension liability	2,713	(2,129,040)	306,030	(39,964)	2,043,281	(1,297,619)	1,028,579	(360,851)	1,398,788	2,082,874
Changes of assumptions	3,568,719	-	1,248,764	-	3,709,450	2,226,349	287,776	287,776	-	-
Benefit payments, including refunds of member contributions	(2,193,705)	(2,320,588)	(2,520,473)	(2,611,864)	(2,852,542)	(2,888,907)	(3,029,156)	(3,499,388)	(3,691,088)	(3,898,516)
Other	(16,057)	-	-	-	-	-	-	-	-	-
Net change in total pension liability	5,427,542	91,315	3,625,918	2,152,118	7,851,849	3,616,134	3,564,016	2,097,200	3,604,826	4,257,921
Total Pension Liability, Beginning	<u>47,103,353</u>	<u>52,530,895</u>	<u>52,622,210</u>	<u>56,248,128</u>	<u>58,400,246</u>	<u>66,252,095</u>	<u>69,868,229</u>	<u>73,432,245</u>	<u>75,529,445</u>	<u>79,134,271</u>
Total Pension Liability, Ending (a)	<u>\$ 52,530,895</u>	<u>\$ 52,622,210</u>	<u>\$ 56,248,128</u>	<u>\$ 58,400,246</u>	<u>\$ 66,252,095</u>	<u>\$ 69,868,229</u>	<u>\$ 73,432,245</u>	<u>\$ 75,529,445</u>	<u>\$ 79,134,271</u>	<u>\$ 83,392,192</u>
Plan Fiduciary Net Position										
Employer contributions	\$ 1,706,203	\$ 1,806,270	\$ 1,895,500	\$ 2,094,124	\$ 2,504,581	\$ 2,589,534	\$ 3,581,389	\$ 3,379,444	\$ 3,580,856	\$ 3,703,402
Employee contributions	360,156	373,216	371,695	379,500	392,258	404,985	427,305	474,816	515,034	501,413
Net investment income	1,669,508	(475,655)	2,635,379	2,064,885	1,716,441	158,635	8,702,747	(888,628)	493,641	4,272,819
Benefit payments, including refunds of member contributions	(2,193,705)	(2,320,588)	(2,520,473)	(2,611,864)	(2,852,542)	(2,888,907)	(3,029,156)	(3,499,388)	(3,691,088)	(3,898,516)
Administrative expenses	(4,150)	(4,835)	(27,816)	(34,158)	(60,847)	(52,357)	(45,069)	(54,302)	(59,179)	(48,628)
Net change in plan fiduciary net position	1,538,012	(621,592)	2,354,285	1,892,487	1,699,891	211,890	9,637,216	(588,058)	839,264	4,530,490
Plan Fiduciary Net Position, Beginning	<u>26,487,743</u>	<u>28,025,755</u>	<u>27,404,163</u>	<u>29,758,448</u>	<u>31,650,935</u>	<u>33,350,826</u>	<u>33,562,716</u>	<u>43,199,932</u>	<u>42,611,874</u>	<u>43,451,138</u>
Plan Fiduciary Net Position, Ending (b)	<u>\$ 28,025,755</u>	<u>\$ 27,404,163</u>	<u>\$ 29,758,448</u>	<u>\$ 31,650,935</u>	<u>\$ 33,350,826</u>	<u>\$ 33,562,716</u>	<u>\$ 43,199,932</u>	<u>\$ 42,611,874</u>	<u>\$ 43,451,138</u>	<u>\$ 47,981,628</u>
City's Net Pension Liability, Ending (a) - (b)	<u>\$ 24,505,140</u>	<u>\$ 25,218,047</u>	<u>\$ 26,489,680</u>	<u>\$ 26,749,311</u>	<u>\$ 32,901,269</u>	<u>\$ 36,305,513</u>	<u>\$ 30,232,313</u>	<u>\$ 32,917,571</u>	<u>\$ 35,683,133</u>	<u>\$ 35,410,564</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	53.35%	52.08%	52.91%	54.20%	50.34%	48.04%	58.83%	56.42%	54.91%	57.54%
Covered Payroll	\$ 3,590,934	\$ 3,759,611	\$ 3,750,706	\$ 3,800,841	\$ 3,940,419	\$ 4,059,797	\$ 4,077,656	\$ 4,527,537	\$ 4,150,388	\$ 4,339,405
City's Net Pension Liability as a Percentage of Covered Payroll	682.42%	670.76%	706.26%	703.77%	834.97%	894.27%	741.41%	727.05%	859.75%	816.02%

Notes to Schedule:

Changes of assumptions.

There were no assumption or method changes since the prior valuation.

See notes to required supplementary information

City of Lake Forest

Police Pension Fund
 Schedule of Employer Contributions
 Last Ten Fiscal Years

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Actuarially determined contribution	\$ 1,508,450	\$ 1,810,315	\$ 1,737,445	\$ 1,832,059
Contributions in relation to the actuarially determined contribution	<u>1,706,203</u>	<u>1,806,270</u>	<u>1,895,500</u>	<u>2,094,124</u>
Contribution deficiency (excess)	<u>\$ (197,753)</u>	<u>\$ 4,045</u>	<u>\$ (158,055)</u>	<u>\$ (262,065)</u>
Covered Payroll	\$ 3,590,934	\$ 3,759,611	\$ 3,750,706	\$ 3,800,841
Contributions as a Percentage of Covered Payroll	47.51%	48.04%	50.54%	55.10%

Valuation Date: Actuarially determined contributions are calculated as of May 1, two years prior to the year in which contributions are reported.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial cost method	Entry-age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	18-year amortization in 2022
Asset valuation method	Investment gains and losses are smoothed over a 5-year period
Inflation	2.50%
Salary increases	Varies by service
Investment rate of return	6.50%, net of pension plan investment expense
Retirement age	50-70
Mortality	Pub-2010 Employee mortality, projected 5 years past the valuation date with Scale MP-2021.

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
\$ 2,505,888	\$ 2,594,845	\$ 3,090,726	\$ 3,388,076	\$ 3,338,755	\$ 3,428,788
2,504,581	2,589,534	3,581,389	3,379,444	3,580,856	3,703,402
<u>\$ 1,307</u>	<u>\$ 5,311</u>	<u>\$ (490,663)</u>	<u>\$ 8,632</u>	<u>\$ (242,101)</u>	<u>\$ (274,614)</u>
\$ 3,940,419	\$ 4,059,797	\$ 4,077,656	\$ 4,527,537	\$ 4,150,388	\$ 4,339,405
63.56%	63.78%	87.83%	74.64%	86.28%	85.34%

See notes to required supplementary information

City of Lake Forest

Police Pension Fund
Schedule of Investment Returns
Last Ten Fiscal Years

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Annual money-weighted rate of return, net of investment expense	6.79%	-1.44%	9.67%	7.03%	5.48%	0.59%	25.29%	-1.89%	1.15%	9.80%

City of Lake Forest

Firefighters' Pension Fund
 Schedule of Changes in the City's Net Pension Liability and Related Ratios
 Last Ten Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total Pension Liability										
Service cost	\$ 912,154	\$ 926,420	\$ 860,148	\$ 854,245	\$ 891,741	\$ 876,151	\$ 1,017,451	\$ 1,006,247	\$ 936,270	\$ 1,002,124
Interest on total pension liability	2,754,242	3,072,945	3,190,325	3,425,477	3,564,977	3,779,365	3,912,242	4,107,962	4,282,483	4,476,098
Changes in benefit terms	-	-	-	-	-	172,556	-	-	-	-
Differences between expected and actual experience										
actual experience of the total pension liability	(213,530)	(186,474)	227,730	176,286	166,664	134,069	1,089,198	150,101	894,144	787,367
Changes of assumptions	2,024,054	-	1,401,097	-	3,101,793	1,900,513	-	680,212	121,539	-
Benefit payments, including refunds of member contributions	(1,769,849)	(1,931,047)	(2,208,471)	(2,419,682)	(2,581,621)	(2,712,864)	(2,899,533)	(3,093,703)	(3,285,510)	(3,357,672)
Net change in total pension liability	3,707,071	1,881,844	3,470,829	2,036,326	5,143,554	4,149,790	3,119,358	2,850,819	2,948,926	2,907,917
Total Pension Liability, Beginning	<u>40,231,243</u>	<u>43,938,314</u>	<u>45,820,158</u>	<u>49,290,987</u>	<u>51,327,313</u>	<u>56,470,867</u>	<u>60,620,657</u>	<u>63,740,015</u>	<u>66,590,834</u>	<u>69,539,760</u>
Total Pension Liability, Ending (a)	<u>\$ 43,938,314</u>	<u>\$ 45,820,158</u>	<u>\$ 49,290,987</u>	<u>\$ 51,327,313</u>	<u>\$ 56,470,867</u>	<u>\$ 60,620,657</u>	<u>\$ 63,740,015</u>	<u>\$ 66,590,834</u>	<u>\$ 69,539,760</u>	<u>\$ 72,447,677</u>
Plan Fiduciary Net Position										
Employer contributions	\$ 1,168,287	\$ 1,216,585	\$ 1,211,587	\$ 1,308,348	\$ 1,719,445	\$ 1,822,064	\$ 2,567,216	\$ 2,398,803	\$ 2,511,501	\$ 2,594,392
Employee contributions	296,676	297,946	290,383	296,202	311,675	330,725	349,655	343,611	350,363	405,970
Net investment income	1,871,817	60,335	3,053,497	2,897,100	3,032,134	988,063	10,796,842	(2,576,122)	259,444	4,958,868
Miscellaneous revenue	-	100	-	-	-	-	-	-	-	-
Benefit payments, including refunds of member contributions	(1,769,849)	(1,931,047)	(2,208,471)	(2,419,682)	(2,581,621)	(2,712,864)	(2,899,533)	(3,093,703)	(3,285,510)	(3,357,672)
Administrative expenses	(4,150)	(4,835)	(34,006)	(35,547)	(52,598)	(44,220)	(38,657)	(41,385)	(35,450)	(45,762)
Net change in plan fiduciary net position	1,562,781	(360,916)	2,312,990	2,046,421	2,429,035	383,768	10,775,523	(2,968,796)	(199,652)	4,555,796
Plan Fiduciary Net Position, Beginning	<u>30,695,209</u>	<u>32,257,990</u>	<u>31,897,074</u>	<u>34,210,064</u>	<u>36,256,485</u>	<u>38,685,520</u>	<u>39,069,288</u>	<u>49,844,811</u>	<u>46,876,015</u>	<u>46,676,363</u>
Plan Fiduciary Net Position, Ending (b)	<u>\$ 32,257,990</u>	<u>\$ 31,897,074</u>	<u>\$ 34,210,064</u>	<u>\$ 36,256,485</u>	<u>\$ 38,685,520</u>	<u>\$ 39,069,288</u>	<u>\$ 49,844,811</u>	<u>\$ 46,876,015</u>	<u>\$ 46,676,363</u>	<u>\$ 51,232,159</u>
City's Net Pension Liability, Ending (a) - (b)	<u>\$ 11,680,324</u>	<u>\$ 13,923,084</u>	<u>\$ 15,080,923</u>	<u>\$ 15,070,828</u>	<u>\$ 17,785,347</u>	<u>\$ 21,551,369</u>	<u>\$ 13,895,204</u>	<u>\$ 19,714,819</u>	<u>\$ 22,863,397</u>	<u>\$ 21,215,518</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	73.42%	69.61%	69.40%	70.64%	68.51%	64.45%	78.20%	70.39%	67.12%	70.72%
Covered Payroll	\$ 3,111,216	\$ 2,924,893	\$ 3,071,211	\$ 3,237,410	\$ 3,338,448	\$ 3,440,901	\$ 3,527,518	\$ 3,523,737	\$ 3,730,296	\$ 3,875,500
City's Net Pension Liability as a Percentage of Covered Payroll	375.43%	476.02%	491.04%	465.52%	532.74%	626.33%	393.91%	559.49%	612.91%	547.43%

Notes to Schedule:

Changes of assumptions.

There were no assumption or method changes since the prior valuation.

See notes to required supplementary information

City of Lake Forest

Firefighters' Pension Fund
 Schedule of Employer Contributions
 Last Ten Fiscal Years

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Actuarially determined contribution	\$ 950,325	\$ 1,217,702	\$ 1,137,826	\$ 1,298,188
Contributions in relation to the actuarially determined contribution	<u>1,168,287</u>	<u>1,216,585</u>	<u>1,211,587</u>	<u>1,308,348</u>
Contribution deficiency (excess)	<u>\$ (217,962)</u>	<u>\$ 1,117</u>	<u>\$ (73,761)</u>	<u>\$ (10,160)</u>
Covered Payroll	\$ 3,111,216	\$ 2,924,893	\$ 3,071,211	\$ 3,237,410
Contributions as a Percentage of Covered Payroll	37.55%	41.59%	39.45%	40.41%

Valuation Date: Actuarially determined contributions are calculated as of May 1, two years prior to the year in which contributions are reported.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial cost method	Entry-age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	18-year amortization in 2022
Asset valuation method	5-year average fair value
Salary increases	Varies by service
Investment rate of return	6.50%, net of pension plan investment expense
Retirement age	50-70
Mortality	Pub-2010 Employee mortality, projected 5 years past the valuation date with Scale MP-2021.

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
\$ 1,721,953	\$ 1,826,568	\$ 2,075,171	\$ 2,406,318	\$ 2,344,403	\$ 2,286,752
<u>1,719,445</u>	<u>1,822,064</u>	<u>2,567,216</u>	<u>2,398,803</u>	<u>2,511,501</u>	<u>2,594,392</u>
<u>\$ 2,508</u>	<u>\$ 4,504</u>	<u>\$ (492,045)</u>	<u>\$ 7,515</u>	<u>\$ (167,098)</u>	<u>\$ (307,640)</u>
\$ 3,388,448	\$ 3,440,901	\$ 3,527,518	\$ 3,523,737	\$ 3,730,296	\$ 3,875,500
50.74%	52.95%	72.78%	68.08%	67.33%	66.94%

See notes to required supplementary information

City of Lake Forest

Firefighters' Pension Fund
Schedule of Investment Returns
Last Ten Fiscal Years

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Annual money-weighted rate of return, net of investment expense	6.48%	0.26%	9.66%	8.65%	8.56%	2.63%	28.13%	-5.19%	0.56%	10.67%

City of Lake Forest

Other Postemployment Benefits Plan
 Schedule of Changes in the City's Total OPEB Liability and Related Ratios
 Last Six Fiscal Years

	2019		2020		2021		2022		2023		2024	
	City	Library	City	Library	City	Library	City	Library	City	Library	City	Library
Total OPEB Liability												
Service cost	\$ 46,323	\$ 1,620	\$ 49,721	\$ 1,718	\$ 64,125	\$ 2,014	\$ 169,870	\$ 2,435	\$ 154,219	\$ 2,431	\$ 142,209	\$ 1,349
Interest	93,093	8,019	89,145	7,379	68,569	4,829	49,206	3,258	66,059	3,541	62,827	1,999
Differences between expected and actual experience	-	-	-	-	(473,423)	(19,803)	-	-	(335,854)	(27,075)	-	-
Changes of assumptions	32,177	1,221	365,319	6,686	6,339	(3,818)	(170,973)	(3,354)	(10,163)	1,458	(52,806)	(252)
Benefit payments, including refunds of member contributions	(157,993)	(16,545)	(171,388)	(19,768)	(183,715)	(23,925)	(169,067)	(32,723)	(146,687)	(38,375)	(158,039)	(29,724)
Net change in total OPEB liability	13,600	(5,685)	332,797	(3,985)	(518,105)	(40,703)	(120,964)	(30,384)	(272,426)	(58,020)	(5,809)	(26,628)
Total OPEB Liability, Beginning	2,423,911	210,250	2,437,511	204,565	2,770,308	200,580	2,252,203	159,877	2,131,239	129,493	1,858,813	71,473
Total OPEB Liability, Ending (a)	\$ 2,437,511	\$ 204,565	\$ 2,770,308	\$ 200,580	\$ 2,252,203	\$ 159,877	\$ 2,131,239	\$ 129,493	\$ 1,858,813	\$ 71,473	\$ 1,853,004	\$ 44,845
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Covered-Employee Payroll	\$ 20,233,763	\$ 1,467,746	\$ 20,794,094	\$ 1,382,150	\$ 22,059,672	\$ 1,458,298	\$ 21,774,034	\$ 1,380,692	\$ 22,480,316	\$ 1,438,338	\$ 24,035,832	\$ 1,558,363
City's Total OPEB Liability as a Percentage of Covered-Employee Payroll	12.05%	13.94%	13.32%	14.51%	10.21%	10.96%	9.79%	9.38%	8.27%	4.97%	7.71%	2.88%

Notes to Schedule:

The District implemented GASB Statement No. 75 in fiscal year 2019.
 Information prior to fiscal year 2019 is not available.

There are no assets accumulated in a trust that meets the criteria of GASB codification P52.101 to pay related benefits for the OPEB plan.

City of Lake Forest

Notes to Required Supplementary Information
Year Ended April 30, 2024

Budgetary Information

Budgets for the General and major special revenue funds are adopted on a basis of accounting consistent with accounting principles generally accepted in the United States of America (GAAP).

SUPPLEMENTARY INFORMATION

Nonmajor Special Revenue Funds

Police Restricted Fund - This fund accounts for revenues received from drug arrests (convicted property). Used solely for drug prevention programs administered by the Lake Forest Police Department.

Foreign Fire Insurance Tax Fund - This fund accounts for revenues received from the 2% tax on fire insurance companies. Administered by members of the Fire Department to benefit the Fire Department.

Emergency Telephone Fund - This fund accounts for the operations and maintenance of the emergency 911 telephone system. Financing is provided by a specific monthly surcharge on customer telephone bills.

Parks and Public Land Fund - This fund accounts for the revenues received from grants, contributions and the collection of open space fees. Such revenues are to be used to purchase or improve land.

Motor Fuel Tax Fund - This fund accounts for the revenues received from the State of Illinois for the local share of the motor fuel tax collections.

Senior Resources Commission Fund - This fund accounts for gifts, activity fees, and investments used to finance senior citizens' programs and activities.

Housing Trust Fund - This fund accounts for half of the revenues received from the demolition tax. Revenues will be used for affordable housing projects in Lake Forest.

General Cemetery Fund - This fund accounts for the operations of the cemetery commission. Financing is provided by the proceeds from cemetery lot sales, user charges and donations.

Nonmajor Debt Service Fund

Debt Service Fund - This fund accounts for the principal and interest currently due on general obligation bonds.

Nonmajor Capital Projects Fund

Laurel/Western Redevelopment TIF Fund - This fund accounts for tax increment revenues to be used for the improvements in the TIF district.

Major Capital Projects Fund

Capital Improvements Fund - This fund accounts for revenues to be used to fund city building and infrastructure projects.

City of Lake Forest

Combining Balance Sheet -
 Nonmajor Governmental Funds
 April 30, 2024

	Special Revenue Funds				
	Police Restricted	Foreign Fire Insurance Tax	Emergency Telephone	Parks and Public Land	Motor Fuel Tax
Assets					
Cash and cash equivalents	\$ 196,526	\$ 204,302	\$ 230,608	\$ 1,461,398	\$ 2,848,651
Investments	-	-	-	-	-
Receivables:					
Property taxes	-	-	-	-	-
Other	2,304	-	1,309,474	-	-
Due from other governments	-	-	-	-	69,655
Due from fiduciary funds	-	-	-	-	-
Prepaid items	-	-	37,037	-	-
	<u>198,830</u>	<u>204,302</u>	<u>1,577,119</u>	<u>1,461,398</u>	<u>2,918,306</u>
Total assets	<u>\$ 198,830</u>	<u>\$ 204,302</u>	<u>\$ 1,577,119</u>	<u>\$ 1,461,398</u>	<u>\$ 2,918,306</u>
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities					
Accounts payable	\$ -	\$ -	\$ 15,320	\$ 27,513	\$ 226,478
Accrued liabilities	-	-	-	-	-
Deposits	-	-	-	-	-
Advances from other funds	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>15,320</u>	<u>27,513</u>	<u>226,478</u>
Total liabilities	<u>-</u>	<u>-</u>	<u>15,320</u>	<u>27,513</u>	<u>226,478</u>
Deferred Inflows of Resources					
Property taxes levied for a future period	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances					
Nonspendable for prepaid items	-	-	37,037	-	-
Restricted for capital projects	-	-	-	-	-
Restricted for culture and recreation	-	-	-	1,433,885	-
Restricted for highways and streets	-	-	-	-	2,691,828
Restricted for public safety	198,830	204,302	1,524,762	-	-
Restricted for cemetery perpetual care	-	-	-	-	-
Restricted for affordable housing	-	-	-	-	-
Restricted for debt service purposes	-	-	-	-	-
	<u>198,830</u>	<u>204,302</u>	<u>1,561,799</u>	<u>1,433,885</u>	<u>2,691,828</u>
Total fund balances	<u>198,830</u>	<u>204,302</u>	<u>1,561,799</u>	<u>1,433,885</u>	<u>2,691,828</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 198,830</u>	<u>\$ 204,302</u>	<u>\$ 1,577,119</u>	<u>\$ 1,461,398</u>	<u>\$ 2,918,306</u>

Special Revenue Funds			Debt Service Funds	Capital Projects Fund	Total Nonmajor Governmental Funds
Senior Resources Commission	Housing Trust	General Cemetery	Debt Service	Laurel/Western Redevelopment TIF	
\$ 85,753	\$ 2,535,575	\$ 1,556,530	\$ 550,972	\$ 107,416	\$ 9,777,731
-	-	10,762,576	-	-	10,762,576
-	-	-	2,748,338	-	2,748,338
33,183	-	170,850	-	-	1,515,811
-	-	-	-	-	69,655
-	-	119,988	-	-	119,988
-	-	-	-	-	37,037
<u>\$ 118,936</u>	<u>\$ 2,535,575</u>	<u>\$ 12,609,944</u>	<u>\$ 3,299,310</u>	<u>\$ 107,416</u>	<u>\$ 25,031,136</u>
\$ 14,317	\$ -	\$ 45,784	\$ -	\$ -	\$ 329,412
7,720	-	13,334	-	-	21,054
-	18,000	-	-	-	18,000
-	-	905,000	-	-	905,000
<u>22,037</u>	<u>18,000</u>	<u>964,118</u>	<u>-</u>	<u>-</u>	<u>1,273,466</u>
-	-	-	2,748,338	-	2,748,338
-	-	-	2,748,338	-	2,748,338
-	-	-	-	-	37,037
-	-	-	-	107,416	107,416
96,899	-	-	-	-	1,530,784
-	-	-	-	-	2,691,828
-	-	-	-	-	1,927,894
-	-	11,645,826	-	-	11,645,826
-	2,517,575	-	-	-	2,517,575
-	-	-	550,972	-	550,972
<u>96,899</u>	<u>2,517,575</u>	<u>11,645,826</u>	<u>550,972</u>	<u>107,416</u>	<u>21,009,332</u>
<u>\$ 118,936</u>	<u>\$ 2,535,575</u>	<u>\$ 12,609,944</u>	<u>\$ 3,299,310</u>	<u>\$ 107,416</u>	<u>\$ 25,031,136</u>

City of Lake Forest

Combining Statement of Revenues, Expenditures and Changes in Fund Balances -
 Nonmajor Governmental Funds
 Year Ended April 30, 2024

	<u>Special Revenue Funds</u>				
	<u>Police Restricted</u>	<u>Foreign Fire Insurance Tax</u>	<u>Emergency Telephone</u>	<u>Parks and Public Land</u>	<u>Motor Fuel Tax</u>
Revenues					
Taxes:					
Property	\$ -	\$ -	\$ -	\$ -	\$ -
Other	-	-	-	-	-
Intergovernmental	13,803	-	-	-	850,595
Charges for services	30,092	144,992	498,718	47,003	-
Grants and contributions	-	-	-	-	-
Investment income	9,428	3,302	3,570	103,698	162,330
Total revenues	<u>53,323</u>	<u>148,294</u>	<u>502,288</u>	<u>150,701</u>	<u>1,012,925</u>
Expenditures					
Current:					
General government	-	-	-	-	-
Culture and recreation	-	-	-	875,705	-
Public safety	13,868	119,046	266,973	-	-
Capital outlay	-	-	198,203	51,064	1,743,637
Debt service:					
Principal retirement	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Total expenditures	<u>13,868</u>	<u>119,046</u>	<u>465,176</u>	<u>926,769</u>	<u>1,743,637</u>
Excess (deficiency) of revenues over expenditures	<u>39,455</u>	<u>29,248</u>	<u>37,112</u>	<u>(776,068)</u>	<u>(730,712)</u>
Other Financing Sources (Uses)					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	39,455	29,248	37,112	(776,068)	(730,712)
Fund Balances, Beginning	<u>159,375</u>	<u>175,054</u>	<u>1,524,687</u>	<u>2,209,953</u>	<u>3,422,540</u>
Fund Balances, Ending	<u>\$ 198,830</u>	<u>\$ 204,302</u>	<u>\$ 1,561,799</u>	<u>\$ 1,433,885</u>	<u>\$ 2,691,828</u>

Special Revenue Funds			Debt Service Funds	Capital Projects Fund	Total Nonmajor Governmental Funds
Senior Resources Commission	Housing Trust	General Cemetery	Debt Service	Laurel/Western Redevelopment TIF	
\$ -	\$ -	\$ -	\$ 2,343,228	\$ 1,547,526	\$ 3,890,754
-	18,000	-	-	-	18,000
-	-	-	-	-	864,398
142,139	-	1,103,405	-	-	1,966,349
200,567	-	34,279	-	-	234,846
6,772	131,159	1,440,026	99,578	51,822	2,011,685
<u>349,478</u>	<u>149,159</u>	<u>2,577,710</u>	<u>2,442,806</u>	<u>1,599,348</u>	<u>8,986,032</u>
-	6,376	949,569	18,526	179,688	1,154,159
602,798	-	-	-	-	1,478,503
-	-	-	-	-	399,887
30	-	907,100	-	-	2,900,034
-	-	-	3,144,246	-	3,144,246
-	-	-	991,914	-	991,914
<u>602,828</u>	<u>6,376</u>	<u>1,856,669</u>	<u>4,154,686</u>	<u>179,688</u>	<u>10,068,743</u>
<u>(253,350)</u>	<u>142,783</u>	<u>721,041</u>	<u>(1,711,880)</u>	<u>1,419,660</u>	<u>(1,082,711)</u>
283,509	-	1,000	689,432	-	973,941
(15,565)	-	-	(438,542)	(1,364,432)	(1,818,539)
<u>267,944</u>	<u>-</u>	<u>1,000</u>	<u>250,890</u>	<u>(1,364,432)</u>	<u>(844,598)</u>
14,594	142,783	722,041	(1,460,990)	55,228	(1,927,309)
<u>82,305</u>	<u>2,374,792</u>	<u>10,923,785</u>	<u>2,011,962</u>	<u>52,188</u>	<u>22,936,641</u>
<u>\$ 96,899</u>	<u>\$ 2,517,575</u>	<u>\$ 11,645,826</u>	<u>\$ 550,972</u>	<u>\$ 107,416</u>	<u>\$ 21,009,332</u>

City of Lake Forest

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -
 Police Restricted Fund
 Year Ended April 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$ 1,000	\$ 1,000	\$ 13,803	\$ 12,803
Charges for services	28,500	28,500	30,092	1,592
Investment income	-	-	9,428	9,428
	<u>29,500</u>	<u>29,500</u>	<u>53,323</u>	<u>23,823</u>
Total revenues				
Expenditures				
Current:				
Public safety	45,000	45,000	13,868	31,132
Capital outlay	45,000	45,000	-	45,000
Contingency	<u>9,000</u>	<u>9,000</u>	<u>-</u>	<u>9,000</u>
Total expenditures	<u>99,000</u>	<u>99,000</u>	<u>13,868</u>	<u>85,132</u>
Net change in fund balance	<u><u>\$ (69,500)</u></u>	<u><u>\$ (69,500)</u></u>	39,455	<u><u>\$ 108,955</u></u>
Fund Balance, Beginning			<u>159,375</u>	
Fund Balance, Ending			<u><u>\$ 198,830</u></u>	

City of Lake Forest

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -
 Foreign Fire Insurance Tax Fund
 Year Ended April 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Charges for services	\$ 150,000	\$ 150,000	\$ 144,992	\$ (5,008)
Investment income	<u>-</u>	<u>-</u>	<u>3,302</u>	<u>3,302</u>
Total revenues	<u>150,000</u>	<u>150,000</u>	<u>148,294</u>	<u>(1,706)</u>
Expenditures				
Public safety	<u>200,000</u>	<u>200,000</u>	<u>119,046</u>	<u>80,954</u>
Total expenditures	<u>200,000</u>	<u>200,000</u>	<u>119,046</u>	<u>80,954</u>
Net change in fund balance	<u><u>\$ (50,000)</u></u>	<u><u>\$ (50,000)</u></u>	29,248	<u><u>\$ 79,248</u></u>
Fund Balance, Beginning			<u>175,054</u>	
Fund Balance, Ending			<u><u>\$ 204,302</u></u>	

City of Lake Forest

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -
 Emergency Telephone Fund
 Year Ended April 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Charges for services	\$ 430,000	\$ 430,000	\$ 498,718	\$ 68,718
Investment income	2,800	2,800	3,570	770
Total revenues	<u>432,800</u>	<u>432,800</u>	<u>502,288</u>	<u>69,488</u>
Expenditures				
Public safety	275,900	275,900	266,973	8,927
Capital outlay	114,000	165,091	198,203	(33,112)
Contingency	<u>40,599</u>	<u>40,599</u>	-	<u>40,599</u>
Total expenditures	<u>430,499</u>	<u>481,590</u>	<u>465,176</u>	<u>16,414</u>
Net change in fund balance	<u>\$ 2,301</u>	<u>\$ (48,790)</u>	37,112	<u>\$ 85,902</u>
Fund Balance, Beginning			<u>1,524,687</u>	
Fund Balance, Ending			<u>\$ 1,561,799</u>	

City of Lake Forest

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -
 Parks And Public Land Fund
 Year Ended April 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Charges for services	\$ 31,336	\$ 31,336	\$ 47,003	\$ 15,667
Investment income	<u>65,279</u>	<u>65,279</u>	<u>103,698</u>	<u>38,419</u>
Total revenues	<u>96,615</u>	<u>96,615</u>	<u>150,701</u>	<u>54,086</u>
Expenditures				
Culture and recreation	981,487	1,393,691	875,705	517,986
Capital outlay	60,000	60,000	51,064	8,936
Contingency	<u>110,369</u>	<u>110,369</u>	<u>-</u>	<u>110,369</u>
Total expenditures	<u>1,151,856</u>	<u>1,564,060</u>	<u>926,769</u>	<u>637,291</u>
Net change in fund balance	<u>\$ (1,055,241)</u>	<u>\$ (1,467,445)</u>	<u>(776,068)</u>	<u>\$ 691,377</u>
Fund Balance, Beginning			<u>2,209,953</u>	
Fund Balance, Ending			<u>\$ 1,433,885</u>	

City of Lake Forest

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -
 Motor Fuel Tax Fund
 Year Ended April 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$ 797,400	\$ 797,400	\$ 850,595	\$ 53,195
Investment income	90,619	90,619	162,330	71,711
Total revenues	<u>888,019</u>	<u>888,019</u>	<u>1,012,925</u>	<u>124,906</u>
Expenditures				
Capital outlay	3,000,000	3,390,960	1,743,637	1,647,323
Contingency	<u>339,096</u>	<u>339,096</u>	-	<u>339,096</u>
Total expenditures	<u>3,339,096</u>	<u>3,730,056</u>	<u>1,743,637</u>	<u>1,986,419</u>
Net change in fund balance	<u><u>\$ (2,451,077)</u></u>	<u><u>\$ (2,842,037)</u></u>	(730,712)	<u><u>\$ 2,111,325</u></u>
Fund Balance, Beginning			<u>3,422,540</u>	
Fund Balance, Ending			<u><u>\$ 2,691,828</u></u>	

City of Lake Forest

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -
 Senior Resources Commission Fund
 Year Ended April 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Charges for services	\$ 131,500	\$ 131,500	\$ 142,139	\$ 10,639
Grants and contributions	192,843	192,843	200,567	7,724
Investment income	<u>3,500</u>	<u>3,500</u>	<u>6,772</u>	<u>3,272</u>
Total revenues	<u>327,843</u>	<u>327,843</u>	<u>349,478</u>	<u>21,635</u>
Expenditures				
Culture and recreation	619,403	619,403	602,798	16,605
Capital outlay	-	-	30	(30)
Contingency	<u>61,940</u>	<u>61,940</u>	<u>-</u>	<u>61,940</u>
Total expenditures	<u>681,343</u>	<u>681,343</u>	<u>602,828</u>	<u>78,515</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(353,500)</u>	<u>(353,500)</u>	<u>(253,350)</u>	<u>100,150</u>
Other Financing Sources				
Transfers in	289,425	289,425	283,509	(5,916)
Transfers out	<u>-</u>	<u>-</u>	<u>(15,565)</u>	<u>(15,565)</u>
Total other financing sources	<u>289,425</u>	<u>289,425</u>	<u>267,944</u>	<u>(21,481)</u>
Net change in fund balance	<u>\$ (64,075)</u>	<u>\$ (64,075)</u>	14,594	<u>\$ 78,669</u>
Fund Balance, Beginning			<u>82,305</u>	
Fund Balance, Ending			<u>\$ 96,899</u>	

City of Lake Forest

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -
 Housing Trust Fund
 Year Ended April 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Other taxes	\$ 36,000	\$ 36,000	\$ 18,000	\$ (18,000)
Investment income	<u>47,400</u>	<u>47,400</u>	<u>131,159</u>	<u>83,759</u>
Total revenues	<u>83,400</u>	<u>83,400</u>	<u>149,159</u>	<u>65,759</u>
Expenditures				
General government	400,000	417,553	6,376	411,177
Contingency	<u>41,755</u>	<u>41,755</u>	-	<u>41,755</u>
Total expenditures	<u>441,755</u>	<u>459,308</u>	<u>6,376</u>	<u>452,932</u>
Net change in fund balance	<u><u>\$ (358,355)</u></u>	<u><u>\$ (375,908)</u></u>	142,783	<u><u>\$ 518,691</u></u>
Fund Balance, Beginning			<u>2,374,792</u>	
Fund Balance, Ending			<u><u>\$ 2,517,575</u></u>	

City of Lake Forest

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -
 General Cemetery Fund
 Year Ended April 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Charges for services	\$ 845,200	\$ 845,200	\$ 1,103,405	\$ 258,205
Grants and contributions	12,000	12,000	34,279	22,279
Investment income (loss)	<u>50,000</u>	<u>50,000</u>	<u>1,440,026</u>	<u>1,390,026</u>
Total revenues	<u>907,200</u>	<u>907,200</u>	<u>2,577,710</u>	<u>1,670,510</u>
Expenditures				
Current:				
General government	886,365	886,365	949,569	(63,204)
Capital outlay	40,000	1,115,011	907,100	207,911
Contingency	<u>200,138</u>	<u>200,138</u>	<u>-</u>	<u>200,138</u>
Total expenditures	<u>1,126,503</u>	<u>2,201,514</u>	<u>1,856,669</u>	<u>344,845</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(219,303)</u>	<u>(1,294,314)</u>	<u>721,041</u>	<u>2,015,355</u>
Other Financing Sources (Uses)				
Transfers in	<u>-</u>	<u>-</u>	<u>1,000</u>	<u>1,000</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>1,000</u>	<u>1,000</u>
Net change in fund balance	<u>\$ (219,303)</u>	<u>\$ (1,294,314)</u>	<u>722,041</u>	<u>\$ 2,016,355</u>
Fund Balance, Beginning			<u>10,923,785</u>	
Fund Balance, Ending			<u>\$ 11,645,826</u>	

City of Lake Forest

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -
 Debt Service Fund
 Year Ended April 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes:				
Property	\$ 2,332,333	\$ 2,332,333	\$ 2,343,228	\$ 10,895
Investment income	<u>40,654</u>	<u>40,654</u>	<u>99,578</u>	<u>58,924</u>
Total revenues	<u>2,372,987</u>	<u>2,372,987</u>	<u>2,442,806</u>	<u>69,819</u>
Expenditures				
Current:				
General government	13,955	13,955	18,526	(4,571)
Debt service:				
Principal retirement	3,129,245	3,129,245	3,144,246	(15,001)
Interest and fiscal charges	<u>988,120</u>	<u>988,120</u>	<u>991,914</u>	<u>(3,794)</u>
Total expenditures	<u>4,131,320</u>	<u>4,131,320</u>	<u>4,154,686</u>	<u>(23,366)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,758,333)</u>	<u>(1,758,333)</u>	<u>(1,711,880)</u>	<u>46,453</u>
Other Financing Sources (Uses)				
Transfers in	359,938	359,938	689,432	329,494
Transfers out	<u>(422,569)</u>	<u>(422,569)</u>	<u>(438,542)</u>	<u>(15,973)</u>
Total other financing sources (uses)	<u>(62,631)</u>	<u>(62,631)</u>	<u>250,890</u>	<u>313,521</u>
Net change in fund balance	<u><u>\$ (1,820,964)</u></u>	<u><u>\$ (1,820,964)</u></u>	<u>(1,460,990)</u>	<u><u>\$ 359,974</u></u>
Fund Balance, Beginning			<u>2,011,962</u>	
Fund Balance, Ending			<u><u>\$ 550,972</u></u>	

City of Lake Forest

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -
 Laurel/Western Redevelopment TIF Fund
 Year Ended April 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Property taxes	\$ 1,500,000	\$ 1,500,000	\$ 1,547,526	\$ 47,526
Investment income	45,000	45,000	51,822	6,822
Total revenues	<u>1,545,000</u>	<u>1,545,000</u>	<u>1,599,348</u>	<u>54,348</u>
Expenditures				
General government	609,700	609,700	179,688	430,012
Capital outlay	100,000	100,000	-	100,000
Contingency	154,464	154,464	-	154,464
Total expenditures	<u>864,164</u>	<u>864,164</u>	<u>179,688</u>	<u>684,476</u>
Excess (deficiency) of revenues over (under) expenditures	<u>680,836</u>	<u>680,836</u>	<u>1,419,660</u>	<u>738,824</u>
Other Financing Sources (Uses)				
Transfers out	<u>(834,938)</u>	<u>(834,938)</u>	<u>(1,364,432)</u>	<u>(529,494)</u>
Total other financing sources (uses)	<u>(834,938)</u>	<u>(834,938)</u>	<u>(1,364,432)</u>	<u>(529,494)</u>
Net change in fund balance	<u>\$ (154,102)</u>	<u>\$ (154,102)</u>	55,228	<u>\$ 209,330</u>
Fund Balance, Beginning			<u>52,188</u>	
Fund Balance, Ending			<u>\$ 107,416</u>	

City of Lake Forest

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -
 Capital Improvements Fund
 Year Ended April 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes:				
Property	\$ 1,550,783	\$ 1,550,783	\$ 1,552,957	\$ 2,174
Other taxes	3,610,287	3,610,287	4,251,339	641,052
Charges for services	118,760	118,760	131,090	12,330
Grants and contributions	2,738,252	2,738,252	372,476	(2,365,776)
Investment income	470,000	470,000	1,626,034	1,156,034
Miscellaneous	<u>5,000</u>	<u>5,000</u>	<u>219,368</u>	<u>214,368</u>
Total revenues	<u>8,493,082</u>	<u>8,493,082</u>	<u>8,153,264</u>	<u>(339,818)</u>
Expenditures				
Current:				
General government	460,607	1,050,446	617,703	432,743
Highways and streets	300,000	354,692	310,654	44,038
Sanitation	-	9,736	2,500	7,236
Culture and recreation	-	90,000	29,011	60,989
Capital outlay	25,637,273	30,110,253	22,700,511	7,409,742
Contingency	<u>3,186,189</u>	<u>3,186,189</u>	<u>-</u>	<u>3,186,189</u>
Total expenditures	<u>29,584,069</u>	<u>34,801,316</u>	<u>23,660,379</u>	<u>11,140,937</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(21,090,987)</u>	<u>(26,308,234)</u>	<u>(15,507,115)</u>	<u>10,801,119</u>
Other Financing Sources (Uses)				
General obligation bonds issued	12,000,000	12,000,000	-	(12,000,000)
Transfers in	1,597,569	1,597,569	7,090,639	5,493,070
Proceeds from capital asset sales	<u>20,000</u>	<u>20,000</u>	<u>13,256</u>	<u>(6,744)</u>
Total other financing sources (uses)	<u>13,617,569</u>	<u>13,617,569</u>	<u>7,103,895</u>	<u>(6,513,674)</u>
Net change in fund balance	<u><u>\$ (7,473,418)</u></u>	<u><u>\$ (12,690,665)</u></u>	<u>(8,403,220)</u>	<u><u>\$ 4,287,445</u></u>
Fund Balance, Beginning			<u>37,468,259</u>	
Fund Balance, Ending			<u><u>\$ 29,065,039</u></u>	

Major Enterprise Fund

Waterworks and Sewerage Fund - This fund accounts for the provision of water and sewer service to the residents of the City.

Nonmajor Enterprise Fund

Deerpath Golf Course Fund - This fund accounts for operations of the City golf course. Financing is provided by user charges from utilizing the golf course.

City of Lake Forest

Schedule of Revenues, Expenses and Nonoperating Revenues (Expenses) -
 Budget and Actual (Budgetary Basis) -
 Waterworks and Sewerage Fund
 Year Ended April 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Operating Revenues				
Charges for services	\$ 8,941,554	\$ 8,941,554	\$ 9,417,562	\$ 476,008
Connection fees	115,225	115,225	104,263	(10,962)
Miscellaneous	<u>3,000</u>	<u>3,000</u>	<u>1,189</u>	<u>(1,811)</u>
Total operating revenues	<u>9,059,779</u>	<u>9,059,779</u>	<u>9,523,014</u>	<u>463,235</u>
Operating Expenses				
General and administrative	2,908,606	2,908,606	2,382,601	526,005
Operations and maintenance	4,316,430	4,496,249	2,652,583	1,843,666
Contingency	<u>1,073,468</u>	<u>1,073,468</u>	<u>-</u>	<u>1,073,468</u>
Total operating expenses	<u>8,298,504</u>	<u>8,478,323</u>	<u>5,035,184</u>	<u>3,443,139</u>
Nonoperating Revenues (Expenses)				
Investment income	318,163	318,163	789,561	471,398
Gain on disposal of capital assets	-	-	216	216
Principal retirement	(1,698,588)	(1,698,588)	(1,698,588)	-
Interest expense	(330,335)	(330,335)	(299,784)	30,551
Paying agent fees	<u>(905)</u>	<u>(905)</u>	<u>(750)</u>	<u>155</u>
Total nonoperating revenues (expenses)	<u>(1,711,665)</u>	<u>(1,711,665)</u>	<u>(1,209,345)</u>	<u>502,320</u>
Contribution and Transfers				
Capital contributions	-	-	315,701	315,701
Transfers in	<u>-</u>	<u>-</u>	<u>361,275</u>	<u>361,275</u>
Net contribution and transfers	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 676,976</u>	<u>\$ 676,976</u>

City of Lake Forest

Schedule of Revenues, Expenses and Nonoperating Revenues (Expenses) -
 Budget and Actual (Budgetary Basis) -
 Deerpath Golf Course Fund
 Year Ended April 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Operating Revenues				
Charges for services	\$ 1,906,787	\$ 1,906,787	\$ 2,105,592	\$ 198,805
Miscellaneous	5,339	5,339	70	(5,269)
Total operating revenues	<u>1,912,126</u>	<u>1,912,126</u>	<u>2,105,662</u>	<u>193,536</u>
Operating Expenses				
General and administrative	753,344	753,344	834,943	(81,599)
Operations and maintenance	1,108,588	1,206,425	1,307,740	(101,315)
Contingency	205,244	205,244	-	205,244
Total operating expenses	<u>2,067,176</u>	<u>2,165,013</u>	<u>2,142,683</u>	<u>22,330</u>
Nonoperating Revenues (Expenses)				
Investment income	-	-	24,976	24,976
Principal retirement	(87,778)	(87,778)	(87,778)	-
Interest expense	(4,389)	(4,389)	(2,731)	1,658
Paying agent fees	(500)	(500)	-	500
Total nonoperating revenues (expenses)	<u>(92,667)</u>	<u>(92,667)</u>	<u>(65,533)</u>	<u>27,134</u>
Contribution and Transfers				
Transfers in	50,000	50,000	50,000	-
Net contribution and transfers	<u>\$ 50,000</u>	<u>\$ 50,000</u>	<u>\$ 50,000</u>	<u>\$ -</u>

Internal Service Funds

Fleet Fund - This fund accounts for the costs of operating a maintenance and repairs facility for automotive and other equipment used by other City departments. Such costs are billed to the other departments at actual cost plus an allocation of administrative costs based on actual costs. The automotive and other equipment is acquired by the various user departments.

Self Insurance Fund - This fund accounts for the costs of the self-insured medical and dental plan. Administration of the plan is provided by Professional Benefit Administration, Inc.

Liability Insurance Fund- This fund accounts for the costs of liability insurance.

City of Lake Forest

Combining Statement of Net Position -
Internal Service Funds
April 30, 2024

	<u>Fleet</u>	<u>Self Insurance</u>	<u>Liability Insurance</u>	<u>Total</u>
Assets				
Current assets:				
Cash and cash equivalents	\$ 674,437	\$ 5,940,556	\$ 2,014,216	\$ 8,629,209
Receivables:				
Other	5,259	136,906	6,467,928	6,610,093
Inventories	602,375	-	-	602,375
Prepaid items	-	-	770,439	770,439
	<u>1,282,071</u>	<u>6,077,462</u>	<u>9,252,583</u>	<u>16,612,116</u>
Total current assets				
Noncurrent assets:				
Capital assets (net of accumulated depreciation):				
Property and equipment	48,047	-	-	48,047
Accumulated depreciation	<u>(48,047)</u>	<u>-</u>	<u>-</u>	<u>(48,047)</u>
	<u>1,282,071</u>	<u>6,077,462</u>	<u>9,252,583</u>	<u>16,612,116</u>
Total assets				
Deferred Outflows of Resources				
Deferred outflows related to pensions	304,754	-	-	304,754
Deferred outflows related to total OPEB liability	<u>5,755</u>	<u>-</u>	<u>-</u>	<u>5,755</u>
	<u>310,509</u>	<u>-</u>	<u>-</u>	<u>310,509</u>
Total deferred outflows of resources				
Liabilities				
Current liabilities:				
Accounts payable	126,084	818,140	127,137	1,071,361
Accrued liabilities	17,014	787,422	83,889	888,325
Unearned revenue	752	-	-	752
Total OPEB liability	<u>4,495</u>	<u>-</u>	<u>-</u>	<u>4,495</u>
	<u>148,345</u>	<u>1,605,562</u>	<u>211,026</u>	<u>1,964,933</u>
Total current liabilities				
Noncurrent liabilities:				
Compensated absences	40,920	-	-	40,920
Net pension liability	168,832	-	-	168,832
Total OPEB liability	<u>44,025</u>	<u>-</u>	<u>-</u>	<u>44,025</u>
	<u>253,777</u>	<u>-</u>	<u>-</u>	<u>253,777</u>
Total noncurrent liabilities				
	<u>402,122</u>	<u>1,605,562</u>	<u>211,026</u>	<u>2,218,710</u>
Total liabilities				
Deferred Inflows of Resources				
Deferred inflows related to pensions	1,830	-	-	1,830
Deferred inflows related to total OPEB liability	<u>20,281</u>	<u>-</u>	<u>-</u>	<u>20,281</u>
	<u>22,111</u>	<u>-</u>	<u>-</u>	<u>22,111</u>
Total deferred inflows of resources				
Net Position				
Unrestricted	<u>1,168,347</u>	<u>4,471,900</u>	<u>9,041,557</u>	<u>14,681,804</u>
	<u>\$ 1,168,347</u>	<u>\$ 4,471,900</u>	<u>\$ 9,041,557</u>	<u>\$ 14,681,804</u>
Total net position				

City of Lake Forest

Combining Statement of Revenues, Expenses and Changes in Fund Net Position -
Internal Service Funds
Year Ended April 30, 2024

	<u>Fleet</u>	<u>Self Insurance</u>	<u>Liability Insurance</u>	<u>Total</u>
Operating Revenues				
Charges for services	\$ 2,308,793	\$ 6,191,093	\$ 2,064,247	\$ 10,564,133
Total operating revenues	<u>2,308,793</u>	<u>6,191,093</u>	<u>2,064,247</u>	<u>10,564,133</u>
Operating Expenses				
General and administrative	<u>2,019,419</u>	<u>5,905,563</u>	<u>1,445,645</u>	<u>9,370,627</u>
Total operating expenses	<u>2,019,419</u>	<u>5,905,563</u>	<u>1,445,645</u>	<u>9,370,627</u>
Operating income	<u>289,374</u>	<u>285,530</u>	<u>618,602</u>	<u>1,193,506</u>
Nonoperating Revenues				
Investment income	<u>28,688</u>	<u>265,780</u>	<u>126,731</u>	<u>421,199</u>
Total nonoperating revenues	<u>28,688</u>	<u>265,780</u>	<u>126,731</u>	<u>421,199</u>
Income (loss) before transfers	<u>318,062</u>	<u>551,310</u>	<u>745,333</u>	<u>1,614,705</u>
Transfers				
Transfers in	<u>1,500</u>	<u>-</u>	<u>-</u>	<u>1,500</u>
Total transfers	<u>1,500</u>	<u>-</u>	<u>-</u>	<u>1,500</u>
Change in net position	319,562	551,310	745,333	1,616,205
Net Position, Beginning	<u>848,785</u>	<u>3,920,590</u>	<u>8,296,224</u>	<u>13,065,599</u>
Net Position, Ending	<u>\$ 1,168,347</u>	<u>\$ 4,471,900</u>	<u>\$ 9,041,557</u>	<u>\$ 14,681,804</u>

City of Lake Forest

Combining Statement of Cash Flows -
Internal Service Funds
Year Ended April 30, 2024

	<u>Fleet</u>	<u>Self Insurance</u>	<u>Liability Insurance</u>	<u>Total</u>
Cash Flows From Operating Activities				
Received from customers	\$ 2,307,829	\$ 6,079,270	\$ 1,327,356	\$ 9,714,455
Paid to suppliers for goods and services	(1,386,600)	(5,581,670)	(1,526,216)	(8,494,486)
Paid to employees for services	(717,208)	-	-	(717,208)
Net cash flows from operating activities	<u>204,021</u>	<u>497,600</u>	<u>(198,860)</u>	<u>502,761</u>
Cash Flows From Investing Activities				
Investment income	<u>28,688</u>	<u>265,780</u>	<u>126,731</u>	<u>421,199</u>
Net cash flows from investing activities	<u>28,688</u>	<u>265,780</u>	<u>126,731</u>	<u>421,199</u>
Cash Flows From Noncapital Financing Activities				
Transfers from (to) other funds	<u>1,500</u>	<u>-</u>	<u>-</u>	<u>1,500</u>
Net cash flows from noncapital financing activities	<u>1,500</u>	<u>-</u>	<u>-</u>	<u>1,500</u>
Net change in cash and cash equivalents	234,209	763,380	(72,129)	925,460
Cash and Cash Equivalents, Beginning	<u>440,228</u>	<u>5,177,176</u>	<u>2,086,345</u>	<u>7,703,749</u>
Cash and Cash Equivalents, Ending	<u><u>\$ 674,437</u></u>	<u><u>\$ 5,940,556</u></u>	<u><u>\$ 2,014,216</u></u>	<u><u>\$ 8,629,209</u></u>
Reconciliation of Operating Income to Net Cash Flows From Operating Activities				
Operating income	\$ 289,374	\$ 285,530	\$ 618,602	\$ 1,193,506
Changes in assets and liabilities:				
Accounts receivable	3,691	(111,823)	(736,891)	(845,023)
Inventories	(87,444)	-	-	(87,444)
Prepaid items	-	-	(84,918)	(84,918)
Deferred outflows related to pensions	112,682	-	-	112,682
Accounts payable	94,451	(36,900)	48,287	105,838
Accrued liabilities	-	360,793	(43,940)	316,853
Accrued salaries	5,737	-	-	5,737
Net pension liability	(212,671)	-	-	(212,671)
Deferred inflows related to pensions	(727)	-	-	(727)
Deferred revenue	(4,655)	-	-	(4,655)
Compensated absences	3,138	-	-	3,138
Deferred outflows related to total OPEB liability	895	-	-	895
Deferred inflows related to total OPEB liability	(715)	-	-	(715)
Total OPEB liability	<u>265</u>	<u>-</u>	<u>-</u>	<u>265</u>
Net cash flows from operating activities	<u><u>\$ 204,021</u></u>	<u><u>\$ 497,600</u></u>	<u><u>\$ (198,860)</u></u>	<u><u>\$ 502,761</u></u>

City of Lake Forest

Schedule of Revenues, Expenses and Nonoperating Revenues - Budget and Actual (Budgetary Basis) -
 Fleet Fund
 Year Ended April 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Operating Revenues				
Charges for services	\$ 2,356,327	\$ 2,356,327	\$ 2,308,793	\$ (47,534)
Total operating revenues	<u>2,356,327</u>	<u>2,356,327</u>	<u>2,308,793</u>	<u>(47,534)</u>
Operating Expenses				
General and administrative	2,353,323	2,353,323	2,019,419	333,904
Contingency	<u>235,332</u>	<u>235,332</u>	-	<u>235,332</u>
Total operating expenses	<u>2,588,655</u>	<u>2,588,655</u>	<u>2,019,419</u>	<u>569,236</u>
Nonoperating Revenues				
Investment income	<u>15,000</u>	<u>15,000</u>	<u>28,688</u>	<u>13,688</u>
Total nonoperating revenues	<u>15,000</u>	<u>15,000</u>	<u>28,688</u>	<u>13,688</u>
Net income (loss) before transfers	<u>(217,328)</u>	<u>(217,328)</u>	<u>318,062</u>	<u>535,390</u>
Transfers				
Transfers in	-	-	<u>1,500</u>	<u>1,500</u>
Net transfers	-	-	<u>1,500</u>	<u>1,500</u>
Change in net position	<u>\$ (217,328)</u>	<u>\$ (217,328)</u>	<u>319,562</u>	<u>\$ 536,890</u>
Net Position, Beginning			<u>848,785</u>	
Net Position, Ending			<u>\$ 1,168,347</u>	

City of Lake Forest

Schedule of Revenues, Expenses and Nonoperating Revenues - Budget and Actual (Budgetary Basis) -
 Self Insurance Fund
 Year Ended April 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Operating Revenues				
Charges for services	\$ 6,297,500	\$ 6,297,500	\$ 6,191,093	\$ (106,407)
Total operating revenues	<u>6,297,500</u>	<u>6,297,500</u>	<u>6,191,093</u>	<u>(106,407)</u>
Operating Expenses				
General and administrative	6,386,300	6,386,300	5,905,563	480,737
Contingency	<u>638,630</u>	<u>638,630</u>	-	<u>638,630</u>
Total operating expenses	<u>7,024,930</u>	<u>7,024,930</u>	<u>5,905,563</u>	<u>1,119,367</u>
Nonoperating Revenues				
Investment income	<u>152,000</u>	<u>152,000</u>	<u>265,780</u>	<u>113,780</u>
Total nonoperating revenues	<u>152,000</u>	<u>152,000</u>	<u>265,780</u>	<u>113,780</u>
Net income (loss)	<u>(575,430)</u>	<u>(575,430)</u>	<u>551,310</u>	<u>1,126,740</u>
Contribution and Transfers				
Transfers in	<u>500,000</u>	<u>500,000</u>	-	<u>(500,000)</u>
Net contribution and transfers	<u>500,000</u>	<u>500,000</u>	-	<u>(500,000)</u>
Change in net position	<u>\$ (75,430)</u>	<u>\$ (75,430)</u>	551,310	<u>\$ 626,740</u>
Net Position, Beginning			<u>3,920,590</u>	
Net Position, Ending			<u>\$ 4,471,900</u>	

City of Lake Forest

Schedule of Revenues, Expenses and Nonoperating Revenues - Budget and Actual (Budgetary Basis) -
Liability Insurance Fund
Year Ended April 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Operating Revenues				
Charges for services	<u>\$ 1,327,348</u>	<u>\$ 1,327,348</u>	<u>\$ 2,064,247</u>	<u>\$ 736,899</u>
Total operating revenues	<u>1,327,348</u>	<u>1,327,348</u>	<u>2,064,247</u>	<u>736,899</u>
Operating Expenses				
General and administrative	1,408,051	1,408,051	1,445,645	(37,594)
Contingency	<u>140,805</u>	<u>140,805</u>	-	<u>140,805</u>
Total operating expenses	<u>1,548,856</u>	<u>1,548,856</u>	<u>1,445,645</u>	<u>103,211</u>
Nonoperating Revenues				
Investment income	<u>65,517</u>	<u>65,517</u>	<u>126,731</u>	<u>61,214</u>
Total nonoperating revenues	<u>65,517</u>	<u>65,517</u>	<u>126,731</u>	<u>61,214</u>
Change in net position	<u>\$ (155,991)</u>	<u>\$ (155,991)</u>	745,333	<u>\$ 901,324</u>
Net Position, Beginning			<u>8,296,224</u>	
Net Position, Ending			<u>\$ 9,041,557</u>	

Pension Trust Funds

Police Pension Fund - This fund accounts for the accumulation of resources to be used for disability or retirement annuity payments to uniformed police department personnel at appropriate amounts and times in the future. Resources are contributed by employees at rates fixed by law and by the City at amounts determined by an independent actuary from a specific property tax levy.

Firefighters' Pension Fund - This fund accounts for the accumulation of resources to be used for disability or retirement annuity payments to uniformed fire department personnel at appropriate amounts and times in the future. Resources are contributed by employees at rates fixed by law and by the City at amounts determined by an independent actuary from a specific property tax levy.

Private Purpose Trust Fund

Cemetery Trust Fund - This fund accounts for monies provided by private donations. The investment earnings are expended for the operations of the cemetery.

City of Lake Forest

Combining Statement of Fiduciary Net Position -
Pension Trust Funds
April 30, 2024

	<u>Police Pension</u>	<u>Firefighters' Pension</u>	<u>Total</u>
Assets			
Cash	\$ 53,178	\$ 84,592	\$ 137,770
Money markets	-	295,001	295,001
Investments:			
Illinois police officers' pension investment fund	47,880,128	-	47,880,128
Illinois firefighters' pension investment fund	-	50,823,365	50,823,365
Prepaid items	1,820	5,626	7,446
Due from primary government	47,662	27,014	74,676
	<u>47,982,788</u>	<u>51,235,598</u>	<u>99,218,386</u>
Total assets			
Liabilities			
Accounts payable	1,160	3,439	4,599
	<u>1,160</u>	<u>3,439</u>	<u>4,599</u>
Total liabilities			
Net Position			
Restricted for pension benefits	<u>\$ 47,981,628</u>	<u>\$ 51,232,159</u>	<u>\$ 99,213,787</u>

City of Lake Forest

Combining Statement of Changes in Fiduciary Net Position -
Pension Trust Funds
Year Ended April 30, 2024

	Police Pension	Firefighters' Pension	Total
Additions			
Contributions:			
Employer	\$ 3,703,402	\$ 2,594,392	\$ 6,297,794
Employee	501,413	405,970	907,383
Total contributions	<u>4,204,815</u>	<u>3,000,362</u>	<u>7,205,177</u>
Investment income:			
Interest	298,182	955,472	1,253,654
Net appreciation in fair value of investments	<u>3,999,709</u>	<u>4,043,424</u>	<u>8,043,133</u>
Total investment income	4,297,891	4,998,896	9,296,787
Less investment expense	<u>(25,325)</u>	<u>(54,842)</u>	<u>(80,167)</u>
Net investment income	<u>4,272,566</u>	<u>4,944,054</u>	<u>9,216,620</u>
Miscellaneous	<u>253</u>	<u>14,814</u>	<u>15,067</u>
Total additions	<u>8,477,634</u>	<u>7,959,230</u>	<u>16,436,864</u>
Deductions			
Pension benefits and refunds	3,898,516	3,357,672	7,256,188
Other administrative expenses	<u>48,628</u>	<u>45,762</u>	<u>94,390</u>
Total deductions	<u>3,947,144</u>	<u>3,403,434</u>	<u>7,350,578</u>
Change in net position	4,530,490	4,555,796	9,086,286
Net Position, Beginning	<u>43,451,138</u>	<u>46,676,363</u>	<u>90,127,501</u>
Net Position, Ending	<u>\$ 47,981,628</u>	<u>\$ 51,232,159</u>	<u>\$ 99,213,787</u>

City of Lake Forest

Schedule of Changes in Fiduciary Net Position - Budget and Actual -
 Police Pension Fund
 Year Ended April 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Additions				
Contributions:				
Employer	\$ 3,684,419	\$ 3,684,419	\$ 3,703,402	\$ 18,983
Employee	428,000	428,000	501,413	73,413
Total contributions	<u>4,112,419</u>	<u>4,112,419</u>	<u>4,204,815</u>	<u>92,396</u>
Investment income:				
Interest	400,000	400,000	298,182	(101,818)
Net appreciation in fair value of investments	<u>2,280,970</u>	<u>2,280,970</u>	<u>3,999,709</u>	<u>1,718,739</u>
Total investment income	2,680,970	2,680,970	4,297,891	1,616,921
Less investment expense	<u>(25,000)</u>	<u>(25,000)</u>	<u>(25,325)</u>	<u>(325)</u>
Net investment income	2,655,970	2,655,970	4,272,566	1,616,596
Miscellaneous	-	-	253	253
Total additions	<u>6,768,389</u>	<u>6,768,389</u>	<u>8,477,634</u>	<u>1,709,245</u>
Deductions				
Pension benefits and refunds	3,800,700	3,800,700	3,898,516	(97,816)
Other administrative expenses	83,660	83,660	48,628	35,032
Contingency	<u>390,936</u>	<u>390,936</u>	-	<u>390,936</u>
Total deductions	<u>4,275,296</u>	<u>4,275,296</u>	<u>3,947,144</u>	<u>328,152</u>
Change in net position	<u>\$ 2,493,093</u>	<u>\$ 2,493,093</u>	4,530,490	<u>\$ 2,037,397</u>
Net Position, Beginning			<u>43,451,138</u>	
Net Position, Ending			<u>\$ 47,981,628</u>	

City of Lake Forest

Schedule of Changes in Fiduciary Net Position - Budget and Actual -
 Firefighters' Pension Fund
 Year Ended April 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Additions				
Contributions:				
Employer	\$ 2,583,195	\$ 2,583,195	\$ 2,594,392	\$ 11,197
Employee	360,000	360,000	405,970	45,970
Total contributions	<u>2,943,195</u>	<u>2,943,195</u>	<u>3,000,362</u>	<u>57,167</u>
Investment income:				
Interest	600,000	600,000	955,472	355,472
Net appreciation in fair value of investments	<u>2,250,740</u>	<u>2,250,740</u>	<u>4,043,424</u>	<u>1,792,684</u>
Total investment income	2,850,740	2,850,740	4,998,896	2,148,156
Less Investment expense	<u>(40,000)</u>	<u>(40,000)</u>	<u>(54,842)</u>	<u>(14,842)</u>
Net investment income	2,810,740	2,810,740	4,944,054	2,133,314
Miscellaneous	-	-	14,814	14,814
Total additions	<u>5,753,935</u>	<u>5,753,935</u>	<u>7,959,230</u>	<u>2,205,295</u>
Deductions				
Pension benefits and refunds	3,393,704	3,393,704	3,357,672	36,032
Other administrative expenses	60,660	60,660	45,762	14,898
Contingency	<u>349,436</u>	<u>349,436</u>	-	<u>349,436</u>
Total deductions	<u>3,803,800</u>	<u>3,803,800</u>	<u>3,403,434</u>	<u>400,366</u>
Change in net position	<u>\$ 1,950,135</u>	<u>\$ 1,950,135</u>	4,555,796	<u>\$ 2,605,661</u>
Net Position, Beginning			<u>46,676,363</u>	
Net Position, Ending			<u>\$ 51,232,159</u>	

Discretely Presented Component Unit

Lake Forest Library - General Fund - This fund accounts for the operation and maintenance of the Lake Forest Library. Financing is provided by a specific annual property tax levy, charges for services, fines and forfeits, interest earned on investments and other miscellaneous revenues.

City of Lake Forest

Statement of Net Position and General Fund Balance Sheet -
Discretely Presented Component Unit - Lake Forest Library
April 30, 2024

	<u>General Fund</u>	<u>Adjustments</u>	<u>Statement of Net Position</u>
Assets and Deferred Outflows of Resources			
Assets			
Cash and cash equivalents	\$ 8,273,635	\$ -	\$ 8,273,635
Receivables (net of allowance for uncollectibles):			
Property taxes	4,907,879	-	4,907,879
Other taxes	15,187	-	15,187
Other	273,447		273,447
Capital assets:			
Capital assets not depreciated	-	238,500	238,500
Capital assets depreciated, net of accumulated depreciation	-	3,353,730	3,353,730
Total assets	<u>13,470,148</u>	<u>3,592,230</u>	<u>17,062,378</u>
Deferred Outflows of Resources			
Deferred outflows related to pensions	-	768,253	768,253
Deferred outflows related to total OPEB liability	-	4,783	4,783
Total deferred outflows of resources	<u>-</u>	<u>773,036</u>	<u>773,036</u>
Total assets and deferred outflows of resources	<u>\$ 13,470,148</u>	<u>\$ 4,365,266</u>	<u>\$ 17,835,414</u>
Liabilities, Deferred Inflows of Resources and Fund Balance/Net Position			
Liabilities			
Accounts payable	\$ 66,655	\$ -	\$ 66,655
Accrued liabilities	94,358	-	94,358
Long-term obligations:			
Due within one year	-	15,816	15,816
Due in more than one year	-	550,599	550,599
Total liabilities	<u>161,013</u>	<u>566,415</u>	<u>727,428</u>
Deferred Inflows of Resources			
Property taxes levied for future periods	4,907,879	-	4,907,879
Deferred inflows related to pensions	-	4,578	4,578
Deferred inflows related to total OPEB liability	-	32,075	32,075
Total deferred inflows of resources	<u>4,907,879</u>	<u>36,653</u>	<u>4,944,532</u>
Fund Balance/Net Position			
Unassigned	8,401,256	(8,401,256)	-
Net position:			
Net investment in capital assets	-	3,592,230	3,592,230
Unrestricted	-	8,571,224	8,571,224
Total fund balance/net position	<u>8,401,256</u>	<u>3,762,198</u>	<u>12,163,454</u>
Total liabilities, deferred inflows of resources and fund balance/net position	<u>\$ 13,470,148</u>	<u>\$ 4,365,266</u>	<u>\$ 17,835,414</u>

City of Lake Forest

Statement of Activities and General Fund Statement of Revenues, Expenditures and
 Changes in Fund Balance -
 Discretely Presented Component Unit - Lake Forest Library
 Year Ended April 30, 2024

	General Fund	Adjustments	Statement of Activities
Revenues			
Property taxes	\$ 4,739,540	\$ -	\$ 4,739,540
Intergovernmental	83,274	-	83,274
Charges for services	27,056	-	27,056
Grants and contributions	362,468	-	362,468
Fines	3,497	-	3,497
Investment income	475,273	-	475,273
	<u>5,691,108</u>	<u>-</u>	<u>5,691,108</u>
Expenditures/Expenses			
Current	3,842,250	263,200	4,105,450
Capital outlay	1,051,125	(1,051,125)	-
	<u>4,893,375</u>	<u>(787,925)</u>	<u>4,105,450</u>
Total expenditures/expenses	4,893,375	(787,925)	4,105,450
Net change in fund balance/net position	<u>797,733</u>	<u>787,925</u>	<u>1,585,658</u>
Fund Balance/Net Position, Beginning	<u>7,603,523</u>	<u>2,974,273</u>	<u>10,577,796</u>
Fund Balance/Net Position, Ending	<u><u>\$ 8,401,256</u></u>	<u><u>\$ 3,762,198</u></u>	<u><u>\$ 12,163,454</u></u>

City of Lake Forest

Summary of Debt Service Requirements to Maturity
April 30, 2024

<u>Fiscal Year</u>	<u>General Obligation Bonds</u>
2025	\$ 4,241,966
2026	4,251,716
2027	4,236,915
2028	4,252,865
2029	4,514,430
2030	4,538,837
2031	4,665,888
2032	4,673,062
2033	4,640,223
2034	3,678,313
2035	1,149,063
2036	1,150,250
2037	1,145,275
2038	786,600
	<hr/>
	<u>\$ 47,925,403</u>

City of Lake Forest

Debt Service Requirements to Maturity - General Obligation Bonds
 April 30, 2024

Fiscal Year	Series 2015 Obligation Bonds		Series 2017 Obligation Bonds		Series 2019 Obligation Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$ 385,000	\$ 242,800	\$ 525,000	\$ 260,853	\$ 630,000	\$ 197,463
2026	405,000	233,175	535,000	247,728	660,000	165,963
2027	410,000	223,050	550,000	234,352	695,000	132,963
2028	435,000	212,800	565,000	220,602	730,000	98,213
2029	650,000	200,837	580,000	206,477	735,000	83,616
2030	695,000	181,337	590,000	191,688	755,000	68,912
2031	740,000	160,488	610,000	173,988	780,000	53,812
2032	705,000	136,438	630,000	155,687	810,000	37,237
2033	720,000	113,525	645,000	136,787	845,000	19,011
2034	1,530,000	90,125	665,000	117,438	-	-
2035	330,000	36,575	685,000	97,488	-	-
2036	340,000	25,025	710,000	75,225	-	-
2037	350,000	13,125	730,000	52,150	-	-
2038	-	-	760,000	26,600	-	-
	<u>\$ 7,695,000</u>	<u>\$ 1,869,300</u>	<u>\$ 8,780,000</u>	<u>\$ 2,197,063</u>	<u>\$ 6,640,000</u>	<u>\$ 857,190</u>

City of Lake Forest

Debt Service Requirements to Maturity - General Obligation Bonds
 April 30, 2024

Fiscal Year	Series 2021 Obligation Bonds		Series 2023 Obligation Bonds		Total Requirements		
	Principal	Interest	Principal	Interest	Principal	Interest	Total
2025	\$ 600,000	\$ 129,100	\$ 780,000	\$ 491,750	\$ 2,920,000	\$ 1,321,966	\$ 4,241,966
2026	615,000	117,100	820,000	452,750	3,035,000	1,216,716	4,251,716
2027	615,000	104,800	860,000	411,750	3,130,000	1,106,915	4,236,915
2028	625,000	92,500	905,000	368,750	3,260,000	992,865	4,252,865
2029	705,000	80,000	950,000	323,500	3,620,000	894,430	4,514,430
2030	715,000	65,900	1,000,000	276,000	3,755,000	783,837	4,538,837
2031	820,000	51,600	1,050,000	226,000	4,000,000	665,888	4,665,888
2032	890,000	35,200	1,100,000	173,500	4,135,000	538,062	4,673,062
2033	870,000	17,400	1,155,000	118,500	4,235,000	405,223	4,640,223
2034	-	-	1,215,000	60,750	3,410,000	268,313	3,678,313
2035	-	-	-	-	1,015,000	134,063	1,149,063
2036	-	-	-	-	1,050,000	100,250	1,150,250
2037	-	-	-	-	1,080,000	65,275	1,145,275
2038	-	-	-	-	760,000	26,600	786,600
	<u>\$ 6,455,000</u>	<u>\$ 693,600</u>	<u>\$ 9,835,000</u>	<u>\$ 2,903,250</u>	<u>\$39,405,000</u>	<u>\$ 8,520,403</u>	<u>\$47,925,403</u>

City of Lake Forest

General Obligation Bonds – 2015 Series
 April 30, 2024

Date of issue: August 3, 2015
 Date of maturity: December 15, 2036
 Authorized issue: \$ 9,780,000
 Denomination of bonds: \$ 5,000
 Interest rates: 2.50 - 3.75%

Interest dates: June 15 and December 15
 Payable at: Wells Fargo Bank
 Chicago, Illinois

<u>Redeemable Annually on December 15</u>	<u>Amount</u>
2024	\$ 385,000
2025	405,000
2026	410,000
2027	435,000
2028	650,000
Thereafter	<u>5,410,000</u>
	<u>\$ 7,695,000</u>

Bond Principal and Interest Requirements

Tax Levy Year	Tax Levy			Coupons Due on			
	Principal	Interest	Total	June 15	Amount	December 15	Amount
2023	\$ 385,000	\$ 242,800	\$ 627,800	2024	\$ 121,400	2024	\$ 121,400
2024	405,000	233,175	638,175	2025	116,588	2025	116,587
2025	410,000	223,050	633,050	2026	111,525	2026	111,525
2026	435,000	212,800	647,800	2027	106,400	2027	106,400
2027	650,000	200,837	850,837	2028	100,419	2028	100,418
Thereafter	<u>5,410,000</u>	<u>756,638</u>	<u>6,166,638</u>	Thereafter	378,319	Thereafter	378,319
	<u>\$ 7,695,000</u>	<u>\$ 1,869,300</u>	<u>\$ 9,564,300</u>				

City of Lake Forest

General Obligation Bonds – 2017 Series
 April 30, 2024

Date of issue: June 5, 2017
 Date of maturity: December 15, 2037
 Authorized issue: \$ 9,295,000
 Denomination of bonds: \$ 5,000
 Interest rates: 2.00 - 3.50%

Interest dates: June 15 and December 15
 Payable at: Bank of New York Mellon
 Chicago, Illinois

<u>Redeemable Annually on December 15</u>	<u>Amount</u>
2024	\$ 525,000
2025	535,000
2026	550,000
2027	565,000
2028	580,000
Thereafter	<u>6,025,000</u>
	<u>\$ 8,780,000</u>

Bond Principal and Interest Requirements

<u>Tax levy year</u>	<u>Tax levy</u>			<u>Coupons due on</u>			
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>June 15</u>	<u>Amount</u>	<u>December 15</u>	<u>Amount</u>
2023	\$ 525,000	260,853	\$ 785,853	2024	\$ 130,426	2024	\$ 130,427
2024	535,000	247,728	782,728	2025	123,864	2025	123,864
2025	550,000	234,352	784,352	2026	117,176	2026	117,176
2026	565,000	220,602	785,602	2027	110,301	2027	110,301
2027	580,000	206,477	786,477	2028	103,239	2028	103,238
Thereafter	<u>6,025,000</u>	<u>1,027,051</u>	<u>7,052,051</u>	Thereafter	513,526	Thereafter	513,525
	<u>\$ 8,780,000</u>	<u>\$ 2,197,063</u>	<u>\$10,977,063</u>				

City of Lake Forest

General Obligation Bonds – 2019 Series
 April 30, 2024

Date of issue: December 19, 2019
 Date of maturity: December 15, 2032
 Authorized issue: \$ 17,655,000
 Denomination of bonds: \$ 5,000
 Interest rates: 2.25 - 5.00%

Interest dates: June 15 and December 15
 Payable at: Amalgamated Bank
 Chicago, Illinois

<u>Redeemable Annually on December 15</u>	<u>Amount</u>
2024	\$ 630,000
2025	660,000
2026	695,000
2027	730,000
2028	735,000
Thereafter	<u>3,190,000</u>
	<u>\$ 6,640,000</u>

Bond Principal and Interest Requirements

<u>Tax Levy Year</u>	<u>Tax Levy</u>			<u>Coupons Due on</u>			
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>June 15</u>	<u>Amount</u>	<u>December 15</u>	<u>Amount</u>
2023	\$ 630,000	197,463	\$ 827,463	2024	\$ 98,732	2024	\$ 98,731
2024	660,000	165,963	825,963	2025	82,982	2025	82,981
2025	695,000	132,963	827,963	2026	66,482	2026	66,481
2026	730,000	98,213	828,213	2027	49,107	2027	49,106
2027	735,000	83,616	818,616	2028	41,808	2028	41,808
Thereafter	<u>3,190,000</u>	<u>178,972</u>	<u>3,368,972</u>	Thereafter	89,486	Thereafter	89,486
	<u>\$ 6,640,000</u>	<u>\$ 857,190</u>	<u>\$ 7,497,190</u>				

City of Lake Forest

General Obligation Bonds – 2021 Series
 April 30, 2024

Date of issue:	September 15, 2021
Date of maturity:	December 15, 2032
Authorized issue:	\$ 7,590,000
Denomination of bonds:	\$ 5,000
Interest rates:	2.00%
Interest dates:	June 15 and December 15
Payable at:	Amalgamated Bank Chicago, Illinois

<u>Redeemable Annually on December 15</u>	<u>Amount</u>
2024	\$ 600,000
2025	615,000
2026	615,000
2027	625,000
2028	705,000
Thereafter	<u>3,295,000</u>
	<u>\$ 6,455,000</u>

Bond Principal and Interest Requirements

<u>Tax Levy Year</u>	<u>Tax Levy</u>			<u>Coupons Due on</u>			
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>June 15</u>	<u>Amount</u>	<u>December 15</u>	<u>Amount</u>
2023	\$ 600,000	\$ 129,100	\$ 729,100	2024	\$ 64,550	2024	\$ 64,550
2024	615,000	117,100	732,100	2025	58,550	2025	58,550
2025	615,000	104,800	719,800	2026	52,400	2026	52,400
2026	625,000	92,500	717,500	2027	46,250	2027	46,250
2027	705,000	80,000	785,000	2028	40,000	2028	40,000
Thereafter	<u>3,295,000</u>	<u>170,100</u>	<u>3,465,100</u>	Thereafter	85,050	Thereafter	85,050
	<u>\$ 6,455,000</u>	<u>\$ 693,600</u>	<u>\$ 7,148,600</u>				

City of Lake Forest

General Obligation Bonds – 2023 Series
 April 30, 2024

Date of issue: April 27, 2023
 Date of maturity: December 15, 2033
 Authorized issue: \$ 10,770,000
 Denomination of bonds: \$ 5,000
 Interest rates: 5.00%

Interest dates: June 15 and December 15
 Payable at: Amalgamated Bank
 Chicago, Illinois

<u>Redeemable Annually on December 15</u>	<u>Amount</u>
2024	\$ 780,000
2025	820,000
2026	860,000
2027	905,000
2028	950,000
Thereafter	5,520,000
	<u>\$ 9,835,000</u>

Bond Principal and Interest Requirements

<u>Tax Levy Year</u>	<u>Tax Levy</u>			<u>Coupons Due on</u>			
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>June 15</u>	<u>Amount</u>	<u>December 15</u>	<u>Amount</u>
2023	\$ 780,000	\$ 491,750	\$ 1,271,750	2024	\$ 245,875	2024	\$ 245,875
2024	820,000	452,750	1,272,750	2025	226,375	2025	226,375
2025	860,000	411,750	1,271,750	2026	205,875	2026	205,875
2026	905,000	368,750	1,273,750	2027	184,375	2027	184,375
2027	950,000	323,500	1,273,500	2028	161,750	2028	161,750
Thereafter	5,520,000	854,750	6,374,750	Thereafter	427,375	Thereafter	427,375
	<u>\$ 9,835,000</u>	<u>\$ 2,903,250</u>	<u>\$12,738,250</u>				

City of Lake Forest

Debt Service Fund
 Combining Balance Sheet
 April 30, 2024

	Special Service Area 29 General Obligation Bonds	2004 Series B 2011B/2019 General Obligation Bonds	2009/2019 General Obligation Bonds	2010/2019 General Obligation Bonds
Assets				
Cash and cash equivalents	\$ -	\$ -	\$ 48,235	\$ 83,019
Receivables (net of allowance for uncollectibles):				
Property taxes	-	-	257,617	565,587
Total assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 305,852</u>	<u>\$ 648,606</u>
Liabilities				
Total liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Deferred inflows of resources				
Property taxes levied for future periods	-	-	257,617	565,587
Fund Balance				
Fund balance-restricted for debt service	-	-	48,235	83,019
Total deferred inflows of resources, liabilities and fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 305,852</u>	<u>\$ 648,606</u>

2013/2021 General Obligation Bonds	2015 General Obligation Bonds	2023 General Obligation Bonds	Total
\$ 73,199	\$ 13,695	\$ 332,824	\$ 550,972
<u>725,347</u>	<u>262,380</u>	<u>937,407</u>	<u>2,748,338</u>
<u>\$ 798,546</u>	<u>\$ 276,075</u>	<u>\$ 1,270,231</u>	<u>\$ 3,299,310</u>
\$ -	\$ -	\$ -	\$ -
<u>725,347</u>	<u>262,380</u>	<u>937,407</u>	<u>2,748,338</u>
<u>73,199</u>	<u>13,695</u>	<u>332,824</u>	<u>550,972</u>
<u>\$ 798,546</u>	<u>\$ 276,075</u>	<u>\$ 1,270,231</u>	<u>\$ 3,299,310</u>

City of Lake Forest

Debt Service Fund
 Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
 Year Ended April 30, 2024

	Special Service Area 29 General Obligation Bonds	2004 Series B 2011B/2019 General Obligation Bonds	2009/2019 General Obligation Bonds	2010/2019 General Obligation Bonds
Revenues				
Taxes:				
Property taxes	\$ 156,608	\$ -	\$ 261,010	\$ 576,132
Investment income	<u>3,036</u>	<u>28,811</u>	<u>6,532</u>	<u>12,568</u>
Total revenues	<u>159,644</u>	<u>28,811</u>	<u>267,542</u>	<u>588,700</u>
Expenditures				
General government	16,101	-	90	385
Debt Service:				
Principal	150,612	493,634	205,000	400,000
Interest	<u>5,496</u>	<u>24,682</u>	<u>54,200</u>	<u>173,513</u>
Total expenditures	<u>172,209</u>	<u>518,316</u>	<u>259,290</u>	<u>573,898</u>
Excess (deficiency) of revenues over expenditures	<u>(12,565)</u>	<u>(489,505)</u>	<u>8,252</u>	<u>14,802</u>
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	<u>-</u>	<u>(438,542)</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>(438,542)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(12,565)	(928,047)	8,252	14,802
Fund Balances, Beginning	<u>12,565</u>	<u>928,047</u>	<u>39,983</u>	<u>68,217</u>
Fund Balances, Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 48,235</u>	<u>\$ 83,019</u>

2013/2021 General Obligation Bonds	2015 General Obligation Bonds	2023 General Obligation Bonds	Total
\$ 735,285	\$ 264,193	\$ 350,000	\$ 2,343,228
15,331	3,617	29,683	99,578
<u>750,616</u>	<u>267,810</u>	<u>379,683</u>	<u>2,442,806</u>
475	1,000	475	18,526
590,000	370,000	935,000	3,144,246
140,900	252,050	341,073	991,914
<u>731,375</u>	<u>623,050</u>	<u>1,276,548</u>	<u>4,154,686</u>
19,241	(355,240)	(896,865)	(1,711,880)
-	359,938	329,494	689,432
-	-	-	(438,542)
-	<u>359,938</u>	<u>329,494</u>	<u>250,890</u>
19,241	4,698	(567,371)	(1,460,990)
<u>53,958</u>	<u>8,997</u>	<u>900,195</u>	<u>2,011,962</u>
<u>\$ 73,199</u>	<u>\$ 13,695</u>	<u>\$ 332,824</u>	<u>\$ 550,972</u>

STATISTICAL SECTION

Statistical Section

This portion of the City of Lake Forest's Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall economic condition and financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	121
Revenue Capacity These schedules contain information to help the reader assess the factors affecting the City's ability to generate its property and sales taxes.	126
Debt Capacity These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt.	134
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time and other governments.	139
Operating Information These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.	142

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

City of Lake Forest

Net Position by Component
 Last Ten Fiscal Years
 April 30, 2024

	<u>2015</u>	<u>2016*</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Governmental Activities										
Net investment in capital assets	\$ 181,056,601	\$ 181,481,470	\$ 170,568,584	\$ 166,607,491	\$ 164,675,251	\$ 165,179,598	\$ 164,798,332	\$ 165,811,050	\$ 169,967,523	\$ 191,315,567
Restricted	15,737,797	18,506,073	15,476,976	20,193,505	26,714,972	27,807,934	36,509,516	57,740,630	50,792,460	46,943,505
Unrestricted	<u>26,747,317</u>	<u>(18,479,928)</u>	<u>(9,068,405)</u>	<u>(11,006,718)</u>	<u>(14,809,677)</u>	<u>(18,261,240)</u>	<u>(14,713,066)</u>	<u>(21,655,117)</u>	<u>(9,092,750)</u>	<u>1,390,664</u>
Total governmental activities net position	<u>\$ 223,541,715</u>	<u>\$ 181,507,615</u>	<u>\$ 176,977,155</u>	<u>\$ 175,794,278</u>	<u>\$ 176,580,546</u>	<u>\$ 174,726,292</u>	<u>\$ 186,594,782</u>	<u>\$ 201,896,563</u>	<u>\$ 211,667,233</u>	<u>\$ 239,649,736</u>
Business-Type Activities										
Net investment in capital assets	\$ 36,617,378	\$ 37,582,505	\$ 37,504,482	\$ 40,729,712	\$ 39,610,155	\$ 39,052,272	\$ 38,142,896	\$ 38,585,070	\$ 37,912,290	\$ 38,340,595
Restricted	-	-	-	-	-	-	580,012	1,957,016	-	-
Unrestricted	<u>8,941,920</u>	<u>8,323,401</u>	<u>7,696,321</u>	<u>8,950,670</u>	<u>9,508,483</u>	<u>9,692,010</u>	<u>10,288,805</u>	<u>11,424,910</u>	<u>14,935,571</u>	<u>16,796,437</u>
Total business-type activities	<u>\$ 45,559,298</u>	<u>\$ 45,905,906</u>	<u>\$ 45,200,803</u>	<u>\$ 49,680,382</u>	<u>\$ 49,118,638</u>	<u>\$ 48,744,282</u>	<u>\$ 49,011,713</u>	<u>\$ 51,966,996</u>	<u>\$ 52,847,861</u>	<u>\$ 55,137,032</u>
Total Primary Government										
Net investment in capital assets	\$ 217,673,979	\$ 219,063,975	\$ 208,073,066	\$ 207,337,203	\$ 204,285,406	\$ 204,231,870	\$ 202,941,228	\$ 204,396,120	\$ 207,879,813	\$ 229,656,162
Restricted	15,737,797	18,506,073	15,476,976	20,193,505	26,714,972	27,807,934	37,089,528	59,697,646	50,792,460	46,943,505
Unrestricted	<u>35,689,237</u>	<u>(10,156,527)</u>	<u>(1,372,084)</u>	<u>(2,056,048)</u>	<u>(5,301,194)</u>	<u>(8,569,230)</u>	<u>(4,424,261)</u>	<u>(10,230,207)</u>	<u>5,842,821</u>	<u>18,187,101</u>
Total primary government net position	<u>\$ 269,101,013</u>	<u>\$ 227,413,521</u>	<u>\$ 222,177,958</u>	<u>\$ 225,474,660</u>	<u>\$ 225,699,184</u>	<u>\$ 223,470,574</u>	<u>\$ 235,606,495</u>	<u>\$ 253,863,559</u>	<u>\$ 264,515,094</u>	<u>\$ 294,786,768</u>

*Beginning in 2016, the City implemented GASB 68 which resulted in the inclusion of a net pension liability.

City of Lake Forest

Change in Net Position
Last Ten Fiscal years
Year Ended April 30, 2024

	2015*	2016	2017	2018	2019	2020	2021	2022	2023	2024
Expenses										
Governmental Activities										
General government	\$ 12,604,331	\$ 11,675,363	\$ 16,882,976	\$ 9,884,646	\$ 13,773,790	\$ 13,865,425	\$ 12,863,134	\$ 11,182,027	\$ 15,254,047	\$ 15,224,182
Highway and streets	8,839,231	9,230,548	10,923,639	9,621,569	9,081,471	8,677,958	7,457,325	6,929,008	7,992,398	8,068,267
Sanitation	2,474,355	2,208,326	2,611,231	2,585,940	2,580,043	2,678,876	2,438,916	1,959,547	2,980,137	2,588,735
Culture and recreation	10,172,391	8,463,259	10,023,195	10,003,119	8,859,391	8,977,855	9,453,397	9,205,623	12,433,798	10,726,079
Public safety	15,303,399	16,360,830	17,048,209	17,017,092	19,769,395	23,338,259	16,854,590	20,578,227	22,900,489	22,324,066
Interest	1,357,552	1,293,742	1,559,100	1,271,181	1,231,944	1,115,802	920,485	871,548	477,955	829,125
Total governmental activities expenses	<u>50,751,259</u>	<u>49,232,068</u>	<u>59,048,350</u>	<u>50,383,547</u>	<u>55,296,034</u>	<u>58,654,175</u>	<u>49,987,847</u>	<u>50,725,980</u>	<u>62,038,824</u>	<u>59,760,454</u>
Business-Type Activities										
Waterworks and sewerage	8,353,825	7,239,042	8,510,811	8,122,998	7,832,615	8,168,879	8,486,272	7,441,106	8,456,249	8,416,647
Golf	1,642,121	1,868,252	2,095,510	1,604,261	1,875,677	1,861,393	2,042,874	2,161,621	2,259,135	2,464,587
Total business-type activities	<u>9,995,946</u>	<u>9,107,294</u>	<u>10,606,321</u>	<u>9,727,259</u>	<u>9,708,292</u>	<u>10,030,272</u>	<u>10,529,146</u>	<u>9,602,727</u>	<u>10,715,384</u>	<u>10,881,234</u>
Total primary government expenses	<u>\$ 60,747,205</u>	<u>\$ 58,339,362</u>	<u>\$ 69,654,671</u>	<u>\$ 60,110,806</u>	<u>\$ 65,004,326</u>	<u>\$ 68,684,447</u>	<u>\$ 60,516,993</u>	<u>\$ 60,328,707</u>	<u>\$ 72,754,208</u>	<u>\$ 70,641,688</u>
Program Revenues										
Governmental Activities										
Charges for services:										
General government	\$ 5,442,475	\$ 8,191,440	\$ 8,860,169	\$ 5,203,210	\$ 5,007,655	\$ 4,077,609	\$ 3,754,897	\$ 4,296,082	\$ 4,219,903	\$ 4,312,388
Highway and streets	710,795	990,840	782,953	1,006,644	2,730,122	2,183,456	2,476,794	2,726,225	2,885,458	4,311,795
Sanitation	682,062	697,435	734,111	721,276	749,620	1,040,121	1,053,692	1,040,338	1,053,425	1,062,504
Culture and recreation	3,156,699	3,257,796	2,810,762	3,491,365	3,117,795	2,594,119	1,733,927	2,885,644	3,178,479	3,527,885
Public safety	1,795,521	1,552,567	1,689,547	1,992,985	2,117,186	2,525,439	2,517,398	2,946,021	2,897,404	3,112,547
Operating grants and contributions	1,345,670	1,368,451	1,088,579	1,298,006	985,676	1,529,863	1,097,399	1,164,031	1,259,314	1,146,947
Capital grants and contributions	468,255	280,675	1,174,000	356,178	505,988	448,694	777,054	2,368,237	3,357,688	12,368,198
Total governmental activities program revenues	<u>13,601,477</u>	<u>16,339,204</u>	<u>17,140,121</u>	<u>14,069,664</u>	<u>15,214,042</u>	<u>14,399,301</u>	<u>13,411,161</u>	<u>17,426,578</u>	<u>18,851,671</u>	<u>29,842,264</u>
Business-Type Activities										
Charges for services:										
Waterworks and sewerage	8,034,469	7,477,558	7,873,741	8,083,554	7,818,777	7,512,450	8,569,806	9,695,464	8,778,538	9,321,933
Golf	1,414,217	1,759,271	1,606,661	1,480,618	1,524,654	1,459,127	1,864,338	1,824,684	1,861,913	2,105,662
Operating grants and contributions	-	-	-	-	228,332	-	-	-	138,517	-
Capital grants and contributions	-	-	-	-	-	-	-	554,466	-	184,270
Total business-type activities program revenues	<u>9,448,686</u>	<u>9,236,829</u>	<u>9,480,402</u>	<u>9,564,172</u>	<u>9,571,763</u>	<u>8,971,577</u>	<u>10,434,144</u>	<u>12,074,614</u>	<u>10,778,968</u>	<u>11,611,865</u>
Total government program revenues	<u>\$ 23,050,163</u>	<u>\$ 25,576,033</u>	<u>\$ 26,620,523</u>	<u>\$ 23,633,836</u>	<u>\$ 24,785,805</u>	<u>\$ 23,370,878</u>	<u>\$ 23,845,305</u>	<u>\$ 29,501,192</u>	<u>\$ 29,630,639</u>	<u>\$ 41,454,129</u>
Net (Expense)/Revenue										
Governmental Activities	<u>\$(37,149,782)</u>	<u>\$(32,892,864)</u>	<u>\$(41,908,229)</u>	<u>\$(36,313,883)</u>	<u>\$(40,081,992)</u>	<u>\$(44,254,874)</u>	<u>\$(36,576,686)</u>	<u>\$(33,299,402)</u>	<u>\$(43,187,153)</u>	<u>\$(29,918,190)</u>
Business-Type Activities	<u>(547,260)</u>	<u>129,535</u>	<u>(1,125,919)</u>	<u>(163,087)</u>	<u>(136,529)</u>	<u>(1,058,695)</u>	<u>(95,002)</u>	<u>2,471,887</u>	<u>63,584</u>	<u>730,631</u>
Total primary government net expense	<u>\$(37,697,042)</u>	<u>\$(32,763,329)</u>	<u>\$(43,034,148)</u>	<u>\$(36,476,970)</u>	<u>\$(40,218,521)</u>	<u>\$(45,313,569)</u>	<u>\$(36,671,688)</u>	<u>\$(30,827,515)</u>	<u>\$(43,123,569)</u>	<u>\$(29,187,559)</u>

City of Lake Forest

Change in Net Position
Last Ten Fiscal years
Year Ended April 30, 2024

	2015*	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Revenues and Other Changes in Net Position										
Governmental Activities										
Taxes:										
Property	\$ 24,468,769	\$ 25,006,224	\$ 25,928,864	\$ 26,193,444	\$ 27,591,773	\$ 28,569,827	\$ 30,459,112	\$ 32,149,905	\$ 33,144,358	\$ 34,788,181
Sales	2,851,103	2,889,306	2,829,607	2,105,736	2,095,938	2,597,218	1,081,489	1,795,817	2,033,255	2,364,194
Income and use	2,386,567	2,251,828	2,306,546	2,272,639	2,593,506	2,584,198	3,223,407	3,829,655	3,774,572	3,954,429
Telecommunications and utility	3,954,001	3,551,491	3,596,175	3,440,365	3,603,381	3,170,895	3,102,515	3,285,771	3,242,737	2,921,841
Real estate transfer tax	1,224,610	1,288,175	1,398,160	1,622,900	1,471,595	1,256,265	2,735,405	2,652,110	2,125,930	1,869,145
Other	534,625	514,231	636,368	2,178,246	2,410,453	2,717,862	4,308,631	5,824,190	5,910,164	6,115,792
Investment earnings	547,118	145,329	1,042,049	1,665,391	2,215,202	1,664,355	3,564,117	(883,765)	2,778,603	6,429,817
Miscellaneous	73,613	-	-	-	-	-	-	-	-	-
Gain on sale of assets	-	-	-	(3,874)	7,775	38,500	-	-	7,000	-
Transfers	(168,750)	(924,496)	(360,000)	(4,343,841)	786,850	(198,500)	(29,500)	(52,500)	(58,796)	(542,706)
Total governmental activities	<u>35,871,656</u>	<u>34,722,088</u>	<u>37,377,769</u>	<u>35,131,006</u>	<u>42,776,473</u>	<u>42,400,620</u>	<u>48,445,176</u>	<u>48,601,183</u>	<u>52,957,823</u>	<u>57,900,693</u>
Business-Type Activities										
Investment earnings	33,408	40,362	58,366	236,990	279,189	175,969	42,285	56,757	497,116	814,537
Other	1,621	6,033	2,450	61,835	299,176	309,870	290,648	374,139	261,369	201,297
Transfers	168,750	924,496	360,000	4,343,841	(786,850)	198,500	29,500	52,500	58,796	542,706
Total business-type activities	<u>203,779</u>	<u>970,891</u>	<u>420,816</u>	<u>4,642,666</u>	<u>(208,485)</u>	<u>684,339</u>	<u>362,433</u>	<u>483,396</u>	<u>817,281</u>	<u>1,558,540</u>
Total primary government	<u>\$ 36,075,435</u>	<u>\$ 35,692,979</u>	<u>\$ 37,798,585</u>	<u>\$ 39,773,672</u>	<u>\$ 42,567,988</u>	<u>\$ 43,084,959</u>	<u>\$ 48,807,609</u>	<u>\$ 49,084,579</u>	<u>\$ 53,775,104</u>	<u>\$ 59,459,233</u>
Changes in Net Position										
Governmental activities	\$ (1,278,126)	\$ 1,829,224	\$ (4,530,460)	\$ (1,182,877)	\$ 2,694,481	\$ (1,854,254)	\$ 11,868,490	\$ 15,301,781	\$ 9,770,670	\$ 27,982,503
Business-type activities	(343,481)	1,100,426	(705,103)	4,479,579	(345,014)	(374,356)	267,431	2,955,283	880,865	2,289,171
Total primary government change in net position	<u>\$ (1,621,607)</u>	<u>\$ 2,929,650</u>	<u>\$ (5,235,563)</u>	<u>\$ 3,296,702</u>	<u>\$ 2,349,467</u>	<u>\$ (2,228,610)</u>	<u>\$ 12,135,921</u>	<u>\$ 18,257,064</u>	<u>\$ 10,651,535</u>	<u>\$ 30,271,674</u>

*Starting in 2015, all taxes administered by the State and disbursed to the City are reported as intergovernmental revenues on the face of the financial statements. They have been grouped by tax type for comparison purposes above.

City of Lake Forest

Fund Balances of Governmental Funds
 Last Ten Fiscal Years
 April 30, 2024

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
General Fund										
Nonspendable	\$ 1,648,832	\$ 1,272,224	\$ 778,160	\$ 150,038	\$ 129,280	\$ 143,703	\$ 208,661	\$ 91,038	\$ 199,053	\$ 1,191,755
Restricted	957,420	-	-	-	-	-	-	-	-	-
Unassigned	<u>17,910,037</u>	<u>22,509,969</u>	<u>28,799,288</u>	<u>29,130,844</u>	<u>28,815,904</u>	<u>29,433,682</u>	<u>28,148,267</u>	<u>28,872,687</u>	<u>31,157,853</u>	<u>32,350,101</u>
Total general fund	<u>\$ 20,516,289</u>	<u>\$ 23,782,193</u>	<u>\$ 29,577,448</u>	<u>\$ 29,280,882</u>	<u>\$ 28,945,184</u>	<u>\$ 29,577,385</u>	<u>\$ 28,356,928</u>	<u>\$ 28,963,725</u>	<u>\$ 31,356,906</u>	<u>\$ 33,541,856</u>
All Other Governmental Funds										
Nonspendable	\$ 381,173	\$ 408,539	\$ 536,121	\$ 28,688	\$ 32,837	\$ 29,139	\$ 28,878	\$ -	\$ 292,047	\$ 38,047
Restricted	14,726,999	20,337,111	19,420,288	20,806,879	26,656,696	27,693,271	36,738,128	45,175,456	62,488,187	47,161,715
Assigned	1,448,736	1,456,053	-	-	-	-	-	-	-	6,018,542
Unassigned	<u>(1,022,136)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,686)</u>	<u>(743,104)</u>	<u>(304,215)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total all other governmental funds	<u>\$ 15,534,772</u>	<u>\$ 22,201,703</u>	<u>\$ 19,956,409</u>	<u>\$ 20,835,567</u>	<u>\$ 26,685,847</u>	<u>\$ 26,979,306</u>	<u>\$ 36,462,791</u>	<u>\$ 45,175,456</u>	<u>\$ 62,780,234</u>	<u>\$ 53,218,304</u>
Total governmental funds	<u>\$ 36,051,061</u>	<u>\$ 45,983,896</u>	<u>\$ 49,533,857</u>	<u>\$ 50,116,449</u>	<u>\$ 55,631,031</u>	<u>\$ 56,556,691</u>	<u>\$ 64,819,719</u>	<u>\$ 74,139,181</u>	<u>\$ 94,137,140</u>	<u>\$ 86,760,160</u>

City of Lake Forest

Changes in Fund Balances of Governmental Funds
 Last Ten Fiscal Years
 Year Ended April 30, 2024

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenues										
Property taxes	\$ 24,468,769	\$ 25,006,224	\$ 25,928,864	\$ 26,193,444	\$ 27,591,773	\$ 28,569,827	\$ 30,459,112	\$ 32,149,905	\$ 33,144,358	\$ 34,788,181
Other taxes	4,641,466	4,317,316	4,609,057	4,786,506	4,775,587	4,702,203	6,236,640	7,420,624	7,296,938	7,106,333
Intergovernmental revenues	6,972,923	6,680,193	6,656,768	6,331,183	6,717,794	7,274,602	7,982,783	9,381,665	9,450,281	9,469,264
Grants and contributions	950,823	1,056,523	1,419,736	997,289	2,220,550	1,082,083	1,959,289	803,304	3,495,343	785,592
Charges for services	7,935,973	8,506,756	8,005,317	8,833,079	8,759,327	8,749,224	7,611,794	9,915,260	10,085,851	10,654,096
Licenses and permits	2,821,066	5,222,568	5,157,398	3,232,276	3,456,703	2,954,115	3,133,137	3,460,452	3,661,327	5,145,944
Fines and forfeitures	287,333	260,407	321,168	345,438	355,304	271,985	260,726	256,681	252,955	249,043
Investment income (loss)	524,150	115,462	989,515	1,553,167	2,043,136	1,534,251	3,531,497	(919,400)	2,533,245	6,008,618
Miscellaneous revenue	790,344	779,137	841,731	1,831,152	1,511,534	1,360,723	1,346,521	1,777,933	1,557,864	1,704,445
Total revenues	49,392,847	51,944,586	53,929,554	54,103,534	57,431,708	56,499,013	62,521,499	64,246,424	71,478,162	75,911,516
Expenditures										
General government	10,248,830	10,811,408	11,581,286	10,469,740	11,657,265	11,960,755	13,142,471	12,312,871	13,261,755	14,115,999
Highways and streets	2,371,461	2,157,463	3,118,461	2,354,587	4,577,657	3,393,599	3,232,159	3,994,492	5,489,525	3,460,148
Sanitation	2,235,135	2,276,433	2,311,435	2,290,986	2,480,420	2,619,476	2,653,638	2,583,681	2,752,581	3,010,215
Culture and recreation	8,457,043	8,338,284	8,532,289	8,853,547	9,319,869	9,398,508	9,260,377	9,740,683	10,123,672	11,032,834
Public safety	14,469,408	15,090,712	15,126,874	15,520,779	16,900,348	18,456,208	18,449,813	19,464,610	20,127,970	20,967,735
Capital outlay	7,582,668	10,992,926	5,439,469	8,746,881	3,971,995	6,753,993	4,568,295	3,160,885	8,971,850	26,165,886
Debt service:										
Principal	1,623,436	1,791,579	7,906,696	1,782,156	1,429,625	1,730,850	1,910,089	2,009,665	2,192,956	3,144,246
Interest	1,400,609	1,293,634	1,639,191	1,277,596	1,242,498	1,202,730	1,026,472	957,831	925,090	991,914
Total expenditures	48,388,590	52,752,439	55,655,701	51,296,272	51,579,677	55,516,119	54,243,314	54,224,718	63,845,399	82,888,977
Excess (deficiency) of revenues over expenditures	1,004,257	(807,853)	(1,726,147)	2,807,262	5,852,031	982,894	8,278,185	10,021,706	7,632,763	(6,977,461)
Other Financing Sources (Uses)										
Transfers in	2,020,085	2,846,321	7,776,661	4,799,274	7,280,685	4,627,667	6,804,841	6,791,294	6,101,025	8,089,378
Transfers out	(2,188,835)	(2,895,321)	(8,136,661)	(7,050,020)	(7,644,685)	(4,826,167)	(6,834,841)	(7,493,794)	(6,161,696)	(8,502,153)
Bonds issued	-	9,780,000	-	-	-	-	-	-	10,770,000	-
Loan proceeds	-	830,080	-	-	-	-	-	-	-	-
Premium (discount) on bonds issued	-	106,384	-	-	-	797,619	-	511,784	1,390,156	-
Proceeds from refunding G.O. bonds	-	-	-	-	-	10,751,022	-	7,590,000	-	-
Payments for refunding G.O. bonds	-	-	-	-	-	(11,445,875)	-	(8,101,528)	-	-
Sale of capital assets	24,053	73,224	5,636,108	26,076	26,551	38,500	14,843	-	265,711	13,256
Total other financing sources (uses)	(144,697)	10,740,688	5,276,108	(2,224,670)	(337,449)	(57,234)	(15,157)	(702,244)	12,365,196	(399,519)
Net changes in fund balances	\$ 859,560	\$ 9,932,835	\$ 3,549,961	\$ 582,592	\$ 5,514,582	\$ 925,660	\$ 8,263,028	\$ 9,319,462	\$ 19,997,959	\$ (7,376,980)
Debt service as a percentage of noncapital expenditures	6.43%	6.54%	17.36%	6.49%	5.42%	5.78%	5.76%	5.92%	5.58%	6.94%

City of Lake Forest

Assessed Value and Actual Value of Taxable Property

Last Ten Levy Years

Levy Year	Residential Property	Commercial Property	Industrial Property	Other Property	Tax Increment Financing	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Estimated Actual Taxable Value
2014	\$ 2,047,998,906	\$ 196,562,054	\$ 61,541	\$ 5,846,135	\$ -	\$ 2,250,468,636	\$ 1.2741	\$ 6,751,405,908	33.333%
2015	2,105,361,682	196,233,065	46,548	6,294,764	-	2,307,936,059	1.2794	6,923,808,177	33.333%
2016	2,226,672,717	209,668,706	49,445	6,591,173	90,630	2,443,072,671	1.2268	7,329,218,013	33.333%
2017	2,309,650,453	215,722,819	51,936	6,841,694	1,690,541	2,533,957,443	1.2366	7,601,872,329	33.333%
2018	2,305,181,606	214,536,978	52,832	7,152,663	4,202,435	2,531,126,514	1.2782	7,593,379,542	33.333%
2019	2,222,762,174	228,895,482	53,502	6,085,440	16,133,495	2,473,930,093	1.3721	7,421,790,279	33.333%
2020	2,168,305,007	221,826,768	55,722	6,474,628	22,935,969	2,419,598,094	1.4638	7,258,794,282	33.333%
2021	2,149,678,467	225,662,484	55,419	6,476,640	25,028,375	2,406,901,385	1.5217	7,220,704,155	33.333%
2022	2,196,169,409	222,850,729	55,906	7,089,985	25,629,367	2,451,795,396	1.5590	7,355,386,188	33.333%
2023	2,306,668,416	223,813,447	58,043	7,843,317	27,530,036	2,565,913,259	1.5616	7,697,739,777	33.333%

Data Source

Office of the County Clerk

Note : Property is assessed at 33 1/3% of actual value; property tax rates per \$100 of assessed valuation.

The City's TIF Increment Financing district expired for 2012

A new City TIF Increment Financing district initiated for 2016

City of Lake Forest

Property Tax Rates - Direct and Overlapping Governments

Based on Shields Township

Last Ten Levy Years

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Bonds	0.090	0.067	0.059	0.060	0.066	0.074	0.077	0.077	0.076	0.110
Corporate	0.590	0.619	0.603	0.600	0.620	0.646	0.663	0.683	0.709	0.687
Firemen's Pension	0.054	0.053	0.050	0.061	0.065	0.077	0.093	0.098	0.099	0.095
IMRF	0.038	0.037	0.035	0.035	0.035	0.037	0.039	0.040	0.040	0.040
Library	0.155	0.153	0.146	0.145	0.149	0.157	0.166	0.170	0.176	0.177
Library Sites & Building	0.017	0.017	0.016	0.016	0.016	0.017	0.018	0.018	0.019	0.019
Parks/Park Maintenance	0.194	0.196	0.187	0.184	0.188	0.197	0.225	0.229	0.236	0.236
Police Pension	0.080	0.082	0.078	0.083	0.087	0.109	0.125	0.134	0.135	0.129
Ptab/CE Recapture	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.011	0.007	0.006
Recreation for Handicapped Rec.	0.018	0.018	0.018	0.018	0.019	0.020	0.021	0.021	0.022	0.022
Social Security	0.038	0.037	0.035	0.035	0.035	0.037	0.039	0.040	0.040	0.040
City Direct Rates *	1.274	1.279	1.227	1.237	1.280	1.371	1.464	1.522	1.559	1.562
Overlapping Rates										
College of Lake County	0.306	0.299	0.285	0.281	0.282	0.282	0.290	0.293	0.296	0.294
County of Lake	0.682	0.663	0.632	0.622	0.612	0.597	0.598	0.598	0.589	0.586
Lake County Forest Preserve	0.210	0.208	0.193	0.187	0.182	0.180	0.182	0.179	0.173	0.168
North Shore Water Reclamation Distr.	0.169	0.166	0.157	0.153	0.153	0.153	0.157	0.158	0.160	0.159
School District 67, Elem.	1.452	1.429	1.367	1.355	1.391	1.472	1.551	1.606	1.652	1.660
School District 115, High School	1.450	1.409	1.329	1.314	1.336	1.375	1.445	1.494	1.535	1.790
Township	0.039	0.038	0.036	0.035	0.035	0.036	0.037	0.037	0.048	0.075
Township Road and Bridge	0.033	0.032	0.031	0.030	0.031	0.032	0.033	0.034	0.026	0.000
Total tax rate	5.615	5.523	5.257	5.214	5.302	5.498	5.757	5.922	6.038	6.294
City's share of total tax rate	23%	23%	23%	24%	24%	25%	25%	26%	26%	25%

Data Source

Office of the County Clerk - Shields Township

Lake Forest lies within five townships - Moraine, Shields, Vernon, West Deerfield and Libertyville. Therefore, the tax rates for support of the Township government and for the Township Road and Bridge purposes vary. Parts of Shields Township in Lake Forest lie in the Lake Bluff Park District.

All of Moraine Township is in Lake Forest and parts of Shields and West Deerfield Townships in Lake Forest lie in the North Shore Sanitary District.

* Excludes rates for the Special Service Areas

* Includes the City's component unit, Lake Forest Library

City of Lake Forest

Principal Property Taxpayers
Current Year and Nine Years Ago

Taxpayer	2024			2015		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Valuation	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Valuation
Kelmscott Park Apartments LLC	\$ 16,131,052	1	0.63%			
Chicago Title Land Trust Company	13,722,512	2	0.53%			
Abbot Laboratories	12,792,495	3	0.50%			
Chicago Bears Football Club, Inc	11,744,784	4	0.46%			
Chicago Title Land Trust Company	11,652,774	5	0.45%			
Lake Forest Place LLC	11,284,128	6	0.44%			
CAI Investment Lake Forest Global	10,657,112	7	0.42%			
Conway Gateway LLC	10,340,565	8	0.40%			
Hospira Inc	8,267,936	9	0.32%	\$ 18,271,271	1	0.81%
Lake Forest Investment LLC	8,140,883	10	0.32%			
Lake Products, Inc				13,923,091	2	0.62%
The Presbyterian Home				12,468,495	3	0.55%
CBIZ Property Tax Solutions				8,975,933	4	0.40%
Trustmark Insurance Co				7,543,799	5	0.33%
Northwestern Lake Forest Hospital				7,253,328	6	0.32%
Lake Forest Landmark Co. LLC				6,707,780	7	0.30%
Lake Forest Landmark II				5,712,030	8	0.25%
Riggs & Co.				5,217,669	9	0.23%
STRS L3 ACQ2 LLC				5,262,931	10	0.23%
	<u>\$ 114,734,241</u>		<u>4.47%</u>	<u>\$ 91,289,582</u>		<u>4.05%</u>

Data Source

Office of the County Clerk

Note: Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers contain multiple parcels, and it is possible that some parcels and their valuations have been overlooked.

2024 Column is 2023 Assessed Valuation

2015 Column is 2014 Assessed Valuation

City of Lake Forest

Property Tax Levies and Collections
Last Ten Levy Years

Levy Year	Tax Levied	Collected within the Fiscal Year after the Levy		Subsequent Year Collections	Total Collections Per Levy	
		Amount	Percentage of Levy		Taxes Received	Percentage of Levy
2014	\$ 28,673,693	\$ 28,608,680	99.77%	\$ 14,056	\$ 28,622,736	99.82%
2015	29,528,749	29,468,310	99.80%	10,693	29,479,003	99.83%
2016	29,970,699	29,839,108	99.56%	781	29,839,889	99.56%
2017	31,313,227	31,250,130	99.80%	9,178	31,259,308	99.83%
2018	32,533,539	32,427,323	99.67%	1,981	32,429,304	99.68%
2019	33,955,313	33,779,271	99.48%	151	33,779,422	99.48%
2020	35,063,302	34,914,741	99.58%	960	34,915,701	99.58%
2021	35,959,054	35,808,504	99.58%	1,484	35,809,988	99.59%
2022	37,642,488	37,473,165	99.55%	1,215	37,474,380	99.55%
2023	39,466,621	N/A	N/A	N/A	N/A	N/A

Data Source

Lake County Treasurer and City

Note: Property is assessed at 33 1/3 % of actual value.

City of Lake Forest

Tax Extensions for City Funds
Last Ten Levy Years

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General	0.590	0.619	0.603	0.600	0.617	0.646	0.663	0.683	0.709	0.693
IMRF/Social Security	0.076	0.074	0.070	0.070	0.071	0.074	0.078	0.079	0.081	0.080
Firefighter Pension	0.054	0.053	0.050	0.061	0.065	0.077	0.093	0.098	0.099	0.095
Police Pension	0.080	0.082	0.078	0.083	0.087	0.109	0.125	0.134	0.135	0.129
Parks and Recreation	0.194	0.196	0.187	0.184	0.188	0.196	0.224	0.229	0.236	0.236
Special Recreation	0.018	0.018	0.018	0.018	0.019	0.020	0.021	0.021	0.022	0.022
General Obligation Bond 2008	0.037	0.026	0.000	0.000	0.000	-	-	-	-	-
General Obligation Bond 2009	0.013	0.009	0.012	0.012	0.011	0.011	0.011	0.011	0.008	0.007
General Obligation Bond 2010	0.025	0.015	0.020	0.020	0.019	0.019	0.019	0.019	0.018	0.014
General Obligation Bond 2013	0.015	0.010	0.018	0.018	0.027	0.027	0.027	0.027	0.023	0.024
General Obligation Bond 2015	0.000	0.008	0.009	0.010	0.009	0.009	0.009	0.009	0.008	0.007
General Obligation Bond 2023	-	-	-	-	-	-	-	-	-	0.019
Total tax rate	1.102	1.110	1.065	1.076	1.113	1.188	1.269	1.311	1.339	1.326

Data Source

Office of the County Clerk

The tax rate for the City's component unit, Lake Forest Library is excluded from this table.

This table excludes the tax rates for the Special Service Areas.

City of Lake Forest

Sales Tax Base and Number of Principal Payers
 Taxable Sales by Category - Home Rule Sales Tax
 Last Ten Calendar Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Merchandise	\$ 7,471	\$ 5,072	\$ 4,358	\$ 4,215	\$ 5,854	\$ 4,980	\$ 2,427	\$ 6,183	\$ 5,196
Food	96,009	92,936	93,838	95,457	144,134	189,599	203,271	205,928	199,899
Drinking and Eating Places	163,447	173,473	182,278	177,620	261,770	216,636	290,619	411,141	552,491
Apparel	75,606	73,785	72,540	67,069	116,944	115,308	181,680	222,405	253,870
Furniture & H.H. & Radio	36,526	32,774	28,424	29,524	47,907	62,235	111,261	92,924	94,490
Lumber, Building, Hardware	-	7,537	8,238	9,633	17,362	27,244	30,082	34,466	46,613
Automobile and Filling Stations	28,267	26,735	30,895	35,146	48,650	45,234	65,741	77,445	72,226
Drugs and Miscellaneous Retail	118,740	117,224	102,558	103,843	154,528	179,191	551,958	636,194	674,093
Agriculture and All Others	129,721	116,945	105,670	66,743	146,885	148,739	217,430	289,167	389,921
Manufacturers	(3,818)	-	-	-	-	-	12,293	16,700	25,138
Censored categories	-	-	-	-	-	-	-	-	-
Total	\$ 651,969	\$ 646,481	\$ 628,799	\$ 589,250	\$ 944,034	\$ 989,166	\$ 1,666,760	\$ 1,992,553	\$ 2,313,937
Total Number of Payers	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
City direct sales tax rate	0.50%	0.50%	0.50%	0.50%	1.00%	1.00%	1.00%	1.00%	1.00%

Data Source

Illinois Department of Revenue

Note: Blank categories have less than 4 taxpayers, therefore no data is shown to protect the confidentiality of individual taxpayers.

Effective July 2003, a .5% home rule sales tax was imposed.

Effective July 1 2019, an additional .5% home rule sales tax was imposed.

The City of Lake Forest became a home rule community in November 2004.

City of Lake Forest

Sales Tax Base and Number of Principal Payers
Taxable Sales by Category - Municipal Sales Tax
Last Ten Calendar Years

	2014	2015	2016	2017	2018	2019*	2020	2021	2022	2023
General Merchandise	\$ 14,010	\$ 14,930	\$ 11,412	\$ 10,496	\$ 10,069	\$ 8,964	\$ 5,204	\$ 2,465	\$ 6,204	\$ 5,200
Food	673,803	591,893	564,049	550,591	535,167	528,469	615,073	594,801	614,841	601,617
Drinking and Eating Places	364,221	329,303	350,024	372,173	362,713	349,961	224,312	297,355	416,955	560,160
Apparel	136,582	151,212	147,576	145,141	134,201	146,455	115,423	182,571	222,670	254,048
Furniture & H.H. & Radio	78,988	73,061	65,571	56,848	59,046	66,569	62,239	111,580	93,634	94,684
Lumber, Building, Hardware	-	-	15,076	16,479	19,267	21,891	27,245	30,893	34,867	47,084
Automobile and Filling Stations	178,178	133,684	139,764	141,260	131,243	575,290	134,743	170,053	198,011	196,164
Drugs and Miscellaneous Retail	430,482	414,407	431,966	399,115	381,239	393,920	391,545	879,413	924,313	954,564
Agriculture and All Others	255,189	295,974	271,061	246,697	166,637	222,162	170,645	248,950	325,478	428,237
Manufacturers	14,415	(5,107)	-	-	-	-	-	13,645	23,220	26,452
Censored categories	-	-	-	-	-	-	-	-	-	-
Total	\$ 2,145,868	\$ 1,999,357	\$ 1,996,499	\$ 1,938,800	\$ 1,799,582	\$ 2,313,681	\$ 1,746,430	\$ 2,531,724	\$ 2,860,192	\$ 3,168,210
Total Number of Payers	637	673	687	687	604	578	510	2897	4030	5004
City direct sales tax rate	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%

Data Source

Illinois Department of Revenue

Note: Blank categories have less than 4 taxpayers, therefore no data is shown to protect the confidentiality of individual taxpayers.

The categories, Lumber, Bldg. and Hardware and General Merchandise became a censored status in the 2nd quarter of 2008.

The category of Furniture & H.H. & Radio became a censored status in the 4th quarter of 2011

* A onetime estimated payment of \$400,000 was received in November 2019

City of Lake Forest

Direct and Overlapping Sales Tax Rates
Last Ten Fiscal Years

Fiscal Year	City Direct Rate	State Rate	Metra Rate	Special County Rate	Total
2015	1.50%	5.00%	0.50%	0.50%	7.50%
2016	1.50%	5.00%	0.50%	0.50%	7.50%
2017	1.50%	5.00%	0.50%	0.50%	7.50%
2018	1.50%	5.00%	0.50%	0.50%	7.50%
2019	1.50%	5.00%	0.50%	0.50%	7.50%
2020	2.00%	5.00%	0.50%	0.50%	8.00%
2021	2.00%	5.00%	0.50%	0.50%	8.00%
2022	2.00%	5.00%	0.50%	0.50%	8.00%
2023	2.00%	5.00%	0.50%	0.50%	8.00%
2024	2.00%	5.00%	0.50%	0.50%	8.00%

Data Source

City records

The City of Lake Forest became a home rule community in November 2004.
The City increased the home rules sales tax by .5% July 1, 2019

City of Lake Forest

Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year Ended	Governmental Activities		Business-Type Activities		Total Primary Government	Ratio of Total Outstanding Debt To Equalized Assessed Valuation*	Percentage of Personal Income*	Total Outstanding Debt Per Capita*
	General Obligation Bonds	Installment Purchase Contracts	General Obligation Bonds	Revenue Bonds				
2015	\$ 34,258,902	\$ -	\$ 17,602,838	\$ -	\$ 51,861,740	2.30%	3.47%	2,676.73
2016	42,510,566	-	15,679,654	-	58,190,220	2.52%	3.90%	3,003.37
2017	34,775,542	-	13,737,111	-	48,512,653	1.99%	3.25%	2,503.88
2018	33,460,538	-	21,111,864	-	54,572,402	2.15%	3.65%	2,816.64
2019	32,016,478	-	19,090,324	-	51,106,802	2.02%	3.42%	2,637.77
2020	30,340,954	-	16,863,419	-	47,204,373	1.92%	3.16%	2,436.35
2021	28,339,248	-	14,756,030	-	43,095,278	1.80%	2.89%	2,224.27
2022	26,227,244	-	12,701,765	-	38,929,009	1.63%	2.61%	2,009.24
2023	35,806,171	-	10,606,327	-	46,412,498	1.91%	2.41%	2,396.35
2024	32,341,198	-	8,814,937	-	41,156,135	1.62%	2.13%	2,125.07

Note: Details of the City's outstanding debt can be found in the notes to the financial statements.

* See the Schedule of Demographic and Economic Statistics for equalized assessed valuation of property, population data and personal income.

City of Lake Forest

Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Less Amounts Available In Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value of Property*	Per Capita
2015	\$ 51,861,740	\$ 1,316,900	\$ 50,544,840	0.75%	2,608.77
2016	58,190,220	1,201,300	56,988,920	0.82%	2,941.36
2017	48,512,653	1,067,027	47,073,830	0.64%	2,429.62
2018	54,572,402	1,161,697	53,410,705	0.70%	2,756.68
2019	51,106,802	1,292,816	49,813,986	0.66%	2,571.04
2020	47,204,373	1,596,241	45,608,132	0.61%	2,353.97
2021	38,929,009	1,640,674	37,288,335	0.52%	1,924.56
2022	38,929,009	1,289,571	37,639,438	0.52%	1,942.68
2023	46,412,498	1,766,088	44,646,410	0.61%	2,305.28
2024	41,156,135	147,160	41,008,975	0.53%	2,117.36

Note: Details of the City's outstanding debt can be found in the notes to the financial statements.

* See the Schedule of Assessed Value and estimated Actual Value of Taxable Property for property value data.

City of Lake Forest

Direct and Overlapping Governmental Activities Debt

April 30, 2024

Governmental unit	Gross Debt	Percentage Debt Applicable to the City of Lake Forest*	City of Lake Forest Share of Debt
Lake County	\$ 142,955,000	8.32%	\$ 11,898,375
Lake County Community College #532	77,725,000	8.73%	6,783,563
Lake County Forest Preserve District	167,195,000	8.32%	13,915,910
School District #67	2,080,000	100.00%	2,080,000
School District #103	6,180,000	0.01%	618
High School District #115	112,505,000	79.90%	89,885,876
	<hr/>		<hr/>
Subtotal, overlapping debt	508,640,000		124,564,343
	<hr/>		<hr/>
City of Lake Forest direct debt	32,341,198	100.00%	32,341,198
	<hr/>		<hr/>
Total direct and overlapping debt	<u>\$ 540,981,198</u>		<u>\$ 156,905,541</u>

Source: Lake County Clerk

District Bond Principal Payments Report

* Determined by ratio of assessed valuation of property subject to taxation in the City of

Lake Forest to valuation of property subject to taxation in overlapping unit.. The Percentage of debt is calculated by the percentage of the City's EAV in relation to the overlapping government's EAV. The gross debt is found on the Lake County website.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Lake Forest. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

City of Lake Forest

Legal Debt Margin Information Last Ten Fiscal Years

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Debt limit	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total net debt applicable to limit	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Legal debt margin	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total net debt applicable to the limit as a percentage of debt limit	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Note: Legal debt margin from 1997-2004 was 8.625% of assessed value.

* City of Lake Forest achieved home rule status in November 2004. To date the General Assembly has set no limits for home rule municipalities.

City of Lake Forest

Pledged Revenue Coverage

Last Ten Fiscal Years

Fiscal Year	Gross Revenue	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2015	\$ 8,918,081	\$ 5,445,461	\$ 3,472,620	\$ 1,847,000	\$ 402,951	1.54
2016	10,190,948	5,826,164	4,364,784	1,877,000	373,266	1.94
2017	9,881,831	6,438,798	3,443,033	1,902,000	339,386	1.54
2018	10,022,069	5,644,942	4,377,127	1,952,000	544,461	1.75
2019	10,357,788	6,992,668	3,365,120	1,987,000	580,023	1.31
2020	9,655,908	6,253,668	3,402,240	2,067,000	530,673	1.31
2021	10,796,575	6,752,827	4,043,748	1,934,413	607,064	1.59
2022	12,543,737	5,821,671	6,722,067	1,871,947	523,002	2.81
2023	11,522,792	6,736,826	4,785,967	1,976,252	434,286	3.85
2024	13,609,209	6,710,341	6,898,868	1,786,376	331,989	3.79

Note: Details of the City's outstanding debt can be found in the notes to the financial statements.
 Water Charges and Other includes investment earnings but excludes sale of property and grants
 Operating expenses does not include debt service, depreciation or reserve requirements

City of Lake Forest

Demographic and Economic Information
Last Ten Fiscal Years

Fiscal Year	Population		Equalized Accessed Valuation (EAV)	Per Capita EAV	Personal Income	Per Capita Personal Income	Unemployment Rate
2015 *	19,375	(A)	2,250,468,636	116,153	1,493,657,500	77,092	5.5%
2016 *	19,375	(A)	2,307,936,059	119,119	1,493,657,500	77,092	4.7%
2017 *	19,375	(A)	2,443,072,671	126,094	1,493,657,500	77,092	4.6%
2018 *	19,375	(A)	2,533,957,443	130,785	1,493,657,500	77,092	4.0%
2019 *	19,375	(A)	2,526,924,079	130,422	1,493,657,500	77,092	3.9%
2020 *	19,375	(A)	2,457,796,598	126,854	1,493,657,500	77,092	3.4%
2021 *	19,375	(A)	2,396,662,125	123,699	1,493,657,500	77,092	6.4%
2022 *	19,375	(A)	2,381,873,010	122,935	1,493,657,500	77,092	3.8%
2023 *	19,367	(A)	2,426,166,029	125,267	1,928,239,344	99,558	3.7%
2024 *	19,367	(A)	2,538,383,223	131,061	1,928,239,344	99,558	4.4%

(A) Actual

(E) Estimate by City of Lake Forest

Data Source

City records, Department of Labor and Office of the County Clerk.

* The State of Illinois revised the annual unemployment rates for small communities back to 2010 in 2014

Fiscal Year 2023 the City updated and used 2020 census data

City of Lake Forest

Principal Employers

Current Year and Nine Years Ago

Employer	2024			2015		
	Employees	Rank	% of Total City Population	Employees	Rank	% of Total City Population
Northwestern Medicine Lake Forest Hospital	1,500	1	7.75%	1,600	1	8.26%
Abbott	1,265	2	6.53%			
Hospira Inc.	921	3	4.76%	1,350	2	6.97%
Pfizer	541	4	2.79%			
Pactiv Corporation	494	5	2.55%	300	7	1.55%
Lake Forest College excludes student employees	487	6	2.51%	500	5	2.58%
Trustmark Insurance Company	404	7	2.09%	850	3	4.13%
Solo Cup Co.				600	4	3.10%
Lake Forest H.S. District 115 teacher, support staff	325	8	1.68%	350	6	1.81%
Consumer Credit Union	300	9	1.55%			
City of Lake Forest	215	10	1.11%	275	8	1.42%
Brunswick Corporation				200	9	1.03%
Packing Corporation of America				200	10	1.03%

Data Source

City staff contacted companies via mail.

City of Lake Forest

Full-Time Equivalent Employees

Last Ten Fiscal Years

Full-Time-Equivalent Budgeted Employees as of April 30

Function/Program	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Government										
Administration	25	25	25.4	23.5	23.8	23.8	24.75	24.75	25.75	26.75
Community Development	13.0	13.0	13.0	13.0	13.0	13.0	13.0	13.0	13.0	15.0
Public Safety										
Fire Protection										
Firefighters	33	33	33	32	32	32	32	32	32	32
Administrative	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Police										
Officers	40	40	40	40	40	40	40	40	40	40
Civilians	18.0	8.0	9.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0
Public Works										
Public Works Administration	4	4	4	4	4	4	4	4	4	4
Building Maintenance	7	7	7	7	7	7	7	7	7	7
Engineering	5	5	5	5	5	5	5	5	5	5
Streets	8	7.5	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0
Sanitation	11	10.5	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
Forestry	0	0	0	0	0	0	0	0	0	0
Fleet (vehicle) Maintenance	6	6	6	6	6	6	6	6	6	6
Water										
Water Plant	7	7	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5
Water and Sewer	9	9	8.5	8.5	8.5	8.5	8.5	8.5	8.5	8.5
Parks	15.4	15.4	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0
Recreation	15.4	15.4	16.0	16.0	16.0	16.0	16.0	16.0	16.0	15.0
Golf Course	2.2	2.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Cemetery	2	2	2	3	3	3	3	3	3	4
Senior Resources	3	3	3	3	3	3	3	3	3	3
Sub - total City	224	214	213.4	209.5	209.75	209.75	210.75	210.75	211.75	214.75
Library	28.2	29.2	30.5	30.5	31.0	30.0	31.0	30.0	26.0	29.0
Total all	252.2	243.2	243.9	240	240.75	239.75	241.75	240.75	237.75	243.75

Data Source

City Departments and employee totals as of April 30th

City of Lake Forest

Operating Indicators
Last Ten Fiscal Years

Function/Program	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Government										
City Clerk										
Real Estate Transfer Tax (1)										
Number of Transactions	394	355	361	425	418	369	663	637	427	384
Rebates Issued	40	44	37	40	45	33	63	67	45	25
Birth Certificates Issued	2,556	2,575	2,474	2,807	2,759	2,525	2,617	3,212	3,385	3,283
Passports Issued (2)	0	0	0	0	0	0	0	0	0	0
Community Development										
Building permits issued	3,667	3,855	3,632	3,753	4,275	3,716	3,847	4,446	4,612	4,918
Residential construction	20	27	21	9	13	18	29	32	33	37
Commercial construction	1	1	1	4	-	1	2	2	2	3
Building inspections conducted	9,657	11,009	11,707	10,798	11,214	10,586	10,466	10,065	10,065	12,721
Public Safety										
Fire protection										
I.S.O. rating	4	4	3	3	3	3	3	3	3	3
Number of calls answered										
EMS	1,785	1,712	1,923	1,909	1,839	2,232	1,868	2,159	2,344	2,575
Fire	1,503	1,367	1,385	1,448	1,450	1,448	1,127	1,403	1,436	1,467
Police (calendar year)										
Non traffic arrests	89	166	129	76	157	83	80	95	49	105
Parking violations	5,250	3,907	5,396	4,325	6,891	3,748	1,107	2,242	2,043	2,458
Traffic violations	1,741	1,985	1,718	949	1,909	1,583	1,487	1,336	1,518	1,447
Public Works										
Streets										
Street resurfacing (miles) (calendar year)	5.50	2.40	3.28	2.63	2.20	3.40	1.90	1.20	3.10	2.00
Number of snow events										
Salting	21	24	15	10	9	6	5	5	2	8
Plowing	20	10	5	10	9	10	14	13	11	5
Inches of snow	50	24	22	45	46	26	63	37	29	18
Sanitation										
Refuse collection customers	6,654	6,295	6,467	6,467	6,484	6,503	6,527	6,550	6,550	6,556
Parks and Recreation (3)										
Fitness										
Number of programs	181	346	215	200	257	246	682	70	159	120
Units of participation	1,216	1,271	1,473	1,430	1,446	1,442	2,079	1,502	1,635	1,658
Athletics										
Number of programs	341	168	275	237	466	460	792	213	411	265
Units of Participation	2,282	1,348	2,006	2,026	1,931	1,958	561	1,901	3,169	2,866
Lakefront, Early Childhood Education and Lifetime Activities										
Number of programs	126	130	176	161	228	223	298	124	136	155
Units of participation	752	1,393	1,221	1,385	1,679	1,685	443	1,233	977	1,365
Cultural Arts/Special Events										
Number of programs	87	147	286	246	310	312	550	259	591	367
Units of participation	1,329	1,579	4,133	4,743	5,064	5,078	1,698	5,269	6,688	5,672

City of Lake Forest

Operating Indicators (Continued)
Last Ten Fiscal Years

Function/Program	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Developed parks and recreation areas	10	11	11	11	10	11	11	11	11	11
Developed park acreage	404	405	405	405	344	344	344	344	344	344
Sites with playgrounds	9	9	9	9	9	9	9	9	9	9
Sites with baseball diamonds	8	8	8	8	8	7	7	7	7	7
Sites with soccer fields	7	7	7	7	7	7	7	7	7	7
Sites with basketball standards	5	5	5	5	5	4	4	4	4	4
Sites with tennis courts	6	6	6	6	6	6	6	6	6	6
Deer Path Golf Course										
Size	18 holes	18 holes	18 holes	18 holes	18 holes	18 holes	18 holes	18 holes	18 holes	18 holes
Rounds of Play	27,956	29,445	27,101	24,631	26,184	24,666	24,508	26,293	26,799	27,810
Daily fee	17,646	20,478	19,755	18,660	21,172	20,089	20,380	22,112	20,831	21,860
Seasonal	10,310	8,967	7,346	5,971	5,012	4,577	4,128	4,181	5,968	5,950
Water										
New Connections (tap-ons)	33	66	30	23	29	21	27	15	12	14
Meters in operation	6,764	6,810	6,854	6,854	6,840	6,850	6,899	6,911	6,920	6,971
Meters connected to sewerage system	6,577	6,645	6,718	6,778	6,766	6,789	6,832	6,842	6,854	6,905
Average daily consumption (MGD)	3.250	3.162	3.499	3.550	3.430	3.132	3.400	3.804	3.324	3.681
Peak daily consumption (MGD)	7.345	8.268	8.315	8.926	7.247	7.916	8.180	8.482	8.579	8.242
Rated daily pumping capacity (MGD)	14	14	14	14	14	14	14	14	14	14
Total gallons pumped during fiscal year (in millions)	1,187.6	1,157.2	1,277.0	1,296.0	1,252.0	1,146.4	1,241.0	1,387.8	1,213.4	1,347.3
Municipal paid parking facilities										
Long- term parking spaces										
Miscellaneous lots	813	813	813	813	813	813	813	813	813	813
Union Pacific (CBD district)	98	98	98	98	98	98	98	98	98	98
Metra (Telegraph Road)	502	502	502	502	502	502	502	502	502	502
Short-term parking spaces	341	341	341	341	341	341	341	341	341	341
Component Unit										
Library services										
Books and non print materials (electronic)	146,214	146,153	221,568	248,598	147,024	149,026	350,692	366,063	411,037	455,385
Registered borrowers	15,440	15,460	15,518	13,588	13,946	7,908	9,408	9,377	6,180	7,282
Fiscal yearbooks, items or materials circulation	410,852	383,561	376,144	551,232	366,128	346,603	262,366	350,541	288,572	320,109

Data Source

City departments

- (1) Collection of real estate transfer tax began in July 2006 (FY2007).
- (2) The City began to issue passports in FY2003 and stopped in FY2012.
- (3) a. Fitness data does not include Fitness Center memberships.
b. Units of participation may include an individual participant more than once.

N/A equals data not available

City of Lake Forest

Capital Asset Statistics

Last Ten Fiscal Years

Function/Program	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Public Safety										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Vehicles	23	21	24	24	23	23	23	23	23	24
Fire protection										
Stations	2	2	2	2	2	2	2	2	2	2
Vehicles	15	17	17	15	18	18	19	23	23	22
Public Works										
Bridges										
Vehicle	14	14	14	14	14	14	14	14	14	15
Pedestrian	12	12	12	12	13	13	13	13	13	14
Streets										
Streets (centerline miles)	119.24	119.24	119.24	119.24	119.24	119.24	119.24	119.24	119.24	119.24
Streetlights										
Gas	438	438	438	438	438	438	438	438	438	438
Electric	1,570	1,570	1,570	1,570	1,570	1,570	1,570	1,570	1,570	1,570
Storm sewer (miles)	219.41	219.43	219.43	219.46	219.54	219.54	219.54	219.54	220.12	220.84
Parks and Recreation										
Acreage	404	405	405	405	344	344	344	344	344	344
Water										
Water mains (miles)	166.44	166.44	166.89	167.68	167.68	167.73	167.84	167.84	168.08	169.24
Fire hydrants	1,511	1,511	1,511	1,519	1,374	1,400	1,400	1,400	1,416	1,416
Wastewater										
Sanitary sewers (miles)	138.95	139.43	139.43	140.25	140.25	140.25	140.25	140.25	140.41	140.41

Data Source

City departments

N/A = data not available

The City of Lake Forest
CITY COUNCIL MEETING MINUTES
Proceedings of the Monday, October 21, 2024 6:30 pm
City Council Meeting – City Council Chambers
220 E Deerpath, Lake Forest, IL 60045

CALL TO ORDER AND ROLL CALL: Honorable Mayor Tack called the meeting to order at 6:30 p.m., and City Clerk Margaret Boyer called the roll of Council members.

Present: Honorable Mayor Tack, Alderman Novit, Alderman Notz, Alderman Powers, Alderman Goshgarina, Alderman LeVert, Alderman Weber and Alderman Walther.

Absent: none

CALL TO ORDER AND ROLL CALL

PLEDGE OF ALLEGIANCE was recited by all.

REPORTS OF CITY OFFICERS

COMMENTS BY MAYOR

Mayor Tack read the resolution of sympathy into the record and shared the Council's deepest sympathies with the Altounian Family.

A. Resolutions of Sympathy for former Alderman James Altounian

COUNCIL ACTION: Approve the Resolution of Sympathy

Mayor Tack asked for a motion. Alderman Goshgarian made a motion to approve the resolution of sympathy, seconded by Alderman Notz. The motion was carried unanimously by voice vote.

Mayor Tack invited Catherine Czerniak, Director of Community Development to the podium. Ms. Czerniak read a Resolution of Respect from the Chicago Bears into the record.

Here is a partial clip from the Resolution of Respect.

Whereas he was one of our longest-standing fans dating back to 1974.

Whereas during his time as a devoted fan, he saw at least 20 Bears players earn their place in the Pro Football Hall of Fame, legends like Walter Payton, Dick Butkus and Gale Sayers.

Whereas in 2016, we had the privilege of honoring Jim on the field during our game against the Denver Broncos, a moment that reflected the admiration we have for him and acknowledging him as someone who truly embodies what it means to be a Chicago Bears fan.

Whereas we are grateful for the many years he spent cheering for the Chicago Bears.

Whereas we hope that his legacy and love for the team continue to inspire those who knew him. Our thoughts are with Jim's family and friends during this difficult time.

B. Forest Park Pathway Project and Bluff Stabilization

Mayor Tack reported that It's been a busy year at Forest Park, with major progress on both the Bluff Stabilization and Beach Pathway Projects. A few weeks ago, we celebrated the completion of the Forest Park Beach Pathway Project with a beautiful ribbon-cutting ceremony. The Pathway Project was made possible thanks to the incredible generosity of Lake Forest residents, who donated nearly \$1 million dollars. Tonight, we're excited to share a timelapse video highlighting activity at Forest Park from August 2023 through October 2024, showcasing the transformation of the bluff and pathway. These projects align with "Infrastructure and City Facilities," a key focus of the City's 2025-2030 Strategic Plan. Both the Bluff Stabilization and Pathway Projects represent significant improvements to our City's infrastructure, ensuring a lasting positive impact for our residents well into the future.

City Manager stated that almost every staff member touched both projects ranging from support to feet on the ground. He said it gives him the opportunity to thank all staff involved. He reiterated that we should not take for granted the amazing staff that we have.

COMMENTS BY CITY MANAGER

City Manager Wicha welcomed Founder and President, Annie McAweeney, noting all that Fill a Heart4Kids does in Lake Forest, from helping one child to over 4000 Lake and Cook county foster, homeless and at-risk youth by providing food, critical necessities, life skills and educational support to empower and build brighter futures.

A. Community Spotlight

- Fill A Heart 4 Kids, Annie McAweeney, Founder and President

Annie McAweeney reported that Fill a Heart 4Kids has been supporting kids for over nineteen years. She added that volunteerism in Lake Forest starts with the youth from preschool to high school, last year there were 6 to 7,000 volunteers who helped make Fill a Heart4Kids successful. She reviewed current and future program plans. Noting there are volunteer opportunities six days a week.

The City Council noted that her work is both impressive and heartbreaking.

OPPORTUNITY FOR CITIZENS TO ADDRESS THE CITY COUNCIL

Diane offered her opinion to the Council on Bluff and Pathway Projects.

COMMITTEE REPORTS

FINANCE COMMITTEE

1. GFOA Triple Crown Award Presentation and Distinguished Budget Presentation Award

Finance Committee Chair Weber reported that the City was notified by the Government Finance Officers Association that the City's FY23 Popular Annual Financial Report (PAFR) has received the GFOA's PAFR Award. The GFOA established the Popular Annual Financial Reporting Awards Program (PAFR Program) in 1991.

Successfully achieving this award puts the City in a very exclusive club as a GFOA "Triple Crown" winner for the 3rd year in a row. This designation is for governmental units that have been awarded the GFOA Certificate of

Achievement for Excellence in Financial Reporting, the GFOA Distinguished Budget Presentation award, and the GFOA PAFR Award.

- The City has earned the GFOA Financial Reporting Award 45 consecutive years
- The City has earned the GFOA Budget Presentation Award for 9 consecutive years, including recently being notified of receiving the award for the City's FY25 budget
- The City has earned the GFOA PAFR award for 3 consecutive years

According to the US Census Bureau, there are only 354 units of government in the United States currently hold "GFOA Triple Crown"

Finance Chair Weber stated that the Finance Department team is to be commended for the excellent work they do each and every day that allows for the City to be successful in achieving these national recognitions.

2. Acknowledge Receipt of the FY2024 Treasurer's Report

Finance Committee Chair Weber introduced James Scott, Staff Accountant. Ms. Scott stated pursuant to Illinois Statute, a Treasurer's Report must be filed with the City Clerk, the County Clerk, and published in a Lake Forest newspaper within six months after the end of each fiscal year. The report will be published in the October 24, 2024, edition of the Lake Forester. She then gave a brief overview of what the treasurer report entails, summarizing the City's financial position.

Finance Chair Weber remarked excellent work!

COUNCIL ACTION: Acknowledge receipt of the FY2024 Treasurer's Report

Finance Chair Weber asked for a motion. Alderman Walther made a motion to acknowledge receipt of the FY 2024 Treasurer's report, seconded by Alderman Powers. The motion was carried unanimously by voice vote.

ITEMS FOR OMNIBUS VOTE CONSIDERATION

- 1. Approval of the October 7, 2024, City Council Meeting Minutes**
- 2. Consideration of a Request to Waive the Fidelity Bond Requirement in Connection with Holding Three Raffles in the City of Lake Forest for the School of St. Mary Parent Association (Approval by Motion)**
- 3. Approval of Health Insurance Contracts for Calendar Year 2025**
- 4. Approve the contract to Camp Nageela Midwest, dba Camp Henry Horner in the amount of \$34,000.**
- 5. Approval of a Public Works Committee Recommendation to Authorize the City Manager to Execute all Required Permanent Easement Acquisition Documents for the Deerpath Streetscape Project to Include the Potential Purchase of Needed Easements in an Amount not to Exceed \$54,700**
- 6. Approval of a Purchase of a Replacement Forestry Section Stump Grinder in the Amount of \$105,316 and the Trade-In of the Current 2005 Forestry Section Stump Grinder as Surplus Property in the amount of \$7,500 to Alexander Equipment Co. Inc.**

7. Consideration of a Recommendation from the Plan Commission in Support of a Plat of Condominium for a building under construction at 1095 Kelmscott Way. (Approval by Motion)

COUNCIL ACTION: Approve the seven (7) omnibus items as presented

Mayor Tack asked the Council if there were any items to be removed or taken separately. Seeing none, he asked for a motion.

Alderman Walther made a motion to approve the seven (7) Omnibus items as presented, seconded by Alderman Weber. The following voted "Aye": Alderman Novit, Clemens, Notz, Powers, Goshgarian, LeVert, Weber and Walther. The following voted "Nay": none. 8-Ayes, 0-Nays, motion carried.

Information such as Purpose and Action Requested, Background/Discussion, Budget/Fiscal Impact, Council Action and a Staff Contact as it relates to the Omnibus items can be found on the agenda.

OLD BUSINESS

NEW BUSINESS

ADDITIONAL ITEMS FOR COUNCIL DISCUSSION/COMMENTS BY COUNCIL MEMBERS

City Council asked the City to put out a statement about dogs at the beach. City Manager Wicha reported that staff can review current policy and that the City Council can direct staff should a change be warranted.

ADJOURNMENT

There being no further business Mayor Tack asked for a motion to adjourn. Alderman Novit made a motion to adjourn, seconded by Alderman LeVert. The motion was carried unanimously by voice vote at 7:35 p.m.

Respectfully Submitted,
Margaret Boyer, City Clerk

A video of the City Council meeting is available for viewing at the Lake Forest Library and on file in the Clerk's office at City Hall. You can also view it on the website by visiting www.cityoflakeforest.com. Click on I Want To, then click on View, then choose Archived Meetings Videos.

THE CITY OF LAKE FOREST
ORDINANCE NO. 2024- ____

**AN ORDINANCE APPROVING ARCHITECTURAL AND SITE DESIGN FOR THE
PROPERTY LOCATED AT 270 MAJESTIC OAK COURT**

WHEREAS, North Shore Builders, Inc. (William J. Ryan 94%, John Rushin 3%, James A. Esperson 3%) ("**Owner**") is the owner of that certain real property commonly known as 270 Majestic Oak Court, Lake Forest, Illinois and legally described in **Exhibit A**, attached hereto ("**Property**"); and

WHEREAS, the Property is located in the R-4, Single Family Residence Zoning District; and

WHEREAS, the Owner desires to construct a new residence and install hardscape and landscape ("**Improvements**") as depicted on the site plan and architectural drawings that are attached hereto as **Group Exhibit B ("Plans")**; and

WHEREAS, the Owner submitted an application ("**Application**") to permit the construction of the Improvements and was required to present the Plans to the Building Review Board ("**BRB**") for its evaluation and recommendation; and

WHEREAS, pursuant to notice duly published, the BRB reviewed and evaluated the Plans at a public hearing held on April 3, 2024; and

WHEREAS, the BRB, having fully heard and having considered the evidence and testimony by all those attending the public hearing who wished to testify, made the following findings:

1. the Property is located within the R-4, Single Family Residence District under the City Code,

2. Owner proposes to construct the Improvements as depicted on the Plans,
3. the evidence presented indicates that the construction of the Improvements, if undertaken in conformity with the recommended conditions and the Plans, will meet the design standards and requirements of Section 150.147 of the City Code,

and recommended that the City Council approve the Application and the Plans, subject to the terms and conditions hereinafter set forth; and

WHEREAS, the Mayor and City Council, having considered Owner's Application to construct the Improvements on the Property, and the findings and recommendations of the BRB, have determined that it is in the best interests of the City and its residents to grant approval to the Application, subject to the terms and conditions hereinafter set forth;

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF LAKE FOREST, COUNTY OF LAKE, STATE OF ILLINOIS, as follows:

SECTION ONE: Recitals. The foregoing recitals are hereby incorporated into and made a part of this Ordinance as if fully set forth.

SECTION TWO: Approval of Application. Pursuant to Section 150.147 of the City Code, and subject to the limitations therein and the conditions set forth in Section Three of this Ordinance, the City Council does hereby grant approval of the Application to allow the construction of the Improvements on the Property, as more fully depicted on the Plans.

SECTION THREE: Conditions on Approval. The approval granted pursuant to Section Two of this Ordinance shall be, and is hereby, conditioned upon and limited by the following conditions, the violation of any of which shall, in the

discretion of the Mayor and City Council, render void the approvals granted by this Ordinance:

- A. No Authorization of Work. This Ordinance does not authorize commencement of any work on the Property. Except as otherwise specifically provided in writing in advance by the City, no work of any kind shall be commenced on the Property pursuant to the approvals granted in this Ordinance except only after all permits, approvals, and other authorizations for such work have been properly applied for, paid for, and granted in accordance with applicable law.
- B. Compliance with Laws. Chapters 150, regarding buildings and construction, 156, regarding subdivisions, and 159, regarding zoning, of the City Code, and all other applicable ordinances and regulations of the City shall continue to apply to the Property, and the development and use of the Property shall be in compliance with all laws and regulations of all other federal, state, and local governments and agencies having jurisdiction.
- C. Tree Preservation. The Owner will fully comply with Chapter 99 of the City Code, regarding trees, as it relates to the construction of the Improvements.
- D. Compliance with the Plans. The Improvements must be developed on the Property in substantial compliance with the Plans.
- E. Fees and Costs. The Owner shall be responsible for paying all applicable fees relating to the granting of the approvals set forth herein in accordance with the City Code. In addition, the Owner shall reimburse the City for all of its costs (including without limitation engineering, planning, and legal expenses) incurred in connection with the review, consideration, approval, implementation, or successful enforcement of this Ordinance. Any amount not paid within 30 days after delivery of a demand in writing for such payment shall, along with interest and the costs of collection, become a lien upon the Property, and the City shall have the right to foreclose such lien in the name of the City as in the case of foreclosure of liens against real estate.

- F. Other conditions. The improvements shall be substantially in conformance with the Board's deliberations as reflected on **Exhibit C**, Notice of Action – Board Recommendation, attached hereto.

SECTION FOUR: Effective Date. This Ordinance shall be in full force and effect from and after its passage, approval, and publication in pamphlet form in the manner provided by law; provided, however, that this Ordinance shall, in the discretion of the City Council, be of no force or effect if the Owner has not (i) executed and (ii) thereafter filed with the City Clerk, within 90 days following the passage of this Ordinance, the unconditional agreement and consent, in the form attached hereto as **Exhibit D** and by this reference made a part hereof, to accept and abide by each and all of the terms, conditions, and limitations set forth herein.

PASSED THIS __ DAY OF _____, 2024.

AYES: ()

NAYS: ()

ABSENT: ()

ABSTAIN: ()

PASSED THIS __ DAY OF _____, 2024.

Mayor

ATTEST:

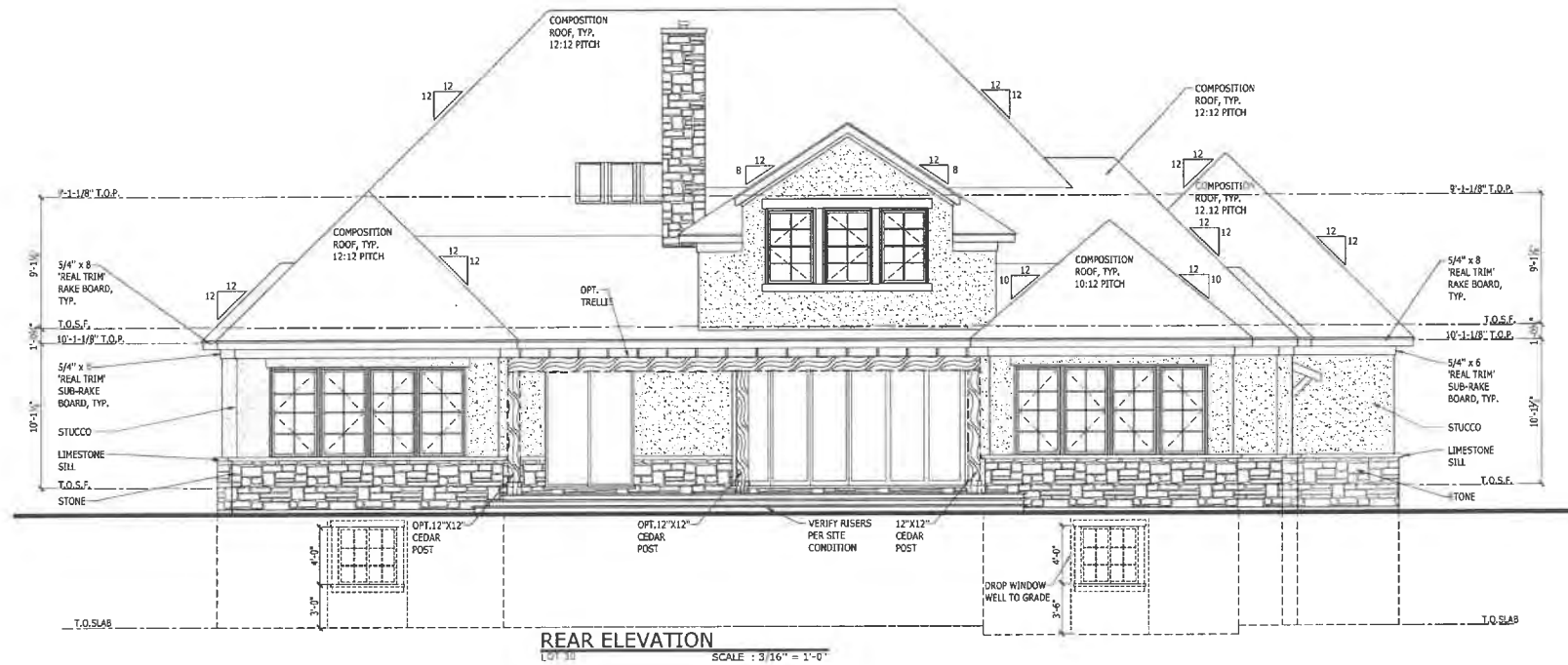
City Clerk

GROUP EXHIBIT B

The Plans

© WILLIAM RYAN HOMES

© COPYRIGHT WILLIAM RYAN HOMES, INC. ALL RIGHTS RESERVED. WRITTEN DIMENSIONS ON THESE DRAWINGS SHALL HAVE PRECEDENCE OVER SCALED DIMENSIONS. CONTRACTORS SHALL VERIFY AND BE RESPONSIBLE FOR ALL DIMENSIONS AND CONDITIONS ON THE JOB AND WILLIAM RYAN HOMES OFFICE MUST BE NOTIFIED OF ANY VARIATIONS FROM THE DIMENSIONS AND CONDITIONS SHOWN BY THESE DRAWINGS.



CONSTRUCTION ASSEMBLIES:

- T** THE FOLLOWING KEYNOTES REFER TO THE SYMBOLS AS SHOWN ON PLANS
- A. **ROOF CONSTRUCTION:**
COMPOSITION ROOF SHINGLES ON UNDER-LAYMENT WITH ICE & WATER SHIELD WHERE REQUIRED, ON 5/8" C.D. EXTERIOR PLYWOOD ROOF SHEATHING ON ROOF FRAMING MEMBERS (AS NOTED ON FRAMING PLANS).
CEILING: 5/8" GYPSUM BOARD WITH INSULATION ABOVE.
 - B1. **TYPICAL SIDING WALL CONSTRUCTION:**
SIDING ON WATER RESISTANT BARRIER ON 15/32" O.S.B. EXTERIOR WALL SHEATHING ON 2x4 OR 2x6 STUDS, 16" O.C. W/ INSULATION IN CAVITIES. (1/2" PLYWOOD @ BLOCKED PANEL EDGES)
INTERIOR: 1/2" TYPE 'X' GYPSUM BOARD.
 - B2. **TYPICAL BRICK/STONE VENEER WALL CONSTRUCTION:**
STONE VENEER OR BRICK VENEER (INSTALLED PER MFR'S SPECS.) OVER WATER RESISTANT BARRIER ON 1/2" O.S.B. EXTERIOR WALL SHEATHING ON 2x4 OR 2x6 STUDS, 16" O.C. W/ INSULATION IN CAVITIES. (1/2" PLYWOOD @ BLOCKED PANEL EDGES)
INTERIOR: 1/2" TYPE 'X' GYPSUM BOARD.
 - C. **TYPICAL FLOOR CONSTRUCTION:**
FINISHED FLOORING ON 3/4" C.D. EXTERIOR PLYWOOD FLOOR SHEATHING ON FLOOR FRAMING AS NOTED.
MAIN FLOOR CEILING: 5/8" GYPSUM BOARD.
 - D1. **TYPICAL BASEMENT SLAB CONSTRUCTION:**
4" CONCRETE SLAB ON 6 MIL. VAPOR BARRIER ON 4" MIN. GRANULAR FILL ON 95% COMPACTED EARTH OR VIRGIN SOIL.
 - D2. **TYPICAL GARAGE SLAB CONSTRUCTION:**
5" CONCRETE SLAB ON 6 MIL. VAPOR BARRIER ON 4" MIN. GRANULAR FILL ON 95% COMPACTED EARTH OR VIRGIN SOIL.
 - D3. **TYPICAL PORCH SLAB CONSTRUCTION:**
PAVERS ON 3 1/2" CONCRETE SLAB ON 4" MIN. GRANULAR FILL ON 95% COMPACTED EARTH OR VIRGIN SOIL.

GENERAL EXTERIOR ELEVATION NOTES:

- GRADE CONDITIONS MAY VARY FOR INDIVIDUAL SITE FROM THAT SHOWN.
- PROVIDE ROOF AND SOFFIT VENTS AS SPECIFIED BY BUILDER.
- PROVIDE GUTTERS AND DOWNSPOUTS AS SPECIFIED BY BUILDER.



WESTLEIGH FARM - LOT 30

08.12.2024
REVISION TABLE

FRONT AND REAR ELEVATIONS

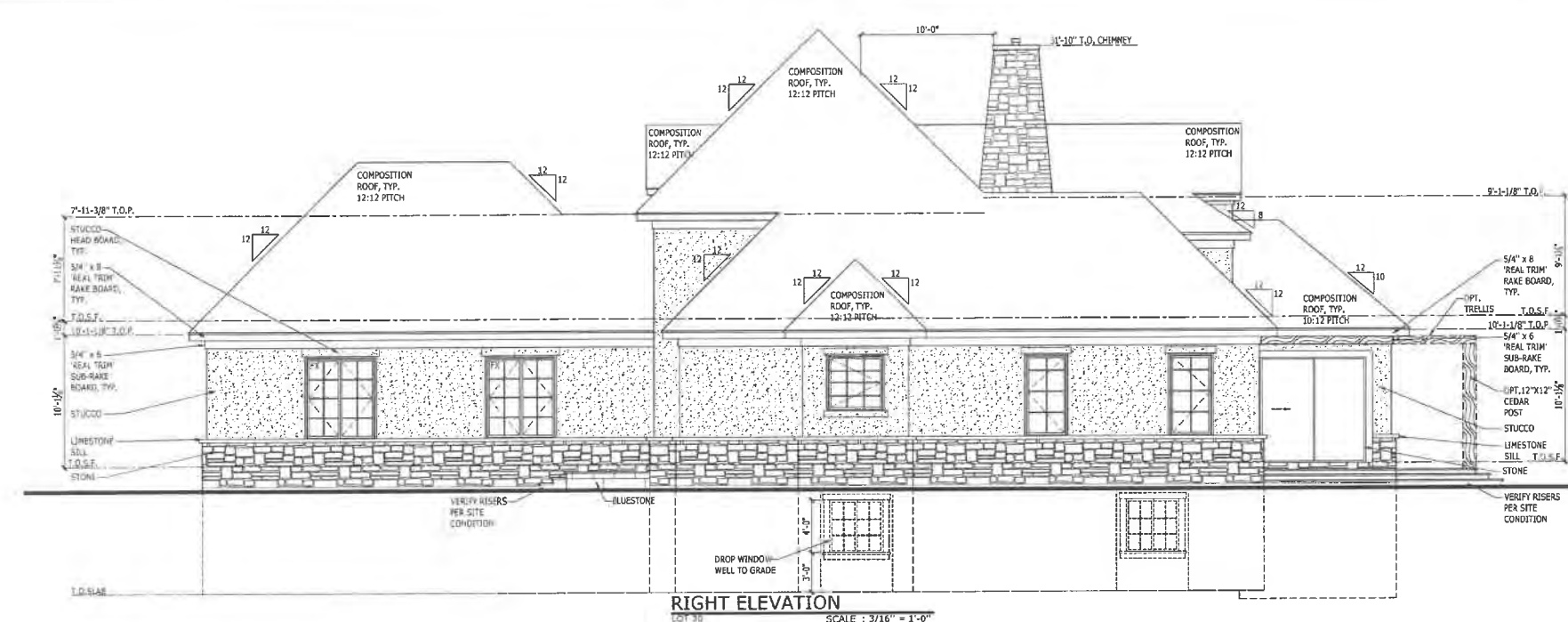
A-3

LEFT

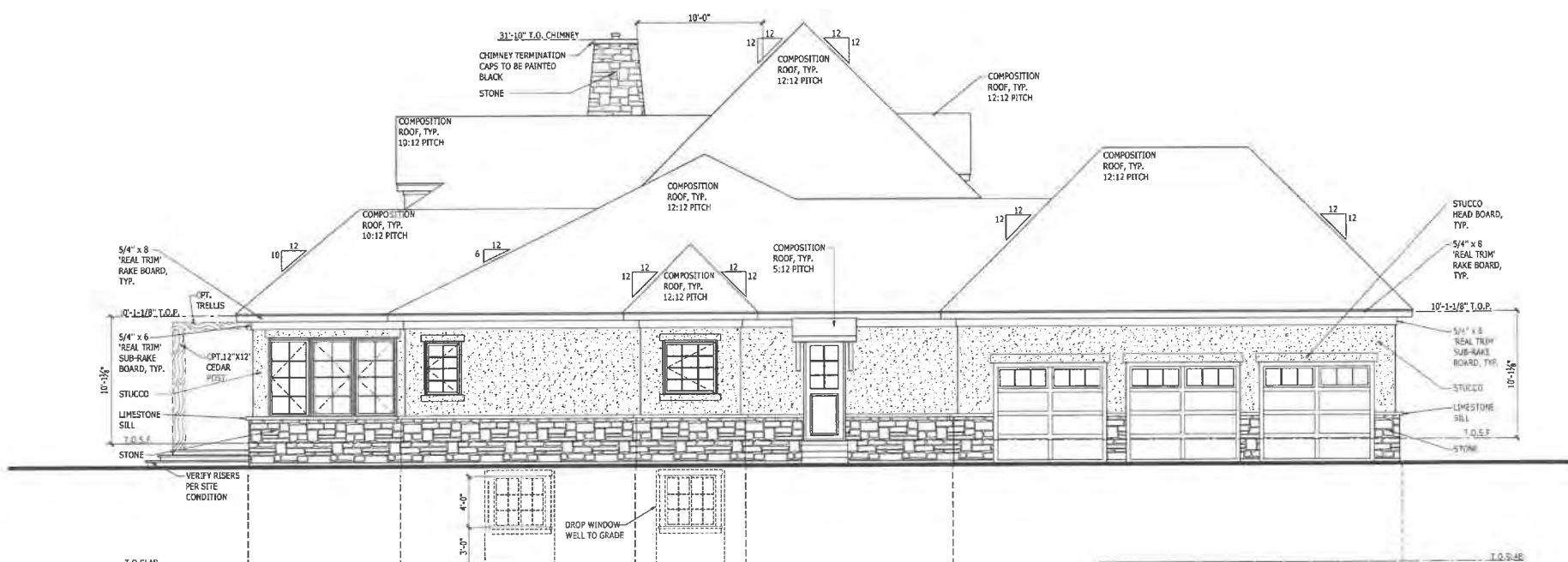
GROUP EXHIBIT B

The Plans

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RIGHT ELEVATION
 SCALE : 3/16" = 1'-0"



LEFT ELEVATION
 SCALE : 3/16" = 1'-0"

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- A. **ROOF CONSTRUCTION:**
 COMPOSITION ROOF SHINGLES ON UNDER-LAYMENT WITH ICE & WATER SHIELD WHERE REQUIRED, ON 5/8" C.D. EXTERIOR PLYWOOD ROOF SHEATHING ON ROOF FRAMING MEMBERS (AS NOTED ON FRAMING PLANS).
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 - B1. **TYPICAL SIDING WALL CONSTRUCTION:**
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 4" CONCRETE SLAB ON 6 MIL VAPOR BARRIER ON 4" MIN. GRANULAR FILL ON 15% COMPACTED EARTH OR VIRGIN SOIL.
 - D2. **TYPICAL GARAGE SLAB CONST.:**
 5" CONCRETE SLAB ON 6 MIL VAPOR BARRIER ON 4" MIN. GRANULAR FILL ON 15% COMPACTED EARTH OR VIRGIN SOIL.
 - D3. **TYPICAL PORCH SLAB CONST.:**
 PAVERS ON 3 1/2" CONCRETE SLAB ON 4" MIN. GRANULAR FILL ON 15% COMPACTED EARTH OR VIRGIN SOIL.

GENERAL EXTERIOR ELEVATION NOTES:

- GRADE CONDITIONS MAY VARY FOR INDIVIDUAL SITE FROM THAT SHOWN.
- PROVIDE ROOF AND SOFFIT VENTS AS SPECIFIED BY BUILDER.
- PROVIDE GUTTERS AND DOWNSPOUTS AS SPECIFIED BY BUILDER.



WESTLEIGH FARM -
 LOT 30

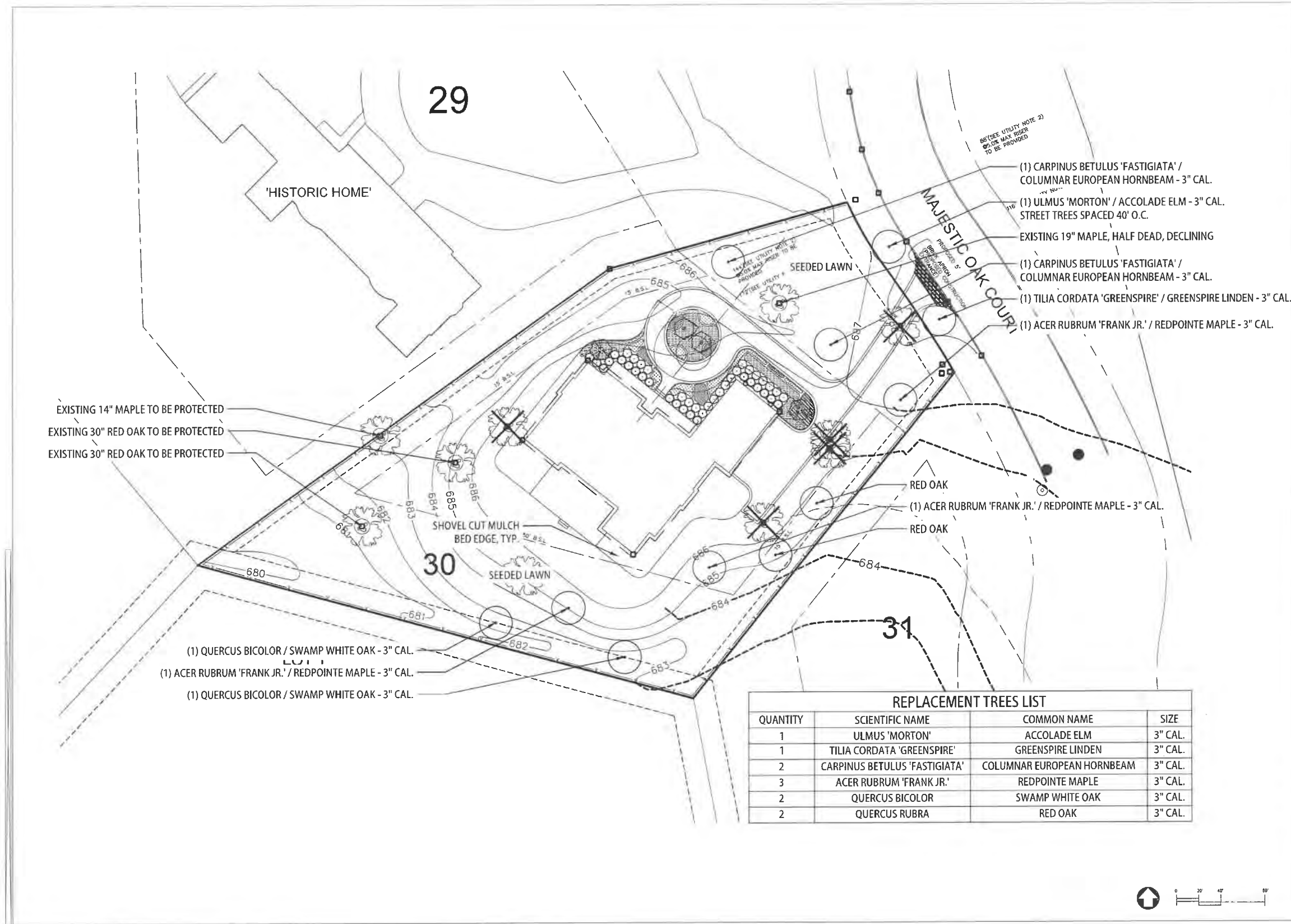
REVISION	DATE	DESCRIPTION

LEFT AND RIGHT ELEVATIONS

5 SHEETS
A-4
 H.V. 154
 LEFT

GROUP EXHIBIT B

The Plans



EXISTING 14" MAPLE TO BE PROTECTED
 EXISTING 30" RED OAK TO BE PROTECTED
 EXISTING 30" RED OAK TO BE PROTECTED

(1) QUERCUS BICOLOR / SWAMP WHITE OAK - 3" CAL.
 (1) ACER RUBRUM 'FRANK JR.' / REDPOINTE MAPLE - 3" CAL.
 (1) QUERCUS BICOLOR / SWAMP WHITE OAK - 3" CAL.

(1) CARPINUS BETULUS 'FASTIGIATA' / COLUMNAR EUROPEAN HORNBEAM - 3" CAL.
 (1) ULMUS 'MORTON' / ACCOLADE ELM - 3" CAL. STREET TREES SPACED 40' O.C.
 EXISTING 19" MAPLE, HALF DEAD, DECLINING
 (1) CARPINUS BETULUS 'FASTIGIATA' / COLUMNAR EUROPEAN HORNBEAM - 3" CAL.
 (1) TILIA CORDATA 'GREENSPIRE' / GREENSPIRE LINDEN - 3" CAL.
 (1) ACER RUBRUM 'FRANK JR.' / REDPOINTE MAPLE - 3" CAL.

REPLACEMENT TREES LIST			
QUANTITY	SCIENTIFIC NAME	COMMON NAME	SIZE
1	ULMUS 'MORTON'	ACCOLADE ELM	3" CAL.
1	TILIA CORDATA 'GREENSPIRE'	GREENSPIRE LINDEN	3" CAL.
2	CARPINUS BETULUS 'FASTIGIATA'	COLUMNAR EUROPEAN HORNBEAM	3" CAL.
3	ACER RUBRUM 'FRANK JR.'	REDPOINTE MAPLE	3" CAL.
2	QUERCUS BICOLOR	SWAMP WHITE OAK	3" CAL.
2	QUERCUS RUBRA	RED OAK	3" CAL.



client / owner _____
 project name _____
 project address _____
 seal / signature _____
 name / title _____
 landscape architect of record _____
 consultant 1 _____
 consultant 2 _____
 consultant 3 _____

CHECK SET
 NOT FOR CONSTRUCTION

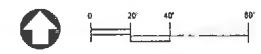
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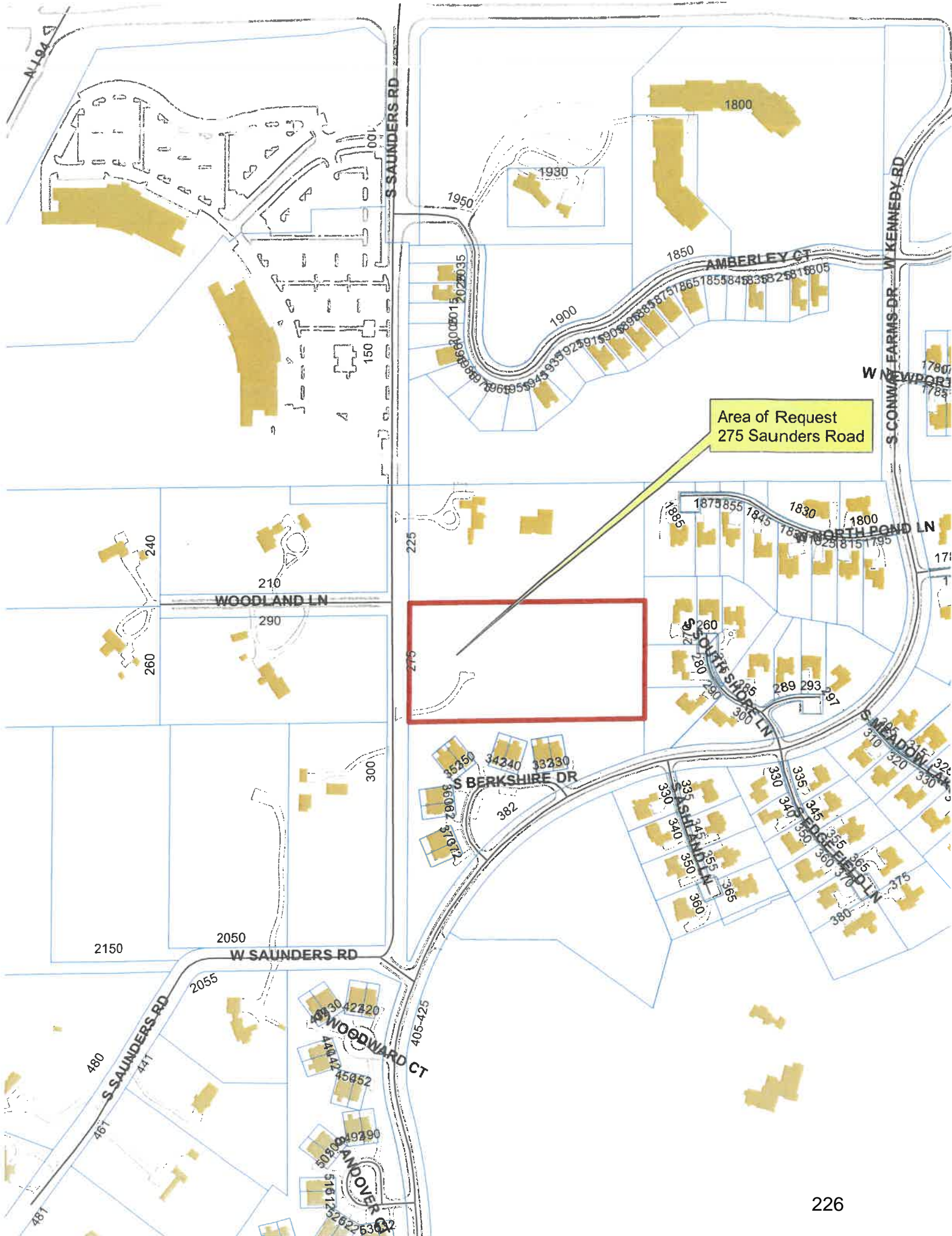
prn la cad

issue date July 19, 2024

sheet name
TREE REPLACEMENT PLAN
 sheet number

L-3





Area of Request
275 Saunders Road



PLAN COMMISSION REPORT AND RECOMMENDATION
Saunders Place Subdivision – Tentative Plat
Current Address – 275 Saunders Road

TO: Honorable Mayor Tack and members of the City Council
DATE: October 10, 2024
FROM: Chairman Dixon and Members of the Plan Commission
SUBJECT: **Request for Approval of the Tentative Plat for the Saunders Place Subdivision – 4 Lots**

OWNER

GS Properties
4126 91st Avenue
Kenosha, WI 53144
Ghasem Sariri (100%)

PROPERTY LOCATION

275 Saunders Road
East side of Saunders Road, South
of Route 60, West of
Conway Farms Drive

ZONING

R-3 Single Family
Residential District

REPRESENTATIVES

Al Jeske, Engineering Technician, Nielsen, Madsen, and Barber
Mark Eberle, Engineer, Nielsen, Madsen, and Barber
Thomas Nordloh, Landscape Architect, Thomas Nordloh Associates
John Schiemann, Arborist, Clean Cut Tree Care

Plan Commission Recommendation

Approve the tentative plat for the Saunders Place Subdivision subject to the following conditions of approval.

Prior to Plan Commission consideration of the final plat of subdivision the following conditions shall be met to the satisfaction of the City Engineer, City’s Certified Arborist and the Director of Community Development.

1. A final plat of subdivision shall be prepared and submitted to the City with all of the information required by the City Code and the Lake County Recorder’s Office. The plat shall reflect, but shall not be limited to the following:
 - a. The square footage of the buildable areas on each lot in addition to the overall lot size.
 - b. A note shall be included on the plat stating that the Homeowners’ Association is responsible for all ongoing maintenance of the Outlots including maintenance of the detention pond, all components of the on site stormwater management system such as swales and pipes, and the private road and cul-de-sac.
 - c. A note shall be included on the plat stating that all of the new homes shall be equipped with residential sprinkler systems for fire protection as required by Code.

- d. A note shall be included on the plat stating that no future subdivision of Outlot 2 is permitted.
 - e. Consideration shall be given to providing a sidewalk on one side of the private road.
2. Final engineering plans which have been determined to be complete, accurate and in conformance with all applicable regulations and standards by the City Engineer, and any other documents deemed necessary by the City Engineer shall be on file, in final form, with the City.
 - a. Approvals from any outside agencies must be submitted if so directed by the City Engineer.
 - b. The engineering plans shall reflect the preservation of the existing topography to the extent possible with any grade changes kept to the minimum necessary to meet good engineering practices.
 3. A detailed tree survey including the species, size, and condition of trees on the site, a tree removal that corresponds to the tree numbers on the tree survey, and a tree preservation plan for trees intended to be protected during construction shall be submitted for review and approval by the City's Certified Arborist. The plat shall include a total of tree inches proposed for removal and a pre, during and post construction plan for protection of the trees identified for preservation.
 4. A final tree planting and landscape plan shall be submitted and will be subject to the review and approval of the City Arborist and shall reflect plantings proposed around the pond, along the streetscape, and around the perimeter of the site. Street trees shall be provided consistent with the requirements for street trees as part of development of a new subdivision. Landscaping of the individual lots will be considered at the time development of each lot is proposed.
 - a. Substantial plantings shall be retained and as needed, added along the west property line to maintain the wooded character of Saunders Road.
 5. A draft of the Declaration of Covenants shall be submitted and will be subject to review and approval by the Director of Community Development and if appropriate, the City Attorney.
 6. All fees due prior to final plat consideration must be paid.

Summary of the Request

This is a request for tentative approval of a four lot subdivision, Saunders Place. The parcel proposed for subdivision totals five acres and is located on the east side of Saunders Road, west of Conway Farms Drive, south of Route 60 and east of the Illinois Tollway.

Background

Subdivisions are considered through a two phase process. As part of the tentative phase, preliminary engineering plans are reviewed by the City Engineer and the tentative plat of subdivision is reviewed to verify compliance with the applicable zoning and subdivision requirements. Once the preliminary reviews are completed and the plans are found to be generally in compliance, the tentative plat of subdivision is presented to the Plan Commission for consideration at a public

hearing. The plat is then presented to the City Council along with the Commission's recommendation. If tentative plat approval is granted, that is an indication to the petitioner that the proposed subdivision, subject to further detailing and the satisfaction of any conditions to tentative approval being satisfied, is generally acceptable to the City. All required plans and documents are then further detailed and finalized by the petitioner and the final plat is presented to the Plan Commission for an additional public hearing and following that, to the City Council for final action prior to recording the plat. The plat of subdivision must be recorded prior to proceeding with any site work, infrastructure, or sale of the individual lots. Once the plat is recorded and all required improvements are completed, the individual lots are available for development and sale.

Description of the Property and Surrounding Area

The Saunders Road area, including the property that is the subject of this petition, was annexed to the City of Lake Forest in phases between 1998 and 2004. Concurrent with annexation of the area, the R-3 Zoning District was applied.

The driving force behind the annexation of this area to the City in the late 1990's and early 2000's was a desire on the part of the property owners at that time to connect to City water and sanitary sewer. The well water in the area was of poor quality. Today, both City water and sewer mains are in place in Saunders Road and are available to serve existing and new development in the area. The water and sewer mains were installed by the City after the property owners in the area voted in support of establishing a Special Service Area (SSA) which allowed the cost of the new infrastructure to be spread among the property owners over a 20 year period. The SSA has been closed out and the assessments on each individual property have been paid in full.

There are 16 properties in this area most of which are approximately five acres in size. The area is characterized by single family homes on fairly large lots and also some vacant parcels. Since the water and sewer mains were installed, a couple property owners and developers have submitted preliminary plans for subdivision of parcels in this area but despite receiving approvals from the City, the developments have not proceeded for various non-City related reasons.

The property now proposed for subdivision was previously developed with a single family home which was demolished by the property owner in 2017. The home was vacant for many years prior to the current owner acquiring the property and was in poor condition. The remnants of the driveway, the gate and fence are still on the property. The property as it stands today is a vacant, developable property.

Beyond the Saunders Road neighborhood, the Conway Farms residential subdivision is located to the east and south of the site. Access to the Saunders Road area is from Conway Farms Drive. Although Saunders Road appears to extend north to Route 60, beyond a guard rail, there is no public right-of-way in that area. The portion of what appears to be Saunders Road extending to the north was vacated many years ago and is privately owned property, part of the parking lot and on site circulation for the 100 and 150 Saunders Road office buildings.

Proposed Subdivision

As noted above, a subdivision of four buildable lots is proposed. The buildable lots all comply with the minimum lot size in the R-3 District of 40,000 square feet and range in size from 40,001 to 40,189 square feet. The standard setback requirements of the R-3 District will apply, 40 foot

setbacks from the front, with one possible exception noted below, 40 foot rear yards and 15 foot setbacks from all side yards.

The rear yard setback from the east property line of Lot 4, the property line shared with the retention pond outlot, is reflected on the tentative plat as 15 feet rather than 40 feet. The width of the adjacent Outlot is 102 feet which provides a significant setback from the homes in Conway Farms to the east and as a result, the reduced rear yard setback on Lot 4 is reasonable. (The Zoning Code defines the rear property line as opposite the front property line.)

Technically, the north property line of Lot 4 is considered a side yard so a 15 foot setback could be applied however, given the long narrow configuration of the lot, the residence is not likely to be located in that area so the distinction may be moot. The setback for accessory structures such as pool houses, detached garages, and sheds in the R-3 District is 10 feet from the rear property line and 15 feet from the side property lines.

In addition to the four buildable lots, two Outlots are proposed. Both Outlots will be owned and managed by the Homeowners' Association for the subdivision.

- Outlot 1 is the private road and cul-de-sac. Private roads are permitted to serve up to five buildable lots. The name of the road as noted on the tentative plat will need to be reconsidered to avoid confusion with the existing road in this area, Saunders Road. Distinct street names are required by the City in new subdivisions to minimize confusion and to expedite public safety response.
- Outlot 2 is located along the east property line extending the full width of the property and will serve as a retention pond for the subdivision. The pond will accept stormwater through the stormwater easement located along the south edge of Lot 4. The pond is intended to hold water and will not be a dry bottom detention area. The pond edges are proposed to be planted to provide an amenity to the subdivision.

Staff Analysis

A summary of key aspects of the proposed subdivision is provided below. The tentative plat of subdivision and preliminary engineering plan were presented to the Commission for review at a public hearing on October 10, 2024.

Compliance with the R-3 Zoning District

The R-3 Zoning District permits single family residential lots with a minimum size of 40,000 square feet, slightly less than an acre which is 43,560 square feet. This District requires a minimum lot width of 125 feet for rectangular lots. Lots on a cul-de-sac must have a minimum lot width at the street of at least 50 percent of the required minimum. For lots with less than the required lot frontage minimum an additional front yard setback is required, an additional one foot setback for each five foot or less from the required minimum. Lot 3 may be affected by this requirement. A specific lot frontage dimension will be required as the final plat is developed, and the front yard setback adjusted if necessary. Or it may be reasonable in this case to consider allowing the setback of the home on Lot 3 to align with the other homes along the private road. Staff will provide a recommendation to the Commission on this point after receiving the final frontage dimension for Lot 3. As noted above, all other applicable setbacks are met or can be met on the final plat.

Per the Code, the ratio of lot width, measured at the front setback line, to lot depth, is not permitted to be more than 1:2. The purpose of this provision is to avoid unnecessarily narrow, elongated lots. Lots 3 and 4 as proposed may exceed this ratio; however, the lot configuration is the result of the cul-de-sac which always results in a narrowed street frontage. Lot 3 allows a sufficient and a regular shaped buildable area. Lot 4 presents some limitations for the building footprint; however, the buildable area appears sufficient to accommodate a home based on the tentative plat presented.

The Code requires a minimum buildable area of 15,960 square feet for lots in the R-3 district. All lots appear to satisfy this requirement. Again, compliance will need to be demonstrated as this petition moves into the final detailing and development phase. Finally, the Code requires lot lines to be “generally straight and not irregular”. The Code does not prohibit diagonal lot lines.

An alternative to the proposed subdivision layout would be to have multiple lots in depth all taking access from a single elongated driveway. A layout of that type is not desirable from an access perspective. The private road with an adequately sized cul-de-sac is a superior development layout.

Lot Size

As noted above, each of the four lots slightly exceeds the minimum lot size of 40,000 square feet.

New Construction

The lots as proposed will accommodate homes of about 5,000 square feet, plus an additional 800 square foot allowance for a garage. The lot sizes will provide ample space for outdoor amenities, patios, pools, gardens and trees.

Stormwater Drainage

Water on this site drains to the east, toward the retention pond. As noted above, a pond is proposed rather than a dry retention or detention area. A well maintained pond, planted with natural vegetation, is more attractive than a dry bottom area that accommodates stormwater only as needed. The City’s standard practice is to require a pond, rather than a dry detention area, because at times, a dry detention area can appear swampy or muddy and generally unattractive.

As noted above, the property owners within the development will be responsible for maintaining the Outlot on which the retention pond is located. Declarations of Covenants will need to be established and recorded, and a Homeowners’ Association must be established to provide a mechanism for carrying out the responsibilities related to the Outlots.

Wetlands

There is no indication of any wetlands on the site.

Availability of Utilities and Public Streets

Public streets and public utilities; water and sanitary sewers, are available to provide service to the four new houses in this subdivision.

As noted above, this property was previously developed with a single family home. A total of four new homes are proposed by this subdivision. The addition of four single family homes to this neighborhood, one of which will replace the home previously located on this site, will not generate traffic beyond that which can be accommodated by the adjacent and nearby public streets.

City water and sanitary sewer will be provided to the new homes in the subdivision. A public utility easement is reflected on the preliminary plans. The final configuration of the easement will be subject to review and approval by the City Engineer.

All stormsewer infrastructure, including the pond will be private and as noted above, will be the responsibility of the Homeowners' Association.

Preservation of the Streetscape and Significant Trees

Preparation of a detailed tree survey is underway. Based on the grading plan submitted, it appears that most of the trees and vegetation on the site are proposed for removal. From the plan, it appears that trees along the west property line and a portion of the north property line will be protected and preserved. The Commission required that the final plan provide for maintaining a wooded character along Saunders Road through a combination of existing and new plantings of trees and lower level vegetation.

Once a detailed tree survey is received, the City's Certified Arborist will review the survey to identify any healthy trees of significant species. City staff will discuss with the developer opportunities to preserve significant trees and as appropriate, replacement inches and tree species will be required as part of the subdivision improvements. More detailed information on tree removal, the species, size and condition of trees proposed for removal and a revised landscape and tree planting plan will be required as part of the submittal for review and action on the final plat of subdivision.

Sidewalks

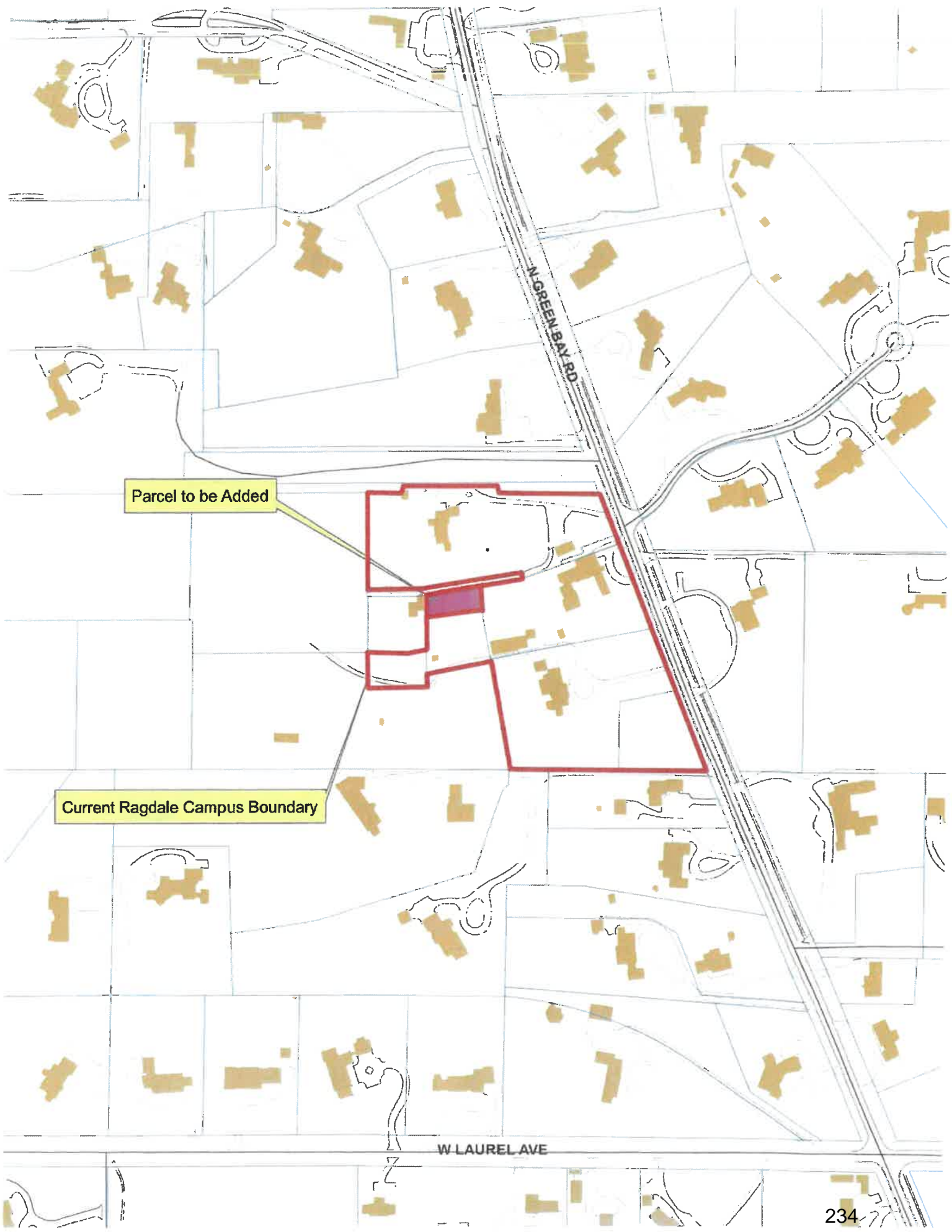
Sidewalks are not reflected on the preliminary plans. The City does not require sidewalks along private roads however, as ownership changes, the City often receives requests for sidewalks from residents. The Commission encouraged the petitioner to consider adding a sidewalk to one side of the private road. The sidewalk would be the responsibility of the Homeowners' Association.

Gated Subdivisions

The City Code does not permit gated subdivisions. A gate at the entrance to the private road is reflected on the preliminary plans. Gates are permitted at driveway entrances to individual properties.

Public Notice

Notice of the Plan Commission public hearing was published in a newspaper of local circulation and was mailed by the City to residents and property owners in the surrounding area. The agenda for this meeting was posted at four public locations and on the City's website. No written responses to the public notice was received. One neighboring property owner spoke at the public hearing and requested attention to preserving the wooded streetscape character of Saunders Road and overall drainage in the area.



Parcel to be Added

Current Ragdale Campus Boundary

W LAUREL AVE

N GREEN BAY RD



ZONING BOARD OF APPEALS REPORT AND RECOMMENDATION

TO: Honorable Mayor Tack and members of the Council
DATE: August 26, 2024
FROM: Chairman Bass and members of the Zoning Board of Appeals
SUBJECT: *Ragdale – Amendment to a Special Use Permit to Incorporate An Additional Parcel into the Ragdale Campus*

<u>OWNER</u>	<u>PROPERTY LOCATION</u>	<u>ZONING DISTRICT</u>
City of Lake Forest 220 E. Deerpath Lake Forest, IL 60045	1230, 1260 and 1272 N. Green Bay Road West side of Green Bay, North of Laurel Avenue	R-4 Single Family Residence Green Bay Road Historic District

PETITIONER

City of Lake Forest on behalf of the Ragdale Foundation
Representative: City Staff

Summary of this Request

This is a request for an amendment to the Special Use Permit (“SUP”) which authorizes Ragdale, an artists’ retreat, to operate on City owned property addressed as 1230, 1260, and 1272 N. Green Bay Road. The single purpose of this amendment is to incorporate a small parcel, the “Vegetable Garden Parcel” into the larger Ragdale Garden on City owned property, the Ragdale Campus. The additional parcel is being donated to the City by the Lansing Family as anticipated when the Ragdale SUP was last amended in 2021.

No change or expansion of use is proposed as part of this amendment and no changes are proposed to the terms of the current SUP.

This amendment is solely for the purpose of modifying the boundaries of the Ragdale Campus to incorporate the “Vegetable Garden Parcel” as anticipated in the 2021 SUP.

Zoning Board of Appeals Recommendation

Approve an amendment to the Ragdale Special Use Permit solely for the purpose of incorporating the donation “Vegetable Garden Parcel” into the boundaries of the Ragdale Campus. The findings in support of the recommendation are detailed in the Ordinance included in the Council packet.

Brief History of Ragdale

In 1897, well known Chicago architect Howard Van Doren Shaw purchased 55 acres of land west of Green Bay Road in Lake Forest where he built a large summer house for his extended family in the Arts and Crafts style. Ragdale, as the house and grounds came to be known, was owned by the

Shaw family for decades and used as an informal retreat for artists and writers in the family and by their friends.

The first Special Use Permit authorizing use of the property as an artists' retreat was granted by the City to a member of the Shaw family, Alice Hayes, in the 1970's. In 1986, Ms. Hayes donated the property to the City of Lake Forest with the understanding that it would be leased back to the Ragdale Foundation. This unique public/private partnership has resulted in the preservation of the estate property and preservation and restoration of the home of Howard Van Doren Shaw, the barn house, and most recently, the Hart House. Ragdale is one of the largest artists' communities in the Country and provides outreach to schools and other community groups to educate and enhance the cultural life of the residents of Lake Forest.

Special Use Permit History

Past SUP Approvals and Amendments

The original SUP authorizing Ragdale was approved in 1978 and amended in 1980 and 1986. In 2001, the City Council, based on a recommendation from the Zoning Board of Appeals, approved a re-stated and updated Special Use Permit for Ragdale. The SUP approved in 2001 superseded and replaced the earlier SUPs. In 2014, again based on a recommendation from the Zoning Board of Appeals, the Council approved an amendment to the 2001 SUP. That approval modified some of the conditions of 2001 SUP and primarily authorized the Ragdale Ring. The Ragdale Ring re-established the seasonal, small scale, outdoor performances held by Howard Van Doren Shaw over the course of many years at the Ragdale Farm.

Most Recent SUP Amendment

In 2021, based again on a recommendation from the Zoning Board of Appeals, the City Council approved an amendment to the Ragdale SUP primarily to accept and recognize the generosity of the Hart/Lansing family who made possible the opportunity to reassemble a significant portion of the original Ragdale Farm. The 2021 SUP amendment achieved the following:

- Incorporated a two acre parcel immediately adjacent to the Ragdale Campus to the north, the Hart House, into the City's ownership and the Ragdale Campus.
- Approved an updated Master/Use Area Plan. The current Master/Use Area Plan as approved in 2021 is included in the Board's packet. It is important to note that the Garden Donation Parcel, identified in blue on the previously approved plan, is specifically called out on the approved plan as a "Anticipated Future Gift".

In 2021, at the time of the of the north two acre Hart/Lansing Family property was transferred to the City and incorporated into the Ragdale Campus, the Hart/Lansing Family retained the approximately 4,782 square foot garden parcel which is adjacent to the cabin parcel to the west and the access road to the north both of which will remain in the ownership of the Hart/Lansing Family. The Family is gifting the garden parcel to the City for incorporation into the Ragdale Campus to allow the overall Ragdale Garden to be restored as a whole.

The amendment now proposed will update the 2021 SUP with an updated site plan to reflect the new boundary of the Ragdale Campus including the donation "Vegetable Garden Parcel" which completes the northwest corner of the larger Ragdale Garden.

Description of the Property and Surrounding Area

The Ragdale property is located on the west side of Green Bay Road, in the Green Bay Road Local Historic District. The Ragdale property as it exists today, includes several parcels and various structures. The residence at 1230 N. Green Bay Road was the Shaw family summer home. The original Ragdale Barn is located to the north of the Shaw residence. The Hart House and Studio property which was incorporated into the Ragdale Campus in 2021 is north of the Barn House and extends to the west. A parking lot which provides on-site parking is located at the southeast corner of the site, adjacent to Green Bay Road and some additional parking is located on the Hart House property. The Garden Parcel is located to the west of the Ragdale Barn, south of the Hart House property.

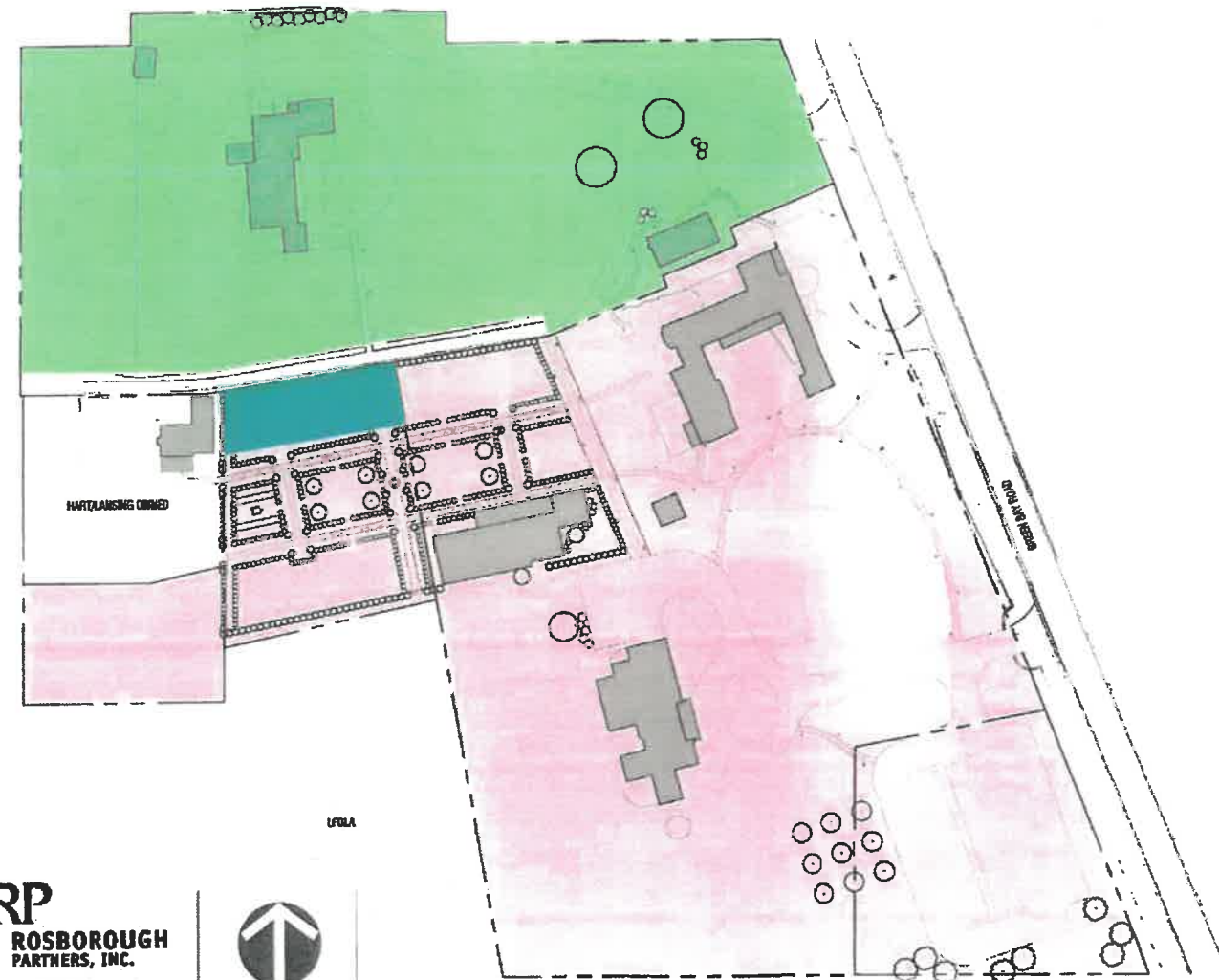
The surrounding parcels beyond the Ragdale Campus to the north and south, are in private ownership and are developed with single family homes and some outbuildings. These residential lots for the most part are an acre and a half in size or larger. The majority of land to the west of the Ragdale Campus is held by Lake Forest Open Lands with the exception of a small portion of the land, the “log cabin” parcel, which will remain in the ownership of the Hart/Lansing family. The log cabin parcel is immediately adjacent to the west of the donation garden parcel.

Properties across Green Bay Road, to the east of the Ragdale Campus, are developed with single family homes including some historic homes as well as “newer” subdivisions which have occurred in the past 25 years or so. The surrounding properties are zoned R-4 for single family use and for open land.

Public Notice

Public notice of the Zoning Board of Appeals hearing on this petition was provided to surrounding properties by mail. Notice of this petition was published in a newspaper of local circulation and the agenda for the meeting was posted on the City’s website and at various public locations. The Board did not receive any testimony on this petition.

EXHIBIT C
OF CURRENT SPECIAL USE PERMIT



- BOUNDARY STUDY**
- EXISTING RAGDALE CAMPUS
 - "HART PROPERTY" ADDITION
 - GARDEN PARCEL - ANTICIPATED FUTURE GIFT

RP
ROSBOROUGH PARTNERS, INC.
342 N. 4th Street, Suite 204
Libertyville, IL 60069
P 847-548-1331
F 847-548-1382
www.rosboroughpartners.com



ISSUED FOR:		DESIGNED BY: PR, TL	
BOUNDARY STUDY		DRAWN BY: TL	
PROJECT:		REVISIONS:	
Ragdale Foundation Campus			
1260 N. Green Bay Rd. Lake Forest, IL 60045		1	11-10-21
	NO.	DATE	DETAIL ISSUE

CITY OF LAKE FOREST

ORDINANCE NO. 2024 -

An Ordinance Amending the Special Use Permit for the Ragdale Campus Addressed as 1230, 1260 and 1272 N. Green Bay Road to Include Additional Property – the “Vegetable Garden Parcel”

WHEREAS, The City of Lake Forest (“**Owner**”), in cooperation with the Ragdale Foundation, (“**Foundation**”) filed a petition for property located at 1230, 1260 and 1272 N. Green Bay Road, commonly known as the Ragdale Campus, and legally described on **Exhibit A** attached hereto and made a part hereof; and

WHEREAS, the use, development, operation, and maintenance of the Ragdale Campus is subject to the terms and conditions of a Restated and Amended Ragdale Agreement (“**Restated and Amended Agreement**”) and an Operating Agreement as amended from time to time collectively, “**Operating Agreement**”); and

WHEREAS, in addition, a special use permit for the Ragdale Campus was originally granted by the City in 1978 and was subsequently amended in 1980, 1986, 2001, 2014, and 2021 to reflect changes in the property boundary and to update the uses permitted on the Ragdale Campus and the conditions of approval (the original special use permit and its amendments are collectively referred to as “**Special Use Permit**”); and

WHEREAS, the Owner and Foundation have petitioned for an amendment to the existing Special Use Permit in accordance with the regulations of Section 159.045, Special Uses, of the Lake Forest Zoning Code for the purpose of incorporating additional property into the Ragdale Campus, a donation from the Lansing Family the (“**Vegetable Garden Parcel**”) ; and

WHEREAS, the Zoning Board of Appeals of The City of Lake Forest held a public hearing on August 26, 2024 to review the petition for an amendment to the Special Use Permit as provided by law and submitted to the City Council a report of its findings, a copy of which is attached hereto and made a part hereof as **Exhibit B** and unanimously recommended the enactment of an ordinance granting the requested amendment to the Special Use Permit and;

WHEREAS, the City Council concurs with the findings of the Zoning Board of Appeals.

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF LAKE FOREST, COUNTY OF LAKE, STATE OF ILLINOIS, as follows:

SECTION ONE: Recitals. The foregoing recitals are hereby incorporated into and made a part of this Ordinance as if fully set forth.

SECTION TWO: Approval of Amendment. Pursuant to Section 159.045 of the City Code, and subject to the limitations therein and the conditions set forth in Section Three of this Ordinance, the City Council does hereby grant approval of the Application to amend the Special Use Permit for the Ragdale Campus, in its entirety, as follows:

- 1) Amend the boundaries of the Ragdale Campus to incorporate the "Vegetable Garden Parcel" as depicted on the Boundary Map attached hereto and made a part hereof as **Exhibit C** (the Ragdale Campus as amended to include the additional property described in Exhibit C will be collectively referred to in this Ordinance as the "Ragdale Properties").
- 2) Approve an updated Master Plan and a Use Area Plan for the Ragdale Properties attached hereto and made a part hereof as **Exhibit D and Exhibit E** respectively.

SECTION THREE: Conditions of Approval. The approval granted pursuant to Section Two of this Ordinance shall be, and is hereby, conditioned upon and limited by the following conditions, the violation of any of which shall, in the discretion of the Mayor and City Council, render void the approvals granted by this Ordinance:

- A. Compliance with the Restated and Amended Agreement. The use, operation, and management of the Ragdale Properties shall be subject to the Restated and Amended Agreement.
- B. Compliance with the Operating Agreement. The use, operation, and maintenance of the Ragdale Properties shall be subject to the Operating Agreement between the City and the Foundation, as amended to include the additional properties.
- C. Compliance with Laws. The use, operation, and maintenance of the Ragdale Properties shall comply with all applicable federal, state and local laws, ordinances, and regulations.
- D. Number of Residents. No more than 21 persons shall reside on the Ragdale Properties at any one time.
- E. Permitted Uses on the Ragdale Properties.
 1. Foundation's Use. During the term of this Ordinance, the Operating Agreement, and the Restated and Amended Agreement, the Foundation may use and occupy the Ragdale Properties for an artists' retreat in the same manner and for the same purposes as such Properties have been and continue to be used and occupied as of the date of this Ordinance, and in accordance with the Foundation's Articles of Incorporation and By Laws as in effect from time to time and subject to the terms and conditions of this Ordinance, the Operating Agreement, and the Restated and Amended Agreement.

- (a) In connection with the artist's retreat functions of the Foundation, the Ragdale Properties may also be used for lectures, tours, workshops, and other community programs, as well as for the Foundation's office functions. Without limiting the generality of the foregoing, it is contemplated that the Foundation may use (i) the Ragdale Barn, the second floor of the Ragdale House, the Meadow Studio, the Shearer and Composer Studios, the Hart Residence (1272 N. Green Bay Road), and the McCutcheon Studio for residential occupancy by artists, and (ii) the apartment adjoining the Ragdale House for (A) residential occupancy by artists, (B) for residential occupancy by employees of the Foundation (and their families) whose services are required in the normal course of operating the Ragdale Properties as an artists' retreat, or (C) other uses authorized by this Ordinance.
 - (b) In addition, the Foundation may use the first floor areas in the Ragdale House, the Barn House, the Hart House, and the outdoor event areas as depicted on the Use Area Plan, attached as Exhibit E to the Special Use Permit for special events, concerts, readings, seminars, exhibits, educational tours, and fundraising events, or permit its use by other Lake Forest civic or eleemosynary organizations for meetings or other social gatherings, provided that such additional uses comply with the other terms of this Ordinance and do not interfere or conflict with the City's use of such areas.
 - (c) The basement spaces in the Ragdale and Hart residences and the Shearer Studio may be used for storage and other uses customarily occurring in basements of single family residences.
2. City's Use. During the term of this Ordinance, the Operating Agreement, and the Restated and Amended Agreement, the City may occupy and use the Ragdale Properties for such uses and purposes as the City may determine to be in the public interest and as are compatible with the concurrent use of the Ragdale Properties by the Foundation and in accordance with the terms of this Ordinance, the Operating Agreement, and the Restated and Amended Agreement. Without limiting the generality of the foregoing, it is contemplated that the City may permit appropriate space in the Ragdale House or other areas on the Ragdale Properties to be used by Boards and Commissions of the City and by not for profit organizations (i) for meetings; (ii) for memorials to distinguished citizens or former citizens of the City; and (iii) for other educational, recreational, and cultural purposes as are in keeping with the character of the Ragdale Properties and the Foundation's use of the Ragdale Properties. In addition, the City may make occasional use of the Ragdale House, the meeting rooms and patio areas of the Ragdale Barn, and other locations on the Ragdale Properties for special events, seminars, exhibits, and meetings of or sponsored by community groups that do not interfere or conflict with the Foundation's use of such areas.
3. Coordination of Uses. Scheduling of the use of the Ragdale House and Barn between the Foundation and the City, or organizations using the Ragdale

House or the Ragdale Properties under permit or license from the City, shall be the responsibility of the Director of the Ragdale Foundation, in cooperation with a representative of the City. The parties shall schedule such uses so as to minimize conflicts and interference with the activities of the respective bodies and organizations using the Ragdale Properties and so as to permit the most advantageous and beneficial uses to be made of the Ragdale Properties. Any disputes or questions arising as to scheduling or as to the appropriateness of any proposed use of the Ragdale Properties shall be resolved by the City Manager or the Manager's designee in consultation with the Executive Director of Ragdale.

4. Impact on Surrounding Properties. The use and operation of the Ragdale Properties shall not adversely impact the use and enjoyment of surrounding properties zoned in the Single Family Residential District. In particular, the use of the Ragdale Properties shall be consistent with the surrounding residential uses in terms of lighting, glare, noises, and emissions of any kind. Outdoor performances or public/ticketed events shall end no later than 9:30 p.m. including clean-up activities. Upon notice from the City, the Foundation shall limit, modify or cease such activities or uses on the Ragdale Properties that fail to conform to the foregoing standards.

F. Limitation of Uses on the Parking Parcels and the Garden Parcel.

1. Parking Parcels. The Parking Parcels shall be used by the Foundation exclusively as a parking lot in connection with the operation of the Ragdale Properties. During the term of this Ordinance, the Operating Agreement, and the Restated and Amended Agreement, the Foundation shall keep and maintain the Parking Parcels in good and serviceable condition and free of snow, ice, and debris, and shall make all such repairs as may be necessary to maintain the surface of the areas so as to accommodate parking for the Ragdale Properties. In addition, the Foundation shall maintain landscaping along the perimeter of the Parking Parcels to achieve year round screening of the Parking Parcels from Green Bay Road and from neighboring privately owned residential properties.
2. Garden Parcel. That portion of the City Parcel that is legally described in **Exhibit F** attached hereto and made a part hereof (the "Garden Parcel") shall be used by the Foundation exclusively as a garden in connection with the operation of the Ragdale Properties and in conformance with the covenant contained in the Plat of the Ragdale Subdivision, recorded with the Recorder of Deeds of Lake County on February 26, 1986 as Document No. 2422824. During the term of this Ordinance, the Operating Agreement, and the Restated and Amended Agreement, the Foundation shall keep and maintain the garden on the Garden Parcel in substantially the same manner as the garden has been kept and maintained during the five year period prior to the date of this Ordinance or, upon approval by the City of Lake Forest Historic Preservation Commission, restoration of the Garden Parcel in keeping with the original Shaw Garden may be permitted by the City.

G. Alterations or Additions. All substantial alterations on or additions to structures on the Ragdale Properties shall be subject to prior review and approval by the City of Lake Forest Historic Preservation Commission. In addition, no substantial change in or diminution of the grounds of the Ragdale Properties shall be permitted without the review and approval of the City Council of the City of Lake Forest.

H. Parking. Off street shall be provided on the Ragdale Properties, in accordance with the resident and visitor parking areas identified on the Ragdale Campus – Use Area Plan attached hereto as Exhibit E, for all residents of the Ragdale Properties, as well as participants of special projects, seminars, readings, or other programs with limited attendance, conducted on the Ragdale Properties. Parking for events that are open to the public and ticketed events require offsite parking and shuttle service to the Ragdale Properties. Use of City parking lots in the Central Business District is permitted subject to prior approval by the City Manager or the Manager’s designee.

I. Access Easement - Lake Forest Open Lands Association. A depiction of the access easement as reflected on the plat of subdivision shall be attached hereto and made a part hereof as **Exhibit G** unless and until said easement is vacated.

SECTION FIVE: Effective Date. This Ordinance shall be in full force and effect after its passage, approval, and publication in pamphlet form in the manner provided by law and after the City takes ownership of the portion of the Hart/Lansing property proposed for inclusion into the Ragdale Campus; provided, however, that this Ordinance shall, in the discretion of the City Council, be of no force or effect if the Owner and the Foundation have not (i) executed and (ii) thereafter filed with the City Clerk, within 90 days following the passage of this Ordinance, the unconditional agreement and consent, in the form attached hereto as **Exhibit H** and by this reference made a part hereof, to accept and abide by each and all of the terms, conditions, and limitations set forth herein. The City Clerk is hereby directed to record this Ordinance and such agreement and consent with the Recorder of Deeds of Lake County.

PASSED THIS __ DAY OF _____, 2024.

AYES: ()

NAYS: ()

ABSENT: ()

ABSTAIN: ()

PASSED THIS __ DAY OF _____, 2024.

Mayor

ATTEST:

City Clerk

EXHIBIT A
Legal Description

LEGAL DESCRIPTION OF THE ENTIRE RAGDALE CAMPUS TO BE INSERTED

EXHIBIT B
Findings

1. The establishment, maintenance or operation of the special use will not be detrimental to or endanger the public health, safety, morals, comfort or general welfare.

This criterion is met. Ragdale is an established use at this site and has previously been found to meet the Special Use Permit criteria on several occasions. The present request is for approval to incorporate a just under 5,000 square foot parcel into the northwest corner of the Ragdale Garden. This property was originally part of the Ragdale Farm. No change in the use or type of activities that presently occur at Ragdale is proposed.

2. The special use will not be injurious to the use and enjoyment of other property in the immediate vicinity for the purposes already permitted and will not substantially diminish and impair property values within the neighborhood.

This criterion is met. The uses on the Ragdale Campus are low intensity, quiet, generally limited to daylight and twilight hours and are well supervised by Ragdale staff. Ongoing operations at Ragdale occur consistent with the previously established conditions of approval. The activities at the Ragdale Campus have consistently proven to not negatively impact the use and enjoyment of surrounding residential properties or the adjacent preserved open lands.

3. The establishment of the special use will not impede the normal and orderly development and improvement of the surrounding property for uses permitted in the district.

This criterion is met. The surrounding residential properties are developed. There is the potential for redevelopment of some of the surrounding privately owned properties over time. The continued operation of Ragdale will not impede the normal and orderly development and improvement of the surrounding properties if proposed in the future.

4. The exterior architectural appearance and function of any proposed structure will not be incompatible with either the exterior architectural appearance or functional plan of structures already constructed or in the course of construction in the immediate neighborhood or incompatible with the character of the applicable district so as to cause a substantial depreciation in the property values within the neighborhood.

This criterion is met. No change to existing structures and no new structures are proposed as part of this amendment.

5. Adequate utilities, access roads, drainage and/or necessary facilities have been or are being provided.

This criterion is met. Utilities are already in place and serving all of the structures on the Ragdale Campus. No increased demand for utilities, roads, or facilities is created by the proposed amendment and no increased drainage impacts will result from the incorporation of the northwest corner of the garden into the Ragdale Campus.

6. Adequate measures have been or will be taken to provide ingress and egress so designed as to minimize traffic congestion in the public streets.

This criterion is met. No change to ingress or egress to or from the Ragdale Campus is proposed.

7. The special use shall conform to the applicable regulations of the district in which it is located, except as such regulations may, in each instance, be modified by the City Council.

This criterion is met. Except as authorized by the Special Use Permit, the property will be used in a manner consistent with all applicable City regulations.

EXHIBIT C
BOUNDARY MAP

RAGDALE CAMPUS BOUNDARY EXISTING & PROPOSED ADDITIONAL GARDEN PARCEL

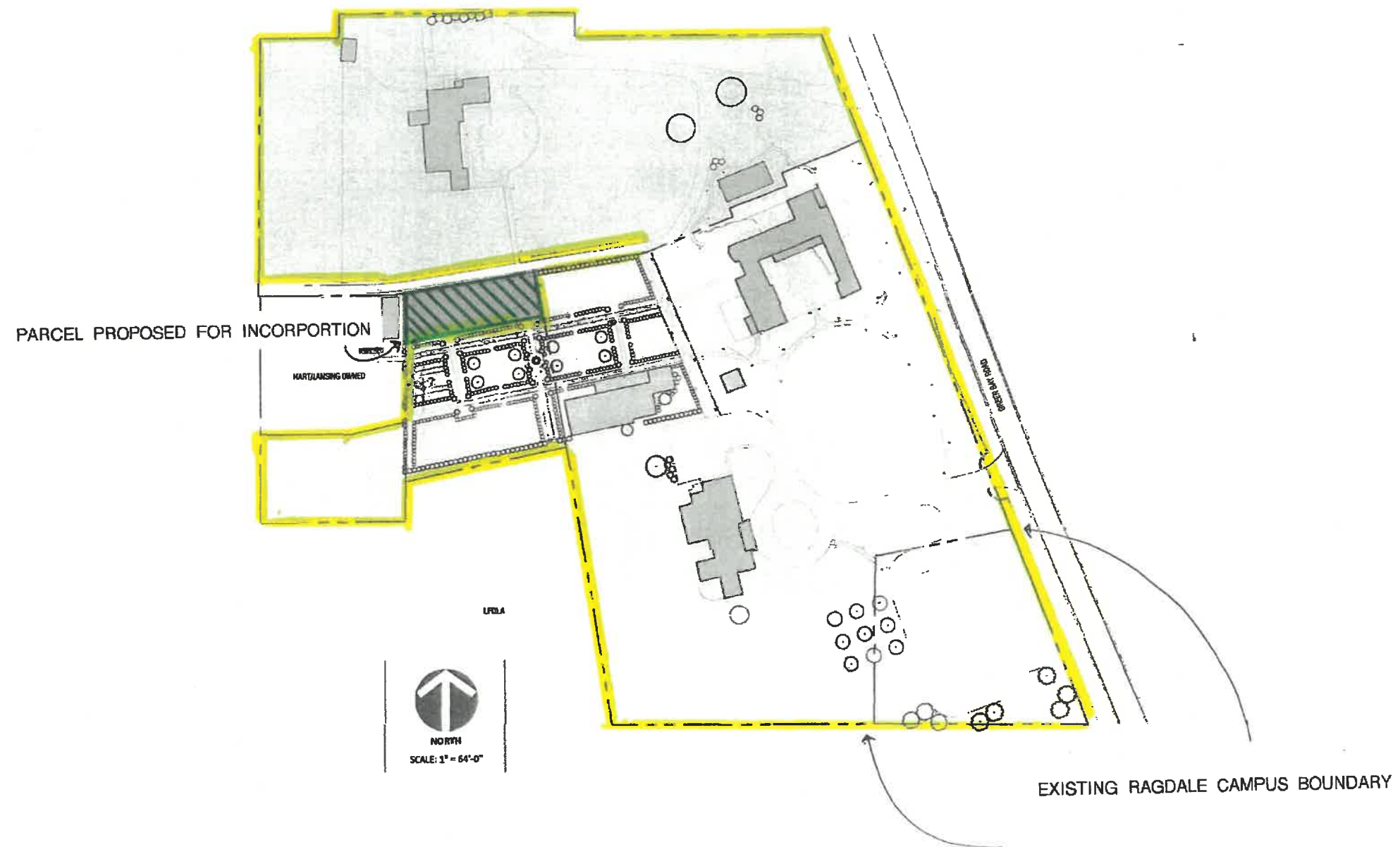
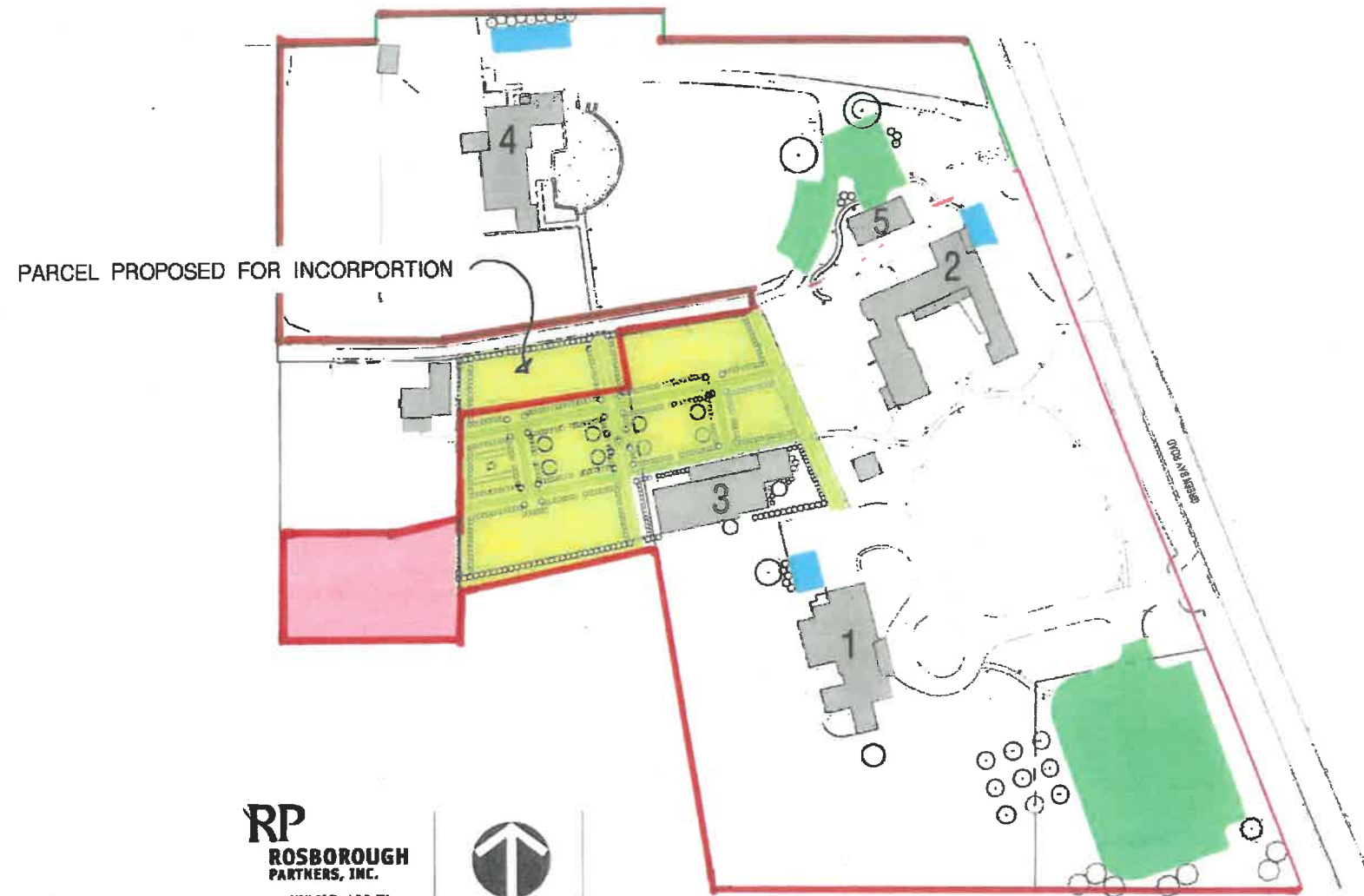


EXHIBIT D
RAGDALE - MASTER PLAN



RP
ROSBOROUGH
PARTNERS, INC.
342 N. 9th Street, Suite 304
Libertyville, IL 60088
p 847 549 1363
f 847 545 1352
www.rosboroughpartners.com



NORTH
SCALE: 1" = 64'-0"

SPECIAL USE DESIGNATIONS

EVENT SPACE

VISITOR PARKING

RESIDENT/ACCESSIBLE PARKING

HISTORIC RESTORATION

OPEN LAND

BOUNDARIES

"HART PROPERTY" ADDITION

EXISTING RAGDALE CAMPUS

BUILDINGS

1 RAGDALE HOUSE

2 BARN HOUSE

3 SHEARER STUDIO & COMPOSER STUDIO

4 HART HOUSE

5 MCCUTCHEON STUDIO

ISSUED FOR:

SPECIAL USE

DESIGNED BY: PR, TL

DRAWN BY: TL

PROJECT:

Ragdale Foundation

Campus

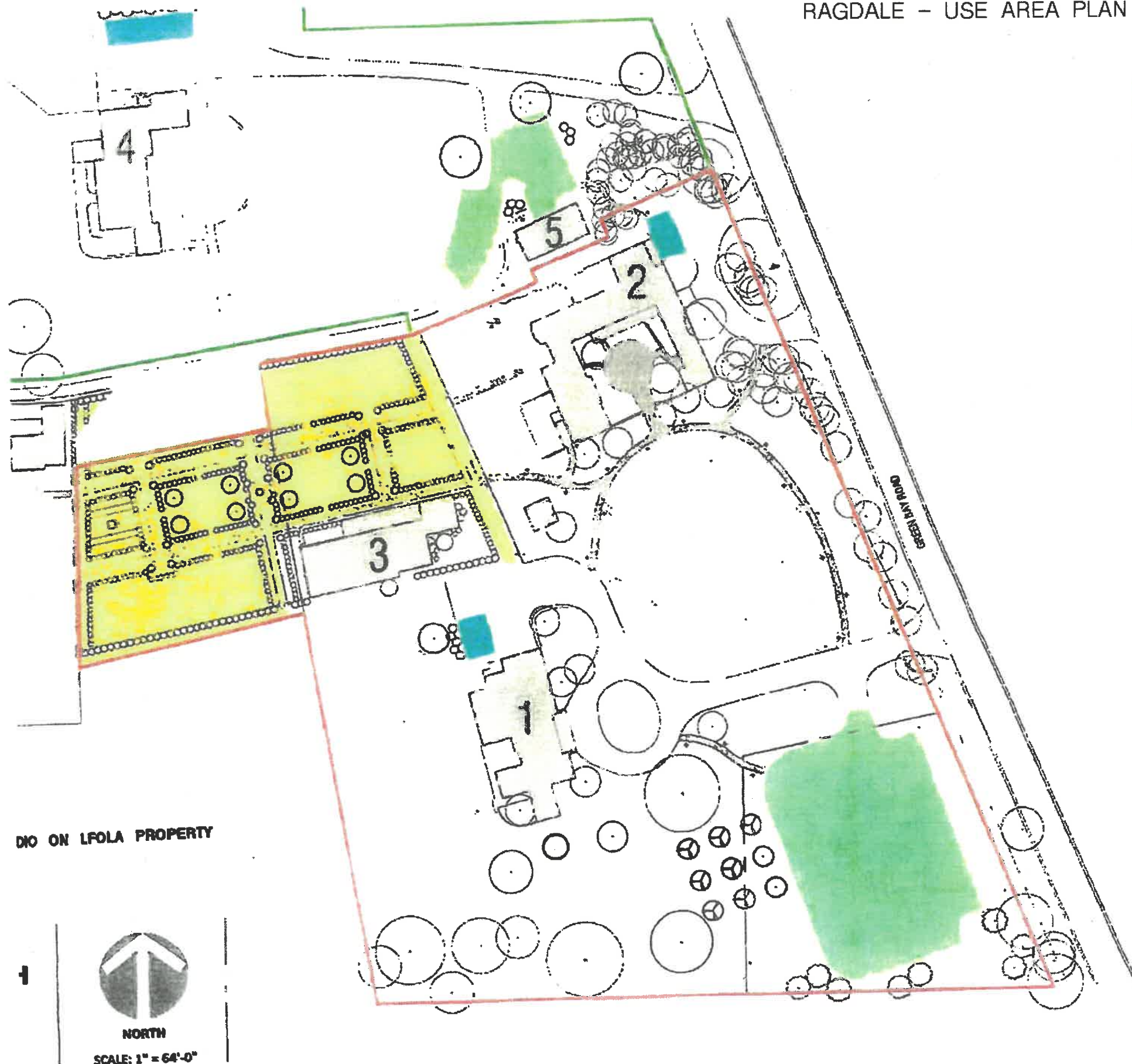
1260 N. Green Bay Rd.

Lake Forest, IL 60045

REVISIONS:

NO	DATE	DETAIL	ISSUE
1	10-29-21		

EXHIBIT E
RAGDALE - USE AREA PLAN



SPECIAL USE DESIGNATIONS

EVENT SPACE

- VISITOR PARKING
- RESIDENT/ACCESSIBLE PARKING
- HISTORIC RESTORATION

BOUNDARIES

- "HART PROPERTY" ADDITION
- EXISTING RAGDALE CAMPUS

BUILDINGS

- 1** RAGDALE HOUSE
- 2** BARN HOUSE
- 3** SHEARER STUDIO & COMPOSER S
- 4** HART HOUSE
- 5** MCCUTCHEON STUDIO

ISSUED FOR:
SPECIAL USE

PROJECT:
Ragdale Foundation
Campus
1260 N. Green Bay Rd.
Lake Forest, IL 60045

DIO ON LFOLA PROPERTY



NORTH
SCALE: 1" = 64'-0"

EXHIBIT E

EXHIBIT F

Legal Description of the Garden Parcel

That part of Lot 2 in Ragdale Subdivision, a subdivision of a part of Lot 1 in Clay Judson Subdivision together with part of Lot 16 in Owner's Subdivision, in the Northeast Quarter (1/4) of Section 29, Township 44 North, Range 12 East of the Third Principal Meridian, City of Lake Forest, Lake County, Illinois, according to the Plat of Subdivision thereof filed for record with the Recorder of Deeds of Lake County, Illinois, on February 26, 1986 as Document No. 2422824, lying south of a line parallel to and 40 feet southerly of the north boundary line of said Lot 2.

EXHIBIT G

EASEMENT DEPICTION



EXHIBIT H
Unconditional Agreement and Consent

Pursuant to Section Four of The City of Lake Forest Ordinance No. 2024 - ____ ("**Ordinance**"), and to induce the City Code to grant the approvals provided for in such Ordinance, the undersigned acknowledges for themselves and their successors and assigns in title to the Property that they

1. have read and understand all of the terms and provisions of Ordinance No. 2024 - ____;
2. hereby unconditionally agree to accept, consent to, and abide by all of the terms, conditions, restrictions, and provisions of this Ordinance, The City of Lake Forest City Code, and all other applicable codes, ordinances, rules, and regulations;
3. acknowledge and agree that the City is not and shall not be, in any way, liable for any damages or injuries that may be sustained as a result of the City's issuance of any permits for the use of the Property, and that the City's issuance of any permit does not, and shall not, in any way, be deemed to insure the Owners against damage or injury of any kind and at any time;
4. acknowledge that the public notices and hearings have been properly given and held with respect to the adoption of the Ordinance;
5. agree to and do hereby hold harmless, defend, and indemnify the City, the City's corporate authorities, and all City elected and appointed officials, officers, employees, agents, representatives, and attorneys, from any and all claims that may, at any time, be asserted against any of these parties with respect to the Property and the City's adoption of the Ordinance or granting the approvals to the Owners pursuant to the Ordinance; and
6. represent and acknowledge that the persons signing this Unconditional Agreement and Consent are duly authorized to do so on behalf of the Owners of the Property.

OWNER:

ATTEST:

FOUNDATION:

ATTEST:

REAL ESTATE DONATION AGREEMENT

THIS REAL ESTATE DONATION AGREEMENT ("Agreement") is made and entered into as of this _____ day of _____, 2024 ("**Effective Date**"), by and between The Golden Flower X LLC, a Delaware Limited Liability Company ("**Lansing**"), the City of Lake Forest, an Illinois home rule charter municipal corporation ("**City**"), and The Ragdale Foundation, an Illinois 501(c)3 not-for-profit Corporation ("**Ragdale**").

RECITALS:

WHEREAS, Lansing currently holds legal title to a certain parcel of land contiguous to the Ragdale Farm (described below), which parcel is referred to as the "vegetable garden" and described on **Exhibit A** attached hereto (said land, together with any improvements thereon and appurtenances thereto, the "**Vegetable Garden Parcel**"), which Vegetable Garden Parcel is currently identified by the Lake County Assessor as PIN 12-29-206-025-0000, and

WHEREAS, City holds legal title to various parcels of real property with improvements thereon and appurtenant rights thereto commonly described as 1260 N. Green Bay Road, Lake Forest, IL 60045, which are used and occupied by Ragdale pursuant to an Operating Agreement and a Special Use Permit, and is commonly known as "**Ragdale Farm**", and

WHEREAS, Lansing desires to make a donation of the Vegetable Garden Parcel to City for the express and exclusive purpose of adding said Vegetable Garden Parcel to Ragdale Farm under both the Operating Agreement by and between Ragdale and City and the Special Use Permit in favor of Ragdale from City, and

WHEREAS, in addition to the Vegetable Garden Parcel, Lansing owns the parcel(s) of land identified as having PIN(s) 12-29-206-021-0000 on which a log cabin is located (the "**Log Cabin Parcel**"), and

WHEREAS, Lansing wishes to convey the Vegetable Garden Parcel subject to the License and Maintenance Agreement (as defined herein) for the benefit of certain affiliates of Lansing, so long as they own the Log Cabin Parcel, and

WHEREAS, Lansing desires to avail itself to a Noncash Charitable Contribution (as defined by The Department of the Treasury, Internal Revenue Service) for the fair market value of the Vegetable Garden Parcel which Lansing is conveying to City, and

WHEREAS, as a condition precedent to Lansing's donation, and because Ragdale shall be the ultimate user of the Vegetable Garden Parcel in accordance with the Operating Agreement and Special Use Permit, Ragdale and City shall grant Lansing the License and Maintenance Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements of the parties hereinafter set forth, the receipt and sufficiency of which are hereby acknowledged, the parties hereto (Lansing, City and Ragdale) mutually covenant and agree as follows:

1. RECITALS AND EXHIBITS.

The above recitals are true and correct and are hereby incorporated in this Agreement by this reference as if fully set forth as numbered paragraphs in this Agreement. All exhibits attached to this Agreement are incorporated as though fully set forth in this Section.

2. AGREEMENT TO DONATE.

Lansing agrees to donate, convey and assign to City, and City agrees to accept the donation from Lansing of the Vegetable Garden Parcel under the terms and for the consideration set forth below.

City agrees that the Vegetable Garden Parcel shall be added to the Operating Agreement and the Special Use Permit pursuant to City/Ragdale Agreement Amendment and Approval (as hereinafter defined).

3. LICENSE AND MAINTENANCE AGREEMENT.

In consideration of Lansing's donation of the Vegetable Garden Parcel, at Closing Ragdale and City shall grant Lansing a license to use the Vegetable Garden Parcel and agree to certain maintenance standards for the Vegetable Garden Parcel as set forth in the License and Maintenance Agreement attached hereto as **Exhibit B** (the "**License and Maintenance Agreement**").

4. RESERVED.

5. CONVEYANCE.

Conveyance by Lansing to City of the Vegetable Garden Parcel shall be by special warranty deed in the form attached hereto as **Exhibit C**, and such deed shall convey to City good and marketable title in fee simple to the Vegetable Garden Parcel, subject only to those exceptions shown on **Exhibit D** attached hereto and made a part hereof, and any additional exceptions approved in writing by City (hereinafter collectively called "**Permitted Lansing Exceptions**"), provided that Permitted Lansing Exceptions shall not include any lien, encumbrance, mortgage or other security interest encumbering any part of the Vegetable Garden Parcel and securing the payment of money ("**Monetary Liens**"), including without limitation any mechanic's lien.

6. TITLE.

(a) No later than 15 days after the Effective Date, Ragdale will deliver a copy of the title report (the "**Title Commitment**") for the Vegetable Garden Parcel issued by Chicago Title Insurance Company (the "**Title Company**") and the Survey (as defined in Section 7).

(b) City shall have 10 days from the date City receives the Title Commitment to notify Lansing of any exceptions to title shown on the Title Commitment that are not acceptable to City and any objections City has to the Survey (collectively, the "**Lansing Title Defects**"). Lansing will have 5 days from receipt of City's notice pursuant to this Section 6(b) to provide City with written assurances satisfactory to City, in City's sole discretion, that any Lansing Title Defects

will be removed or endorsed over, in reasonable form and substance acceptable to City, on or before the Closing Date. City may, by providing written notice to Lansing, extend the period in which Lansing will cure or remove such Lansing Title Defects. Lansing's failure to eliminate Lansing Title Defects in accordance with this Section shall authorize City, exercising its sole discretion, to terminate this Agreement and the parties' rights and obligations hereunder. Upon such termination, none of Lansing, Ragdale or City shall have any further rights, liabilities or obligations hereunder, other than those that expressly survive termination hereof.

(c) Ragdale shall deliver or cause to be delivered to City, at Ragdale's sole cost and expense, in form and substance reasonably satisfactory to City, not less than 10 days prior to the Closing Date (as hereinafter defined), an updated Title Commitment issued by the Title Company for the Vegetable Garden Parcel showing title to the Vegetable Garden Parcel in Lansing, subject only to the Permitted Lansing Exceptions.

(d) Lansing shall cause the Title Company to deliver (or commit to deliver) to City as to the Vegetable Garden Parcel, prior to recordation of the Deed an ALTA Form B owner's title insurance policy (the "**Title Policy**") in the amount of \$120,000, with full extended coverage over the general exceptions contained in the Title Policy, containing no exceptions other than the Permitted Lansing Exceptions. The Title Policy shall include a survey endorsements.

7. SURVEY.

City and Ragdale have received a survey of the Vegetable Garden Parcel dated June 22, 2021 prepared by Bleck Engineering and designated as Project No. 70-1082 (the "**Survey**"). So long as the Title Company will provide "survey coverage" and a survey endorsement on the Title Policy based on the Survey, City agrees no new survey shall be required.

8. BROKER'S COMMISSION.

City, Lansing and Ragdale each represent and warrant to the others that they have not dealt with any broker or finder with respect to the transaction contemplated by this Agreement. City, Lansing and Ragdale shall each defend, indemnify and hold harmless the other from any loss, cost or expense (including attorneys' fees) resulting from any claim by any broker, finder or agent (other than such broker, if any, named herein) claiming to have dealt with the indemnifying party with respect to this transaction. The provisions of this Section 8 shall survive Closing and shall not merge with the Deed.

9. RESERVED.

10. CLOSING.

(a) Subject to the conditions precedent contained in this Agreement, including, without limitation, delivery of the Title Policy to City to City and Ragdale, the Closing shall take place on a date to be mutually agreed upon by Lansing, City and Ragdale, and no later than thirty (30) days after the last to occur of: (i) revision and approval by City of both the Operating Agreement and the Special Use Permit between City and Ragdale such that the Vegetable Garden Parcel becomes subject to the Operating Agreement and the Special Use Permit pursuant to terms acceptable to City and Ragdale (the "**City/Ragdale Agreement Amendment and Approval**"),

and (ii) the Effective Date (the "**Closing Date**"). The Closing shall be held at either the Vernon Hills, Illinois office of Chicago Title Insurance Company through an escrow with the Title Company pursuant to the Title Company's usual form of escrow agreement by the Title Company, modified in accordance with the terms of this Agreement, or at such other location as the parties may mutually agree upon in writing. City, Lansing and Ragdale shall share equally in the cost of the escrow. The cost of any "New York Style Closing" or "gap closing" requested by any party shall be borne equally by the parties. All the documents referred to in subsections (b-d) of this Section and possession of the Vegetable Garden Parcel shall be delivered on the Closing Date. On the Closing Date when the Title Company issues (or commits in writing to issue) its Title Policy pursuant to Section 6(b) hereof and Lansing and Ragdale, shall deliver possession of the Vegetable Garden Parcel to City.

(b) At the Closing, Lansing shall deliver the following all in form, execution and substance reasonably satisfactory to Lansing, Ragdale and City:

(i) Special Warranty Deed in the form attached hereto as **Exhibit C** duly executed and acknowledged by Lansing, conveying to City or City's nominee, title to the Vegetable Garden Parcel, in proper form for recording and subject only to the Permitted Exceptions;

(ii) ALTA Statement and other documents required by the Title Company for clearance of all exceptions to title other than the Permitted Exceptions;

(iii) Lansing's gap undertaking, if necessary;

(iv) A FIRPTA certificate with respect to Lansing's non-foreign status sufficient to comply with Section 1445 of the Internal Revenue Code of 1986 and the regulations promulgated thereunder;

(v) The License and Maintenance Agreement executed by Lansing;

(vi) An affidavit of title in customary form;

(vii) reserved;

(viii) State of Illinois, Lake County, and City of Lake Forest real estate transfer tax declarations and stamp, unless the latter is exempt under the transaction contemplated herein;

(ix) A final payoff letter from the North Shore Sanitary District which is required to satisfy any Schedule B title exception in connection with same;

(x) A settlement statement approved by Lansing, Ragdale and City (the "**Settlement Statement**"), executed by Lansing; and

(xi) Such other documents and matters reasonably required to close the transactions contemplated by this Agreement.

(c) At the Closing, Ragdale shall deliver the License and Maintenance Agreement executed by Ragdale.

(d) At the Closing, City shall deliver the following all in form and substance reasonably satisfactory to Lansing, Ragdale and City:

(i) IRS form 8283 duly executed by City acknowledging the Noncash Charitable Contribution by Lansing as a result of conveying the Vegetable Garden Parcel to City;

(ii) The Settlement Statement executed by City;

(iii) The License and Maintenance Agreement executed by City;

(iv) If required, State of Illinois, Lake County, and City of Lake Forest real estate transfer declarations executed by City; and

(v) Such other documents and matters reasonably required to close the transactions contemplated by this Agreement.

(e) At or prior to the Closing, City and Ragdale shall execute such documents as are necessary in connection with City/Ragdale Agreement Amendment and Approval.

(f) Ragdale shall pay all costs incurred in obtaining the Title Commitment in connection with the Vegetable Garden Parcel, the Title Policy for the Vegetable Garden Parcel, and any survey costs. Lansing shall pay all costs incurred in obtaining and recording releases of any existing liens on the Vegetable Garden Parcel and all state and county transfer taxes imposed in connection with the conveyance of the Vegetable Garden Parcel. Local transfer taxes on the conveyance of the Vegetable Garden Parcel, if any, shall be paid by the party upon whom the local ordinance places the responsibility for payment. City shall pay all fees for recording the deed and any mortgage, if any. The fees and expenses of Lansing's designated representatives, accountants and attorneys shall be borne by Lansing, the fees and expenses of Ragdale's designated representatives, accountants and attorneys shall be borne by Ragdale, and the fees and expenses of City's designated representatives, accountants and attorneys shall be borne by City.

11. ADJUSTMENTS.

Except as provided below, all proratable items, if any, other than general real estate taxes shall be prorated as of the Closing Date, and such prorations shall be final unless otherwise agreed in writing by the parties. City will take title to the Vegetable Garden Parcel subject to all real estate taxes for 2024 and subsequent years. Net prorations shall be paid in cash by the applicable party, and Ragdale shall be solely responsible for timely paying in full all general real estate taxes imposed against the Vegetable Garden Parcel for 2024 and subsequent years (to the extent that the Vegetable Garden Parcel is not exempt from real estate taxes), as provided in the Operating Agreement. This Section 11 shall survive Closing and shall not merge with the Deed.

12. REMEDIES.

(a) If Lansing should breach any of its covenants, representations or warranties contained in this Agreement or should fail to consummate the sale and donation contemplated herein for any reason other than City's or Ragdale's default hereunder, each of City and Ragdale shall have the right, after giving Lansing not less than ten days' written notice of such default, if such default still remains uncured after the notice period, to either (i) enforce specific performance of this Agreement and recover its costs (including without limitation attorneys' fees in so obtaining specific performance) or (ii) terminate this Agreement. Upon such termination, none of Lansing, Ragdale or City shall have any further rights, liabilities or obligations hereunder, other than those that expressly survive termination hereof.

(b) If City should breach any of its covenants contained in this Agreement (and Lansing shall not be in default hereunder), after Lansing has given City not less than ten days' written notice of such default and if such default remains uncured after such notice period, Lansing may, as Lansing's sole remedy hereunder, by reason of City's breach or default, terminate this Agreement. Upon such termination, none of Lansing, Ragdale or City shall have any further rights, liabilities or obligations hereunder, other than those that expressly survive termination hereof.

(c) If Ragdale should breach any of its covenants, representations or warranties contained in this Agreement for any reason other than City's or Lansing's default hereunder, City and Lansing shall have the right, after giving Ragdale not less than ten days' written notice of such default, if such default still remains uncured after the notice period, to terminate this Agreement. If either Lansing or City terminates the Agreement as provided in this Section 12(c), the Agreement shall terminate and none of Lansing, Ragdale or City shall have any further rights, liabilities or obligations hereunder, other than those that expressly survive termination hereof.

13. MODIFICATIONS, WAIVERS, ETC.

(a) Each party reserves the right to waive any of the conditions precedent to its respective obligations hereunder. No modification, amendment, discharge or change of this Agreement, except as otherwise provided herein shall be valid unless the same is in writing and signed by the party against which the enforcement of such modifications, amendment, discharge or change is sought.

(b) This Agreement and the Exhibits attached hereto contains the entire agreement between the parties relating to the transaction contemplated hereby, and all prior or contemporaneous agreements, understandings, representations and statements, oral or written, are merged herein.

14. NOTICES.

All notices, demands, requests and other communications under this Agreement shall be in writing and shall be deemed properly served when emailed or delivered, or, if sent by registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

If intended for Lansing:

Mr. Robert T.E. Lansing
Westminster Capital
270 Westminster, Suite 300
Lake Forest, IL 60045
Direct Line (847) 234-1103
Main (847) 234-1123
Fax (847) 234-2115
RLansing@WestminsterCapitalLLC.com

With copy to:

Mr. Michael R. Adelman, Esq.
1190 W. Old Mill Road
Lake Forest, IL 60045
TEL 847-615-0210
FAX 847-615-0225
CELL 847-338-5069
EMAIL MRAdelman@comcast.net

If intended for City:

Catherine Czerniak
Director of Community Development
City of Lake Forest
800 Field Drive
Lake Forest, IL 60045
TEL 847-810-3504
EMAIL czerniac@CityofLakeForest.com

With copy to:

Ms. Julie A. Tappendorf, Esq.
Ancel Glink
140 S. Dearborn Street, 6th Floor
Chicago, IL 60603
TEL 312.604.9182
FAX 312.782.0943
EMAIL jtappendorf@ancelglink.com

If intended for Ragdale:

President, Board of Trustees
Ragdale Foundation
1260 N. Green Bay Road
Lake Forest, IL 60045
TEL 847-234-1063
EMAIL: hsannes13@gmail.com

With copy to:

Frederic R. Klein, Esq.
Jami L Brodey, Esq.
Goldberg Kohn Ltd.
55 E. Monroe Street, Suite 3300
Chicago, IL 60603-5792
TEL 312.201.3908
FAX 312.863.7408
EMAIL frederic.klein@goldbergkohn.com
EMAIL jami.brodey@goldbergkohn.com

Notices shall be deemed to have been duly given or made on the date receipt, if emailed or delivered, or three days after mailing, if mailed, however, that either party may change its address for purposes of receipt of any such communication by giving 10 days' written notice of such change to the other party in the manner above prescribed.

15. INSPECTION PERIOD.

(a) Beginning on the Effective Date and concluding at 5:00 p.m. on the date that is 15 days after the Effective Date ("**Inspection Period**"), City shall have the right to enter on the Vegetable Garden Parcel to conduct physical inspections and undertake such other due diligence as City deems appropriate, in City's sole discretion, including structural inspections, environmental tests, soil tests, and engineering studies; provided, however, that City will not perform any excavation or any invasive testing (such as soil borings) without the approval of Lansing, for excavation or invasive testing occurring on the Vegetable Garden Parcel, which approval in each case shall not be unreasonably withheld, conditioned or delayed. If any inspection or test damages the Vegetable Garden Parcel, City will restore the Vegetable Garden Parcel to the same condition as existed before the inspection or test. City shall defend, indemnify and hold Lansing and its trustees, officers, tenants, agents, and employees and the Vegetable Garden Parcel harmless from and against any and all losses, costs, damages, claims, or liabilities, including, but not limited to, mechanics' and materialmen's liens and Lansing's reasonable attorneys' fees, and claims and liabilities arising out of City's or its agents', contractors', employees', or invitees' entry upon or inspection of the Vegetable Garden Parcel prior to Closing. The provisions of this Section 15(a) shall survive the Closing or the earlier termination of this Agreement.

(b) City shall have the right, upon discovering conditions on the Vegetable Garden Parcel, City deems unacceptable in its sole and absolute discretion, to terminate this Agreement by giving Lansing and Ragdale notice, prior to the expiration of the Inspection Period, of its election to terminate this Agreement. If City fails to notify Lansing and Ragdale in accordance with this Section, then City's right to terminate the Agreement pursuant to this Section shall terminate. If City terminates the Agreement pursuant to this Section, this Agreement shall terminate and no party hereto shall have any further rights, liabilities or obligations, other than those that expressly survive the termination hereof.

16. CONDITION OF PROPERTY.

City, Lansing and Ragdale agree and understand that the Vegetable Garden Parcel is being conveyed to City in "as is" condition. City, Lansing and Ragdale agree and understand that Lansing and Ragdale shall not be required to execute an Illinois Residential Real Property Disclosure Reports (pursuant to 765 ILCS 77/1 – 77/99) or Lead-Based Paint Disclosure Forms.

17. CITY/RAGDALE AGREEMENT AMENDMENT AND APPROVAL AS CONDITIONS PRECEDENT.

As conditions precedent to the rights and obligations of the parties to this Agreement, it is expressly contemplated that the amendment to the Operating Agreement and the Special Use Permit be agreed upon by and between City and Ragdale and any necessary approvals thereof on behalf of City be granted. The parties hereto all hereby acknowledge and agree that they are each entering into this Agreement expressly subject to the aforesaid conditions precedent. The parties further agree that City's approval of this Agreement in no way obligates or requires City to grant any other approvals to Lansing or Ragdale, or concerning Ragdale Farm, including, without limitation, Ragdale's Special Use Permit application, and Ragdale's amendment to the Operating Agreement, and this Agreement provides neither Lansing nor Ragdale any vested rights in City's the approval of the same. In the event that the or City/Ragdale Agreement Amendment and Approval is not obtained by December 31, 2024, then this Agreement shall be deemed terminated, null and void, and of no further force or effect, in which case none of Lansing, Ragdale or City shall have any further rights, liabilities or obligations hereunder, other than those that expressly survive termination hereof.

18. RESERVED.

19. RISK OF LOSS.

From and after the date of this Agreement to the Closing, Lansing is considered the owner of the Vegetable Garden Parcel, as applicable, for all purposes, and shall be entitled to receive all insurance proceeds and/or eminent domain awards that may become payable with respect thereto. Any and all risks associated with ownership of the Vegetable Garden Parcel shall be borne by Lansing from the Effective Date until Closing. Lansing shall give notice to the other parties hereto should the Vegetable Garden Parcel incur a casualty or if an eminent domain proceeding is commenced with respect to the Vegetable Garden Parcel within three (3) Business Days of becoming aware of such casualty or commencement. In the event of the commencement of an

eminent domain proceeding or occurrence of a material casualty prior to Closing, Ragdale shall have the option, as its sole remedy in respect thereof, to elect one of the following:

(a) to proceed with Closing in which event all insurance proceeds and/or eminent domain awards shall be paid (if then received by Lansing) or assigned to Ragdale, and Lansing shall reimburse Ragdale for all applicable insurance deductibles under policies of insurance relating to the Vegetable Garden Parcel; or

(b) to terminate this Agreement in which event the none of Lansing, Ragdale or City shall have any further rights, liabilities or obligations under this Agreement, except those that expressly survive termination of this Agreement.

For purposes of this Section 19, the term "material casualty" shall mean a casualty as to which the cost of repair and restoration is reasonably estimated by City or Ragdale to exceed \$1,000. Ragdale shall exercise such option by giving written notice specifying its choice to Lansing and City on or prior to the earlier of fifteen (15) days after receiving Lansing's notice or the date of Closing. If Ragdale does not give a timely notice it shall be deemed to have elected the option in clause (a) above.

20. REPRESENTATIONS AND WARRANTIES.

To induce the other parties hereto to enter into this Agreement and consummate the transactions contemplated hereby, Lansing, Ragdale and/or City, as applicable, make the representations and warranties set forth below.

(a) Lansing represents and warrants, to the best of its knowledge, as of the Effective Date and as of the Closing Date, that:

(i) Lansing is a duly organized Delaware limited liability company and is in good standing with the State of Illinois, and has the full right, power, and authority to sell and convey the Vegetable Garden Parcel as provided in this Agreement and to carry out Lansing's obligations hereunder, without the joinder of any other person or entity, and all requisite action necessary to authorize Lansing to enter into this Agreement and to carry out its obligations hereunder has been or by the Closing will have been taken.

(ii) Neither the execution of this Agreement nor the consummation by Lansing of the transactions contemplated hereby will (A) conflict with or result in a breach of the terms, conditions or provisions of or constitute a default under any agreement or instrument to which Lansing is a party or is otherwise bound; (B) violate any restriction to which Lansing is subject; or (C) constitute a violation of any existing federal, state or local law, ordinance, rule, regulation or order of which Lansing is aware.

(iii) Neither Lansing nor any of its constituent entities or individuals is a "foreign person" as that term is defined in Section 1445 of the Internal Revenue Code of 1986, as amended, and any applicable regulations promulgated thereunder.

(iv) Lansing is not a party to any litigation, arbitration or administrative proceeding (i) with any present or former tenant of the Vegetable Garden Parcel, (ii) with

any person or entity concerning any aspect of the Vegetable Garden Parcel or having or claiming any interest in the Vegetable Garden Parcel, (iii) which affects or questions Lansing's title to the Vegetable Garden Parcel or Lansing's ability to perform its obligations under this Agreement, or (iv) which otherwise affects or relates to the Vegetable Garden Parcel. As of the Effective Date, there is no presently pending or, to Lansing's knowledge, threatened litigation, arbitration or administrative proceeding affecting or questioning Lansing's title to, or the current use of, the Vegetable Garden Parcel or any part thereof or which otherwise affects or relates to the Vegetable Garden Parcel.

(v) The Agreement is, and all other closing documents to be executed and delivered by Lansing will be on the Closing Date, valid and binding obligations.

(vi) Lansing has received no notice of any building, zoning, fire, or health code violations that have not been corrected or any pending rezoning or condemnation affecting the Vegetable Garden Parcel, and that on the Closing Date the Vegetable Garden Parcel, and any personal property will be in substantially the same condition as of the date of this Agreement, normal wear and tear excepted. To Lansing's knowledge, the Vegetable Garden Parcel is in compliance with all applicable ordinances, codes, rules, regulations and other laws, including, without limitation, those relating to building, zoning, subdivision, traffic, parking, accessibility, fire safety, health or safety.

(vii) There are no pending and, to Lansing's knowledge, no threatened condemnation suits or actions with respect to the Vegetable Garden Parcel.

(viii) There are no contracts, equipment leases, agreements or commitments, written or oral, affecting the Vegetable Garden Parcel which would be binding on City or which would run with the Vegetable Garden Parcel.

(ix) There are no contracts, equipment leases, agreements or commitments, written or oral, affecting the Vegetable Garden Parcel which would be binding on City or which would run with the Vegetable Garden Parcel.

(x) Lansing has no knowledge of any existence of any asbestos or underground storage tanks or the release, discharge or storage of any petroleum-based substance or other hazardous or toxic substances or materials on or under the Vegetable Garden Parcel. Neither Lansing nor any of its agents, employees, or contractors have caused or consented to the release, discharge, storage or handling of any petroleum-based substance or other hazardous toxic substance or materials on, under or about the Vegetable Garden Parcel in violation of any applicable environmental laws or regulations, and, to Lansing's knowledge, no such release, discharge, storage or handling has occurred. To Lansing's knowledge, (i) the Vegetable Garden Parcel is not subject to any investigation, administrative order, consent order or agreement, litigation or settlement with respect to any toxic material, hazardous substance or hazardous waste, and (ii) no such materials, substances or wastes are present at the Vegetable Garden Parcel in quantities in violation of any applicable environmental laws or regulations.

(xi) There are no pending or, to Lansing's knowledge, threatened claims for labor performed, materials furnished, or services rendered in connection with constructing, improving, repairing or maintaining the Vegetable Garden Parcel with respect to which liens may or could be filed against the Vegetable Garden Parcel.

(xii) On the Closing Date, the Vegetable Garden Parcel will be free and clear of all liens, claims, rights, restrictions, conditions and other encumbrances other than the Permitted Lansing Exceptions.

(xiii) Neither Lansing nor any person, group, entity or nation that Lansing is acting, directly or indirectly for, or on behalf of, is named by any Executive Order (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism) or the United States Treasury Department as a terrorist, "Specially Designated National and Blocked Person," or is otherwise a banned or blocked person, group, entity, or nation pursuant to any law that is enforced or administered by the Office of Foreign Assets Control, and Lansing is not engaging in the transaction contemplated under this Agreement, directly or indirectly, on behalf of, or instigating or facilitating such transaction, directly or indirectly, on behalf of, any such person, group, entity or nation. Lansing is not engaging in the transaction contemplated under this Agreement, directly or indirectly, in violation of any laws relating to drug trafficking, money laundering or predicate crimes to money laundering. Lansing has and will continue to implement procedures, and has consistently and will continue to consistently apply those procedures, to ensure the foregoing representations and warranties remain true and correct at all times prior to Closing.

(xiv) To the best of Lansing's knowledge and belief, none of the representations of Lansing in this Agreement contains any untrue statement of a material fact or omits to state a material fact necessary in order to make any representation contained herein not misleading in light of the circumstances in which such representation is made.

(b) Ragdale represents and warrants, to the best of its knowledge, as of the Effective Date and as of the Closing Date, that:

(i) Ragdale is a duly organized corporate entity in good standing with the State of Illinois, and has the full right, power, and authority to carry out Ragdale's obligations hereunder, without the joinder of any other person or entity, and all requisite action necessary to authorize Ragdale to enter into this Agreement and to carry out its obligations hereunder has been or by the Closing will have been taken.

(ii) Neither the execution of this Agreement nor the consummation by Ragdale of the transactions contemplated hereby will (A) conflict with or result in a breach of the terms, conditions or provisions of or constitute a default under any agreement or instrument to which Ragdale is a party or is otherwise bound; (B) violate any restriction to which Ragdale is subject; or (C) constitute a violation of any existing federal, state or local law, ordinance, rule, regulation or order of which Ragdale is aware

(iii) Neither Ragdale nor any of its constituent entities or individuals is a "foreign person" as that term is defined in Section 1445 of the Internal Revenue Code of 1986, as amended, and any applicable regulations promulgated thereunder.

(iv) Ragdale is not a party to any litigation, arbitration or administrative proceeding which affects or questions Ragdale's ability to perform its obligations under this Agreement.

(v) The Agreement is, and all other closing documents to be executed and delivered by Ragdale will be on the Closing Date, valid and binding obligations.

(vi) Neither Ragdale nor any person, group, entity or nation that Ragdale is acting, directly or indirectly for, or on behalf of, is named by any Executive Order (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism) or the United States Treasury Department as a terrorist, "Specially Designated National and Blocked Person," or is otherwise a banned or blocked person, group, entity, or nation pursuant to any law that is enforced or administered by the Office of Foreign Assets Control, and Ragdale is not engaging in the transaction contemplated under this Agreement, directly or indirectly, on behalf of, or instigating or facilitating such transaction, directly or indirectly, on behalf of, any such person, group, entity or nation. Ragdale is not engaging in the transaction contemplated under this Agreement, directly or indirectly, in violation of any laws relating to drug trafficking, money laundering or predicate crimes to money laundering. None of the funds of Ragdale have been or will be derived from any unlawful activity with the result that the investment of direct or indirect equity owners in Ragdale is prohibited by law or that the transaction contemplated under this Agreement is or will be in violation of law. Ragdale has and will continue to implement procedures, and has consistently and will continue to consistently apply those procedures, to ensure the foregoing representations and warranties remain true and correct at all times prior to Closing.

(vii) To the best of Ragdale's knowledge and belief, none of the representations of Ragdale in this Agreement contains any untrue statement of a material fact or omits to state a material fact necessary in order to make any representation contained herein not misleading in light of the circumstances in which such representation is made.

(c) City represents and warrants, to the best of its knowledge, as of the Effective Date and as of the Closing Date, that:

(i) City has the full right, power, and authority to carry out City's obligations hereunder, without the joinder of any other person or entity, and all requisite action necessary to authorize City to enter into this Agreement and to carry out its obligations hereunder has been or by the Closing will have been taken.

(ii) Neither the execution of this Agreement nor the consummation by City of the transactions contemplated hereby will (i) conflict with or result in a breach of the terms, conditions or provisions of or constitute a default under any agreement or

instrument to which City is a party or is otherwise bound; (ii) violate any restriction to City it is subject; or (iii) constitute a violation of any existing federal, state or local law, ordinance, rule, regulation or order of which City is aware.

(iii) The Agreement is, and all other closing documents to be executed and delivered by City will be on the Closing Date, City's valid and binding obligations.

(iv) Neither City nor any person, group, entity or nation that City is acting, directly or indirectly for, or on behalf of, is named by any Executive Order (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism) or the United States Treasury Department as a terrorist, "Specially Designated National and Blocked Person," or is otherwise a banned or blocked person, group, entity, or nation pursuant to any law that is enforced or administered by the Office of Foreign Assets Control, and City is not engaging in the transaction contemplated under this Agreement, directly or indirectly, on behalf of, or instigating or facilitating such transaction, directly or indirectly, on behalf of, any such person, group, entity or nation. City is not engaging in the transaction contemplated under this Agreement, directly or indirectly, in violation of any laws relating to drug trafficking, money laundering or predicate crimes to money laundering. None of the funds of City have been or will be derived from any unlawful activity with the result that the investment of direct or indirect equity owners in City is prohibited by law or that the transaction contemplated under this Agreement is or will be in violation of law. City has and will continue to implement procedures, and has consistently and will continue to consistently apply those procedures, to ensure the foregoing representations and warranties remain true and correct at all times prior to Closing.

(d) The representations and warranties of the parties hereunder shall be true and complete on the Closing Date and shall survive the Closing for a period of one (1) year (that is, written notice of any claim under any representation or warranty by a party hereto must be given to the representing and warranting party within one (1) year of the Closing Date).

21. MISCELLANEOUS.

(a) This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, executors, administrators, personal representatives, successors and assigns.

(b) This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois. Venue for any disputes arising from or related to this Agreement or the Vegetable Garden Parcel shall be the Circuit Court of the Nineteenth Judicial Circuit, Lake County, Illinois. The invalidation of one or more of the terms of this Agreement shall not affect the validity of the remaining terms.

(c) Whenever in this Agreement words, including pronouns, are used in the masculine, they shall be read in the feminine or neuter whenever they would so apply and vice

versa, and words in this Agreement that are singular shall be read as plural whenever the latter should so apply and vice versa.

(d) This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, and all of which, when taken together, shall constitute one Agreement.

(e) Time is of the essence of this Agreement.

(f) Each individual executing this Agreement on behalf of a party hereto hereby warrants that (1) he or she has full authority to execute and deliver this Agreement on behalf of such party and to consummate or cause the consummation of the obligations of such party contained herein; and (2) the execution of this Agreement is not in violation of or prohibited by any contract, agreement, or other obligation to which Lansing, Ragdale, or City is bound. Subject to the foregoing, the managing members, City officials and trustees identified herein shall have no personal liability hereunder.

(g) This instrument contains the entire agreement of the parties, and no representations, warranties or agreement have been made by either of the parties except as set forth herein. No modification, waiver or amendment of the provisions of this Agreement shall be effective unless made in writing and signed by all of the parties hereto.

(h) This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, and all of which, when taken together, shall constitute one Agreement.

(i) Facsimile signatures shall be sufficient for the purpose of executing, negotiating and finalizing this Agreement.

[the remainder of this page intentionally left blank; signature page follows]

IN WITNESS WHEREOF, the parties hereto execute this Agreement as of the date first written above:

LANSING:

THE GOLDEN FLOWER X LLC,
a Delaware Limited Liability Company

By: _____
Name: Stuart D. Lansing
Title: Manager


CITY:

THE CITY OF LAKE FOREST

By: _____
Name: Stanford Tack
Title: Mayor of City of Lake Forest

RAGDALE:

THE RAGDALE FOUNDATION,
an Illinois not for profit corporation

By:  _____
Name: Heather Sannes, President
Title: Board of Trustees

**THIRD AMENDMENT TO OPERATING AGREEMENT FOR THE
RAGDALE PROPERTIES**

THIS THIRD AMENDMENT TO OPERATING AGREEMENT FOR THE RAGDALE PROPERTIES (this "**Amendment**") is made as of _____, 2024, by and between **THE CITY OF LAKE FOREST**, an Illinois municipal corporation (the "**City**") and **THE RAGDALE FOUNDATION**, an Illinois not-for-profit organization (the "**Foundation**") (collectively, the City and the Foundation are the "**Parties**").

WHEREAS, the City and the Foundation are parties to a certain Operating Agreement for the Ragdale Properties dated as of July 24, 2001, as amended by a certain Amendment to Operating Agreement for the Ragdale Properties and to Loan Documents dated as of February 16, 2016, and as further amended by certain Second Amendment to Operating Agreement for the Ragdale Properties dated as of December 6, 2021 (collectively, and as so amended, the "**Agreement**"), relating to certain properties, more particularly described therein, located in the City and used and operated by the Foundation (the "**Existing Property**");

WHEREAS, the City, Foundation, and Alice Ryerson Hayes are parties to a separate agreement, Restated and Amended Agreement for the Ragdale Properties dated as of July 24, 2001, which Agreement also covers the Existing Property;

WHEREAS, the use and development of the Existing Property is also subject to an Ordinance granting a special use permit and other zoning approvals, as amended from time-to-time;

WHEREAS, contemporaneously herewith the City is acquiring title to a parcel of property, the parcel described on Exhibit A attached hereto (the "**Vegetable Garden Parcel**"), which is contiguous to the Existing Property;

WHEREAS, the Vegetable Garden Parcel is being conveyed to the City as a charitable donation by The Golden Flower X LLC, a Delaware limited liability company ("**Golden**");

WHEREAS, it is a condition to the conveyance of the Vegetable Garden Parcel that the Vegetable Garden Parcel becomes subject to the Agreement and used by the Foundation in accordance with the terms thereof, as amended hereby; and

WHEREAS, the City and the Foundation desire to amend the Agreement to add the Vegetable Garden Parcel to the property subject thereto and to amend the Agreement as more particularly set forth herein.

NOW THEREFORE, for good and valuable consideration paid by each party hereto to the other, the receipt and sufficiency of which are hereby mutually acknowledged, the City and the Foundation hereby agree as follows:

1. **Defined Terms.** Capitalized terms used herein and not otherwise defined shall have the meaning assigned to such terms in the Agreement.

2. **Addition of Parcels to the Property.** The Vegetable Garden Parcel shall be added to the Property under, and as defined in, the Agreement. All references in the

Agreement to the Property shall include the Vegetable Garden Parcel. All references in the Agreement to Improvements shall include Improvements now existing on, or hereafter made to, the Vegetable Garden Parcel.

3. **License and Maintenance Agreement.** Concurrent with this Amendment's approval, the Foundation, City, and Golden have entered into a License and Maintenance Agreement Regarding the Ragdale Garden (the "**License Agreement**") imposing certain obligations on the Foundation, City, and Golden concerning the Vegetable Garden Parcel. The Foundation hereby acknowledges and agrees that, so long as this Agreement is in effect, the Foundation shall be responsible for and shall perform all such obligations imposed on the City by the License Agreement, and that the City shall have no obligations under the License Agreement.

4. **Real Estate Taxes for the Parcels.** The Parties shall cooperate in applying to the appropriate authorities for exemption of the Vegetable Garden Parcel from State of Illinois real estate taxes; provided, however, the failure to obtain or delay in obtaining a real estate tax exemption as provided above shall not constitute a breach of the Agreement or this Amendment. Additionally, the foregoing shall not relieve the Foundation of its obligation to pay taxes for the Vegetable Garden Parcel including, without limitation, any taxes imposed on or assessed as a result of the License Agreement, in accordance with the procedures set forth in the Agreement.

5. **Amendments.** Each of the City and the Foundation hereby acknowledges and agrees that the Agreement is hereby amended to conform to the terms hereof.

6. **Miscellaneous.**

(a) In the event that the terms of the Agreement conflict or are inconsistent with those of this Amendment, the terms of this Amendment shall govern.

(b) Except as amended by this Amendment, the terms of the Agreement remain in full force and effect.

(c) This Amendment shall become effective only upon execution and delivery by both the City and the Foundation.

(d) This Amendment may be executed in any number of counterparts, each of which so executed and delivered shall be deemed to be an original and all of which shall constitute one and the same instrument.

(e) This Amendment shall be governed by, and construed and enforced in accordance with, the internal laws of the State of Illinois.

(f) This Amendment's recitals and exhibits are incorporated as though fully set forth in this Section.

[Remainder of page intentionally blank; signatures on following page.]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed and delivered as of the day and year first written above.

THE CITY OF LAKE FOREST

THE RAGDALE FOUNDATION

By: _____

By: Heather E. Sannes

Name: _____

Name: HEATHER E. SANNES

Title: _____

Title: President, Board of Trustees

EXHIBIT A

Legal Description of Vegetable Garden Parcel

THAT PART OF LOT 2, IN RAGDALE SUBDIVISION, BEING A SUBDIVISION IN THE NORTHEAST QUARTER OF SECTION 29, TOWNSHIP 44 NORTH, RANGE 12 EAST OF THE THIRD PRINCIPAL MERIDIAN ACCORDING TO THE PLAT THEREOF RECORDED IN THE RECORDER'S OFFICE OF LAKE COUNTY, ILLINOIS, ON FEBRUARY 26, 1986, AS DOCUMENT NUMBER 2422824, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SAID LOT 2; THENCE SOUTHWARDLY, ALONG THE EASTERLY LINE OF SAID LOT 2, A DISTANCE OF 40.00 FEET; THENCE WESTWARDLY ALONG A LINE PARALLEL WITH THE NORTHERLY LINE OF SAID LOT 2, FORMING AN ANGLE OF 89 DEGREES 21 MINUTES 30 SECONDS WITH THE LAST DESCRIBED LINE, AS MEASURED COUNTER-CLOCKWISE FROM NORTHERLY TO WESTERLY, A DISTANCE OF 117.70 FEET TO A POINT ON THE WESTERLY LINE OF SAID LOT 2; THENCE NORTHWARDLY ALONG SAID WESTERLY LINE OF SAID LOT 2, FORMING AN ANGLE OF 80 DEGREES 55 MINUTES 17 SECONDS WITH THE LAST DESCRIBED LINE AS MEASURED COUNTER-CLOCKWISE FROM EASTERLY TO NORTHERLY, A DISTANCE OF 40.51 FEET TO THE NORTHWEST CORNER OF SAID LOT; THENCE EASTWARDLY ALONG THE NORTHERLY LINE OF SAID LOT 2, A DISTANCE OF 110.86 FEET, TO THE POINT OF BEGINNING. CONTAINING 4,573 SQUARE FEET

PIN

12-29-206-025-0000

EXHIBIT B
GARDEN PARCEL

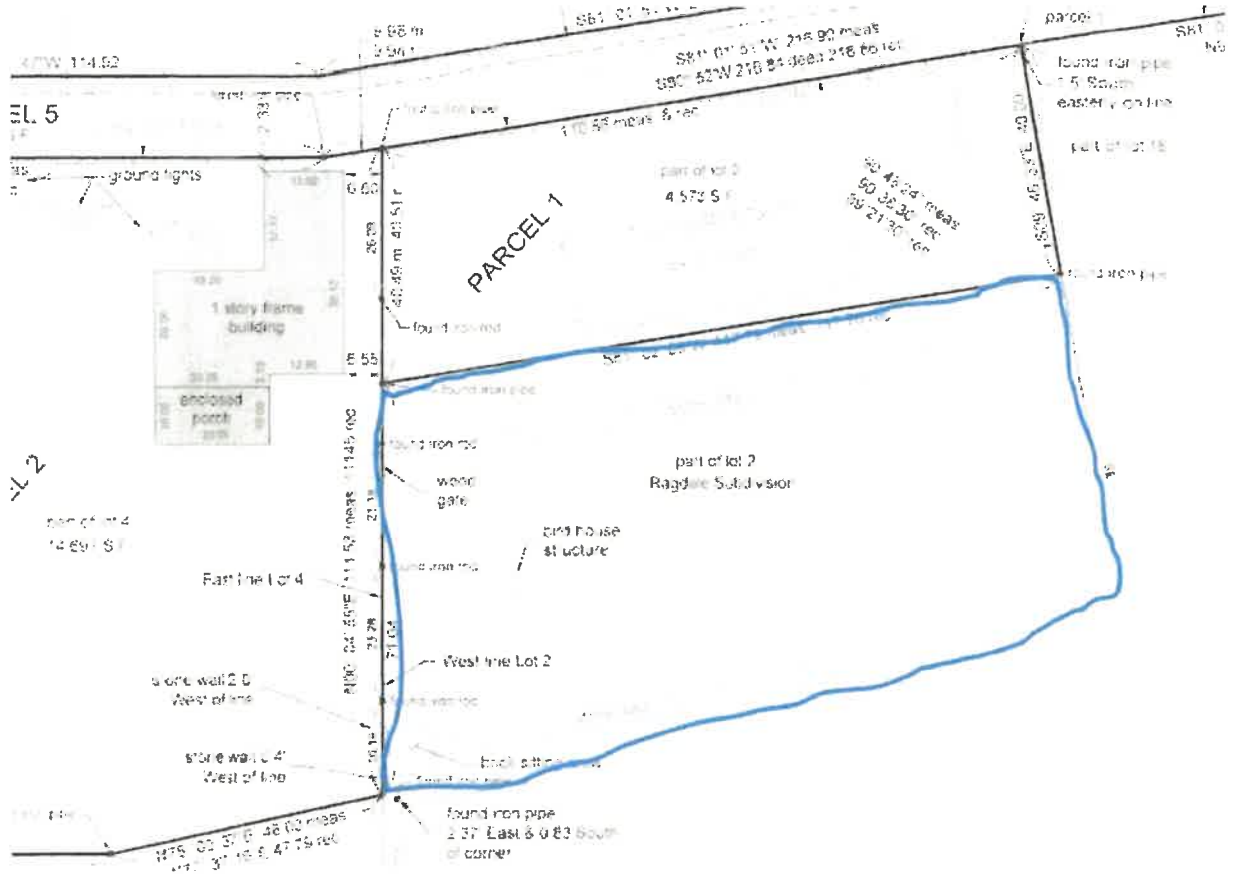


Exhibit B-1

LICENSE AND MAINTENANCE AGREEMENT
REGARDING THE RAGDALE GARDEN

This License and Maintenance Agreement Regarding the Ragdale Garden (this "**Agreement**") is entered into as of _____, 2024 (the "**Effective Date**") by and between THE GOLDEN FLOWER X LLC, a Delaware limited liability company ("**Lansing**"), THE CITY OF LAKE FOREST, an Illinois home rule charter municipal corporation ("**City**"), and THE RAGDALE FOUNDATION, an Illinois 501(c)3 not-for-profit corporation ("**Ragdale**"). Each of Lansing, City and Ragdale are sometimes referred to in this Agreement individually as a "**Party**" and collectively as the "**Parties**."

RECITALS

WHEREAS, the City holds legal title to various parcels of real property with improvements thereon and appurtenant rights thereto commonly described as 1260 N. Green Bay Road, Lake Forest, IL 60045, which are used and occupied by Ragdale pursuant to an Operating Agreement and a Special Use Permit, and is commonly known as "**Ragdale Farm**"; and

WHEREAS, concurrently herewith, Lansing has conveyed to City a certain parcel of land commonly referred to as the "vegetable garden" and described on **Exhibit A** attached hereto (the "**Vegetable Garden Parcel**"), which is adjacent to the Ragdale Farm property and is concurrently herewith being added to the Ragdale Farm property and becoming subject to the Operating Agreement and Special Use Permit; and

WHEREAS, a portion of the Ragdale Farm property, including the Vegetable Garden Parcel, is used and developed as a garden, which garden parcel is described/depicted on **Exhibit B** attached hereto (the "**Garden Parcel**"); and

WHEREAS, in connection with Ragdale's intended rehabilitation of the Garden Parcel, Lansing agreed to convey the Vegetable Garden Parcel to City, for addition to the Ragdale Farm and use by Ragdale, subject to Ragdale's and City's agreement to enter into this Agreement providing for a license to the Lansing Parties (as hereinafter defined) to use the Vegetable Garden Parcel and for certain maintenance standards and obligations with respect to the Vegetable Garden Parcel.

NOW THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Lansing, City and Ragdale hereby agree as follows:

AGREEMENT

1. **Recitals**. The Recitals stated above are incorporated into and made a part of this Agreement as if fully restated herein.

2. **License**. Subject to the terms and conditions of this Agreement, each of Ragdale, so long as the Operating Agreement remains in effect, and City grants to Robert and Kathryn Lansing and their descendants (the "**Lansing Parties**"), a non-exclusive right and license to enter onto the Garden Parcel and to use the Garden Parcel for purposes of gardening and removal of vegetables grown on the Vegetable Garden Parcel, in each case consistent with the Lansing Parties'

use of the Vegetable Garden Parcel in the 5 years prior to the conveyance of the Vegetable Garden Parcel to City. The foregoing shall include access to and use of the Hose Bib (as hereinafter defined) consistent with the Lansing Parties' use of the Hose Bib and water therefrom prior to conveyance of the Vegetable Garden Parcel to the City.

3. Initial Rehabilitation of the Garden Parcel; Maintenance of the Vegetable Garden Parcel.

(a) Ragdale agrees that the initial rehabilitation and ongoing maintenance of the Garden Parcel shall comply with that certain Ragdale Foundation – Rehabilitation of Arts & Crafts Garden – Planting Plan prepared by Rosborough Partners, dated May 21, 2024 previously presented to Robert and Kathryn Lansing (the "**Garden Plans**"). Without limiting the foregoing, Ragdale agrees that the hedges within 20 feet of the west boundary of the Vegetable Garden Parcel and along the remaining length of the east boundary of the Cabin Parcel will be maintained at a minimum height of 42 inches and a maximum height of 60 inches, and that the arbor vitae border within 10 feet of the north boundary of the Vegetable Garden Parcel will be maintained at a maximum height of approximately 7 feet (the foregoing described areas along the west and north boundaries of the Garden Parcel are referred to herein as the "**Lansing Protected Areas**").

(b) Any deviations from or modifications to the Garden Plans affecting the area within 20 feet of the cabin parcel described on **Exhibit C** attached hereto (the "**Cabin Parcel**") shall be subject to the prior approval of Lansing in its sole but reasonable discretion.

(c) Ragdale shall be responsible for maintenance of the plantings within the Lansing Protected Area, including, without limitation maintaining such plantings at a height not to exceed those described in clause (a) above and ensuring that such plantings do not encroach by more than 12 inches over the property line of the Vegetable Garden Parcel. In the event that Lansing notifies Ragdale that plantings within the Lansing Protected Area exceed the maximum described height or encroach more than the maximum allowable distance, Ragdale shall have 10 days to correct such height or encroachment violation. If Ragdale does not correct such violation within said 10 day period, Lansing may trim such plantings, in an orderly and sightly fashion. In such event, Ragdale shall reimburse Lansing for the reasonable cost of such work promptly following written request, together with reasonable satisfactory evidence of such cost.

(d) Ragdale agrees to install a three inch by five inch (or smaller) sign on the Vegetable Garden Parcel side of the gate leading to the Cabin Parcel stating "Leads to Private Property – Not a Part of Ragdale".

(e) Ragdale agrees that the "hose bib" currently located on the Vegetable Garden Parcel [**and shown on the Garden Plans**] and any replacements thereof (collectively, the "**Hose Bib**") shall continue to be located in the vicinity of the current hose bib, so as to be accessible to the Cabin Parcel.

4. Term. The term of this Agreement (the "**Term**") shall commence on the Effective Date and shall continue until none of the Lansing Parties, or entities wholly-owned by the Lansing Parties, own the Cabin Parcel.

5. Permitted Use. Lansing and the Lansing Parties shall have access to and use the Vegetable Garden Parcel only as described in Section 2 and in compliance with all applicable Laws. As used in this Agreement, the terms "Law" and "Laws" means all federal, state, and local laws, ordinances, rules and regulations, all court orders, governmental directives, and governmental orders and all interpretations of the foregoing, and all restrictive covenants affecting the Vegetable Garden Parcel.

6. Lansing Risk. Lansing and the Lansing Parties shall have access to and use the Vegetable Garden as provided herein in its "AS-IS" condition with all faults. Lansing understands and agrees that entering onto the Vegetable Garden Parcel and use thereof shall be at Lansing's sole risk and expense, and neither Ragdale nor City shall have any responsibility or liability of any type or description for, and Lansing releases Ragdale and City from, any loss or destruction of or damage to any of Lansing's property located on the Garden Parcel or for personal injury including death of any Lansing Party (defined below) or for any inconvenience, annoyance or any special, indirect, incidental or consequential damages of any kind or description whatsoever (collectively "Damages"). Lansing further understands and agrees that neither Ragdale nor City shall be liable to Lansing for, and Lansing releases Ragdale and City from, any and all Damages in connection with, incidental to, arising from or out of Lansing's exercise of the rights granted to it under this Agreement and Lansing's use of the Vegetable Garden Parcel, and incidental to, arising from or out of any occurrence on or about the Vegetable Garden Parcel, Garden Parcel or Ragdale Farm, except to the extent caused by the sole gross negligence or sole intentional misconduct of Ragdale or City. Lansing acknowledges that third parties have additional access to the Vegetable Garden Parcel and Garden Parcel.

7. Alterations; Improvements. Except as expressly set forth herein, Lansing shall not make, nor be permitted to make, any alterations, improvements, or changes of any type or description in or to the Vegetable Garden Parcel.

8. No Assignment. Lansing shall not assign, sublet nor otherwise transfer any of Lansing's rights under this Agreement to any party other than Lansing Parties, or entities wholly owned by Lansing Parties. Any such attempt to assign or transfer shall be void and of no effect.

9. **[Reserved]**

10. Indemnity.

(a) Lansing shall defend, indemnify, and hold harmless Ragdale and City and their respective officials, employees, representatives and agents (each a "Ragdale Indemnitee") of, from and against all claims, demands, liabilities, causes of action, suits, judgments, damages, and expenses (including reasonable attorneys' fees) of every type and description (each a "Loss") asserted against any Ragdale Indemnitee by and/or on behalf of any third party arising from or related in any way to any act or omission of the Lansing Parties and their respective agents, invitees, guests or affiliates and/or any breach of any provision of this Agreement by Lansing. Lansing agrees that its obligations under this Section 10 requires Lansing to indemnify each Ragdale Indemnitee against the consequences of its own negligence or fault, even when the Ragdale Indemnitee is jointly, comparatively, contributively, or concurrently negligent with Lansing, and even though any such claim, cause of action or suit is based upon or alleged to be

based upon the strict liability of the Ragdale Indemnatee; however, such indemnity shall not apply to the sole or gross negligence or willful misconduct of the Ragdale Indemnatee. This indemnity provision shall survive termination or expiration of this Agreement. If any proceeding is filed for which indemnity is required hereunder, Lansing agrees, upon request therefor, to defend the Ragdale Indemnatee in such proceeding at Lansing's sole cost utilizing counsel reasonably satisfactory to the Ragdale Indemnatee.

(b) Ragdale shall indemnify, defend and hold Lansing harmless and its employees, members, directors, officers, agents, and representatives harmless from and against any and all claims, suits, losses, costs, expenses (including reasonable attorneys' fees and court costs) damages or liability related to any injury to persons or property in the Vegetable Garden Parcel, occasioned by the gross negligence or willful misconduct of Ragdale.

(c) Each of Lansing, Ragdale and City waives their rights of recovery or subrogation against the other party, or its agents or representatives, for loss or damage to such party or, its property, or the property of others under its control, to the extent that such loss or damage is covered under any insurance policy in force at the time of such loss or damage or which should have been in force in accordance with the terms of this Agreement.

11. Events of Default. Each of the following occurrences shall be an "Event of Default":

(a) Other Defaults by Lansing. Lansing's failure to perform, comply with, or observe any other agreement or obligation of Lansing under this Agreement and the continuance of such failure for a period of more than 10 days after Ragdale or City delivered written notice of such failure to Lansing, provided however if the time period to cure the default is anticipated to be longer than 10 days, Lansing shall at a minimum commence substantive measures to cure the default within 10 days of receipt of a notice of default from Ragdale or City and in no event not cure the default within 30 days of receipt of notice of default; or

(b) Defaults by Ragdale. Ragdale's failure to perform, comply with, or observe any other agreement or obligation of Ragdale under this Agreement and the continuance of such failure for a period of more than 10 days after Lansing delivered written notice of such failure to Ragdale, provided however if the time period to cure the default is anticipated to be longer than 10 days, Ragdale shall at a minimum commence substantive measures to cure the default within 10 days of receipt of a notice of default from Lansing and in no event not cure the default within 30 days of receipt of notice of default.

12. Termination upon Default. Upon an Event of Default described in Section 11(a) and the expiration of any applicable notice and cure period, Ragdale or City may terminate this Agreement upon written notice to Lansing (a "**Termination Notice**"). Such termination by Ragdale or City shall be deemed effective on the date of such Termination Notice and Lansing shall immediately vacate the Vegetable Garden Parcel. Termination of this Agreement by Ragdale or City as aforesaid shall not prejudice any other remedies which might be available to the Ragdale or City under this Agreement or any rights or remedies afforded Ragdale or City at law or in equity.

13. Ragdale's and City's Rights. Ragdale and City reserve the right to, in their respective sole discretion and at any time during the Term upon delivery of at least five (5) business

days prior written notice to Lansing, (a) temporarily close off all or any portion of the Vegetable Garden Parcel for alteration, maintenance or other purpose and (b) enter the Vegetable Garden Parcel at any time and on any occasion without any restrictions whatsoever and use the Vegetable Garden Parcel for its own purposes, provided that such entry and use do not materially and adversely interfere with Lansing's exercise of the rights granted to it in this Agreement. Ragdale and City's exercise of their rights under this Section 13 will neither constitute a breach of this Agreement nor result in any penalty against or liability to Ragdale or City.

14. Release of Ragdale. If at any time Ragdale ceases to have rights to use and operate the Ragdale Farm property, Ragdale shall be released from any liability and obligations arising under this Agreement from and after the later of (a) the date such rights cease or (b) the date Ragdale actually ceases to use and operate such property.

15. Notices. All notices, demands, requests and other communications under this Agreement shall be in writing and shall be deemed properly served when emailed or delivered, or, if sent by registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

If intended for Lansing:

Mr. Robert T.E. Lansing
Westminster Capital
270 Westminster, Suite 300
Lake Forest, IL 60045
Direct Line (847) 234-1103
Main (847) 234-1123
Fax (847) 234-2115
RLansing@WestminsterCapitalLLC.com

With copy to:

Mr. Michael R. Adelman, Esq.
1190 W. Old Mill Road
Lake Forest, IL 60045
TEL 847-615-0210
FAX 847-615-0225
CELL 847-338-5069
EMAIL MRAdelman@comcast.net

If intended for City:

Catherine Czerniak
Director of Community Development
City of Lake Forest
800 Field Drive
Lake Forest, IL 60045
TEL 847-810-3504
EMAIL czerniac@CityofLakeForest.com

With copy to:

Ms. Julie A. Tappendorf, Esq.
Ancel Glink
140 S. Dearborn Street, 6th Floor
Chicago, IL 60603
TEL 312.604.9182
FAX 312.782.0943
EMAIL jtappendorf@ancelglink.com

If intended for Ragdale:

President, Board of Trustees
Ragdale Foundation
1260 N. Green Bay Road
Lake Forest, IL 60045
TEL 847-234-1063
EMAIL: hsannes13@gmail.com

With copy to:

Frederic R. Klein, Esq.
Jami L Brodey, Esq.
Goldberg Kohn Ltd.
55 E. Monroe Street, Suite 3300
Chicago, IL 60603-5792
TEL [312.201.3908](tel:312.201.3908)
FAX 312.863.7408
EMAIL frederic.klein@goldbergkohn.com
EMAIL jami.brodey@goldbergkohn.com

Notices shall be deemed to have been duly given or made on the date receipt, if emailed or delivered, or three days after mailing, if mailed, however, that either party may change its address

for purposes of receipt of any such communication by giving 10 days' written notice of such change to the other party in the manner above prescribed.

16. Severability. If any clause or provision of this Agreement is illegal, invalid, or unenforceable under present or future Laws, then the remainder of this Agreement shall not be affected thereby and in lieu of such clause or provision, there shall be added as a part of this Agreement a clause or provision as similar in terms to such illegal, invalid, or unenforceable clause or provision as may be possible and be legal, valid, and enforceable.

17. Binding Effect. No provision of this Agreement shall be deemed to have been waived by a Party hereto unless such waiver is in writing signed by the Party, and no custom or practice which may evolve between the parties in the administration of the terms hereof shall waive or diminish the right of a party hereto to insist upon the performance by the other party in strict accordance with the terms hereof. The terms and conditions contained in this Agreement shall inure to the benefit of and be binding upon the Parties and upon their respective successors in interest and legal representatives, except as otherwise herein expressly provided. This Agreement is for the sole benefit of Ragdale, City and Lansing, and a permitted successor and assign, and, no third party shall be deemed a third-party beneficiary hereof.

18. License Only. This Agreement creates a license only and Lansing acknowledges that Lansing does not and shall not claim at any time any interest or estate of any kind or extent whatsoever in the Vegetable Garden Parcel by virtue of this Agreement or Lansing's use of the Vegetable Garden Parcel. In connection with the foregoing, Lansing further acknowledges that in no event shall the relationship between Ragdale, City and Lansing be deemed to be a landlord-tenant and that in no event shall Lansing be entitled to avail itself of any rights afforded to tenants under the laws of the State of Illinois or applicable local laws. This Agreement is not and does not grant an easement.

19. Entire Agreement; No Reliance. This Agreement constitutes the entire agreement between Ragdale, City and Lansing regarding the subject matter hereof and supersedes all oral statements and prior writings relating thereto. Except for those set forth in this Agreement, no representations, warranties, or agreements have been made by Ragdale, City or Lansing to the other with respect to this Agreement or the obligations of Ragdale, City or Lansing in connection therewith. Except as otherwise provided herein, this Agreement shall not be altered, amended, changed or revised in any way unless such alteration, amendment, change or revision is in writing and signed by Ragdale, City and Lansing. The normal rule of construction that any ambiguities be resolved against the drafting party shall not apply to the interpretation of this Agreement or any exhibits and/or amendments hereto. Further, Lansing disclaims any reliance upon any and all representations, warranties or agreements not expressly set forth in this Agreement.

20. Force Majeure. In the event of riot, war, rebellion, fire, flood, act of God, terrorism, act of governmental authorities, epidemic, pandemic or any other cause beyond the control of a Party (the "Affected Party") which renders it impossible for the Affected Party to comply with any term or provision of this Agreement other than a payment obligation (a "Force Majeure Event"), the Affected Party shall not be liable for any such non-compliance caused thereby during the continuance of the Force Majeure Event.

21. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois.

22. Survival Provision. It is expressly understood and agreed that any indemnity provisions contained in this Agreement shall survive any expiration or earlier termination of this Agreement.

23. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original, and all of such counterparts shall constitute one document. To facilitate execution of this Agreement, the Parties may execute and exchange, by facsimile or electronic mail PDF, counterparts of the signature pages. Signature pages may be detached from the counterparts and attached to a single copy of this Agreement to physically form one document.

[Signatures on following page.]

IN WITNESS WHEREOF, The Parties have executed this Agreement as of the Effective Date.

LANSING:

THE GOLDEN FLOWER X LLC,
a Delaware Limited Liability Company

By: _____
Name: Stuart D. Lansing
Title: Manager

CITY:

THE CITY OF LAKE FOREST

By: _____
Name: Stanford Tack
Title: Mayor of the City of Lake Forest

RAGDALE:

THE RAGDALE FOUNDATION,
an Illinois not for profit corporation

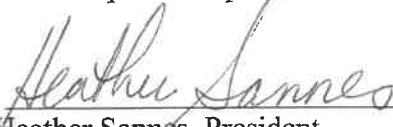
By:  _____
Name: Heather Sannes, President
Title: Board of Trustees

EXHIBIT A

VEGETABLE GARDEN PARCEL

THAT PART OF LOT 2, IN RAGDALE SUBDIVISION, BEING A SUBDIVISION IN THE NORTHEAST QUARTER OF SECTION 29, TOWNSHIP 44 NORTH, RANGE 12 EAST OF THE THIRD PRINCIPAL MERIDIAN ACCORDING TO THE PLAT THEREOF RECORDED IN THE RECORDER'S OFFICE OF LAKE COUNTY, ILLINOIS, ON FEBRUARY 26, 1986, AS DOCUMENT NUMBER 2422824, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SAID LOT 2; THENCE SOUTHWARDLY, ALONG THE EASTERLY LINE OF SAID LOT 2, A DISTANCE OF 40.00 FEET; THENCE WESTWARDLY ALONG A LINE PARALLEL WITH THE NORTHERLY LINE OF SAID LOT 2, FORMING AN ANGLE OF 89 DEGREES 21 MINUTES 30 SECONDS WITH THE LAST DESCRIBED LINE, AS MEASURED COUNTER-CLOCKWISE FROM NORTHERLY TO WESTERLY, A DISTANCE OF 117.70 FEET TO A POINT ON THE WESTERLY LINE OF SAID LOT 2; THENCE NORTHWARDLY ALONG SAID WESTERLY LINE OF SAID LOT 2, FORMING AN ANGLE OF 80 DEGREES 55 MINUTES 17 SECONDS WITH THE LAST DESCRIBED LINE AS MEASURED COUNTER-CLOCKWISE FROM EASTERLY TO NORTHERLY, A DISTANCE OF 40.51 FEET TO THE NORTHWEST CORNER OF SAID LOT; THENCE EASTWARDLY ALONG THE NORTHERLY LINE OF SAID LOT 2, A DISTANCE OF 110.86 FEET, TO THE POINT OF BEGINNING. CONTAINING 4,573 SQUARE FEET

PIN

12-29-206-025-0000

Common Address

a portion of the property known as 1260 N. Green Bay Road, Lake Forest, Illinois 60045

EXHIBIT B
GARDEN PARCEL

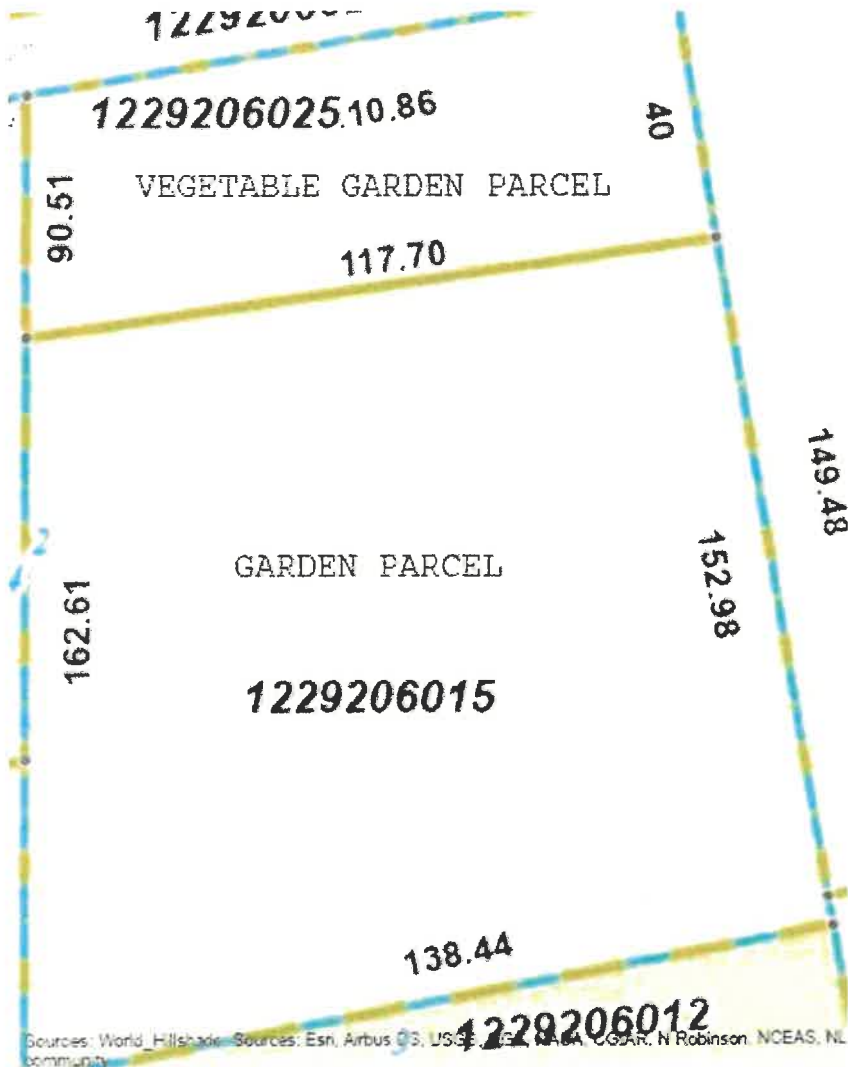


EXHIBIT B

GARDEN PARCEL

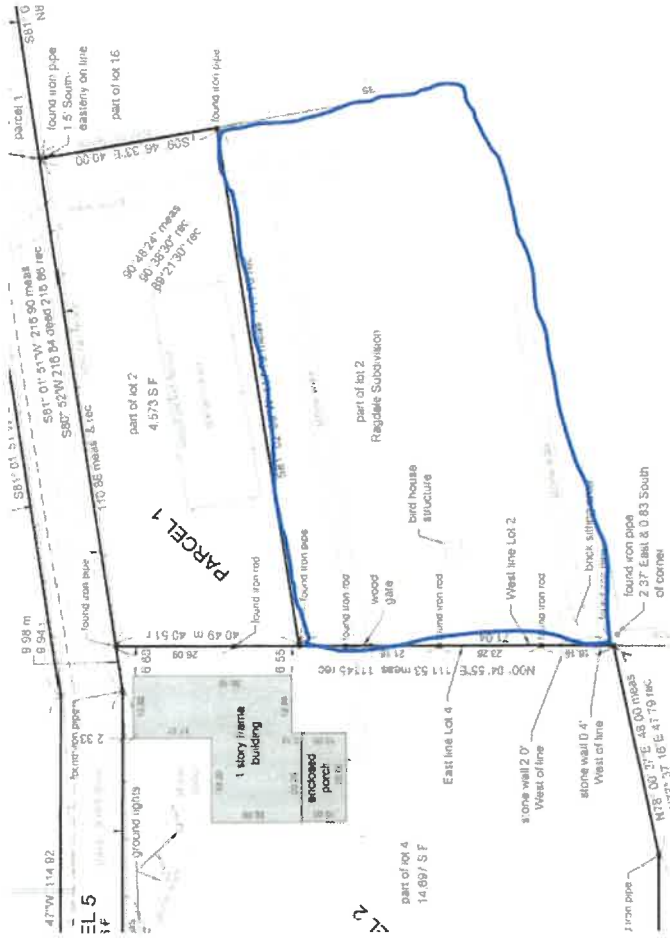


Exhibit B-1

EXHIBIT C

CABIN PARCEL

PARCEL 2

THAT PART OF LOT 4 IN RAGDALE SUBDIVISION, BEING A SUBDIVISION IN THE NORTHEAST QUARTER OF SECTION 29, TOWNSHIP 44 NORTH, RANGE 12 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAN THEREOF RECORDED IN THE RECORDER'S OFFICE OF LAKE COUNTY, ILLINOIS, ON FEBRUARY 26, 1986, AS DOCUMENT NUMBER 7427874, DESCRIBED AS FOLLOWS: BEGINNING AT THE NORTHWEST CORNER OF SAID LOT 4 AND RUNNING, THENCE SOUTH 30 DEGREES 09 MINUTES 18 SECONDS EAST ALONG THE WEST LINE OF SAID LOT 4 (BASIS OF BEARINGS ASSUMED), A DISTANCE OF 120.00 FEET TO THE INTERSECTION OF SAID WEST LINE OF LOT 4 WITH THE NORTHERLY LINE OF LOT 1 IN CLAY JUDSON SUBDIVISION IN SECTION 29; THENCE NORTH 89 DEGREES 50 MINUTES 42 SECONDS EAST ALONG SAID NORTHERLY LINE OF LOT 1, A DISTANCE OF 77.55 FEET TO AN ANGLE POINT IN SAID NORTHERLY LINE; THENCE NORTH 77 DEGREES 57 MINUTES 15 SECONDS EAST ALONG SAID NORTHERLY LINE OF LOT 1, A DISTANCE OF 47.79 FEET TO THE INTERSECTION OF SAID NORTHERLY LINE OF LOT 1 WITH THE EAST LINE OF LOT 4 IN RAGDALE SUBDIVISION IN SECTION 29; THENCE NORTH 09 DEGREES 09 MINUTES 16 SECONDS WEST ALONG SAID EAST LINE OF LOT 4, A DISTANCE OF 111.45 FEET TO THE NORTHERLY LINE THEREOF; THENCE SOUTH 80 DEGREES 46 MINUTES 00 SECONDS WEST ALONG SAID NORTHERLY LINE OF LOT 4, A DISTANCE OF 9.94 FEET TO AN ANGLE POINT IN SAID NORTHERLY LINE; THENCE SOUTH 89 DEGREES 50 MINUTES 42 SECONDS WEST ALONG SAID NORTHERLY LINE OF LOT 4, A DISTANCE OF 114.44 FEET TO THE POINT OF BEGINNING, HEREBEFORE DESCRIBED, IN LAKE COUNTY, ILLINOIS, CONTAINING 14,697 SQUARE FEET.