

**THE CITY OF LAKE FOREST
CITY COUNCIL AGENDA**
Monday, November 3, 2025
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

Alice Levert, Alderman Third Ward

Peter Clemens, Alderman First Ward

Nick Bothfeld, 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 Spotlight

- Fill-A-Heart

- Ann McAweeney, Founder and Executive Director

3. OPPORTUNITY FOR CITIZENS TO ADDRESS THE CITY COUNCIL

4. COMMITTEE REPORTS

AUDIT COMMITTEE



1. Audit Committee Report and Presentation of the Fiscal Year 2025 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, 2025.

BACKGROUND/DISCUSSION: The Annual Comprehensive Financial Report for the fiscal year ended April 30, 2025 is provided in the packet on **page 21**. A bound copy of the report is available upon request and an electronic copy will be made available on the City website 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 2025 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-six (46) 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 2025, 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, 2025

FINANCE COMMITTEE



1. Consideration of an Ordinance Restating and Reaffirming Ordinance No. 2024-045 (Self-Limiting Ordinance)

PRESENTED BY: Katie Skibbe, Finance Director (847-810-3612)

PURPOSE AND ACTION REQUESTED: Staff requests approval of an Ordinance restating and reaffirming Ordinance No. 2024-045.

BACKGROUND/DISCUSSION: The City is a home-rule unit of government pursuant to referendum. As a home-rule unit of government, the City is not subject to the Property Tax Extension Limitation Law (PTELL). However, the City Council has adopted ordinances in 2004, 2008, 2013, and 2024 setting forth its intent regarding property tax levies and the applicability of PTELL:

- Ordinance 2004-47 was adopted 8/2/04 prior to the referendum establishing the position of the City Council of the City of Lake Forest on the use of home rule authority.
- Ordinance 2008-08 was adopted 3/17/08, restating and reaffirming Ordinance No. 2004-47.
- Ordinance 2013-070 was adopted 12/2/13, restating and reaffirming Ordinance No. 2008-08.
- Ordinance 2024-045 was adopted 12/2/24, stating and reaffirming Ordinance No. 2013-070.

Historically, the City has estimated annual increases to the debt service cap for planning and forecasting purposes. This practice has been an important part of the City's capital planning process, allowing it to anticipate future debt service capacity as capital expenses increased.

The Police Station bond issuance will eliminate future debt capacity until 2032. Under the current self-limiting ordinance, the City does not have the authority to estimate future increases to the debt cap or act on those assumptions. The proposed amendments to the ordinance would allow the City to assume annual growth of up to 3% per year. If the assumed annual growth of 3% or less exceeds actual growth, the City would still be authorized to levy the amount necessary to pay the principal and interest on all bonds subject to the debt cap.

The proposed amendments also codify the City’s past practice of excluding self-supporting debt, debt not paid from property taxes, from the debt cap calculation. **Page 220**

PROJECT REVIEW/RECOMMENDATIONS

Reviewed	Date	Comments
City Council	10/20/25	First Reading granted
Finance Committee	10/20/25	Review of Ordinance Changes

BUDGET/FISCAL IMPACT: The proposed ordinance would enable financing for the new Police Facility project at the lowest overall debt service cost. Without the ability to assume future growth in the debt service cap, the Police Station bonds would need to remain at 2025 levels throughout the 15-year maturity period, resulting in approximately \$1.1 million in additional debt service costs to the City.

COUNCIL ACTION: Approval of an Ordinance Restating and Reaffirming Ordinance No. 2024-045 (Self-Limiting Ordinance).



2. Consideration of an Ordinance providing for the issuance of not to exceed \$20,350,000 General Obligation Bonds of the City of Lake Forest, Lake County, Illinois, for the purpose of financing capital improvements in and for the City including, but not limited to, renovation of a building for use as a public safety facility, including the site work, design and engineering related thereto, providing for the levy and collection of a direct annual tax sufficient to pay the principal and interest on said bonds, and authorizing the sale of said bonds to the purchaser thereof. (Second reading).

PRESENTED BY: *Katie Skibbe, Finance Director (847-810-3612)*

PURPOSE AND ACTION REQUESTED: Staff requests that City Council grant final approval of the ordinance authorizing issuance of the general obligation bonds. **(page 225)**

BACKGROUND/DISCUSSION: At its October 6 meeting, City Council approved the contracts and bids for the new Police Station. Additionally, the City Council approved two items bid as alternates and amended the first reading of the bond ordinance to provide funding.

For the second reading and final approval, the bond ordinance has been adjusted to a maximum value of \$20,350,000, which represents a \$20,000,000 par value and an estimated \$350,000 in issuance costs. Increasing the par value of the bonds from \$19.5m to \$20m will cost a \$1,000,000 homeowner approximately \$55 over the 15-year maturity.

The Bond Ordinance has also been revised from the first reading to accommodate potential changes in the self-limiting ordinance also on tonight’s agenda.

The sale of the bonds is being approved through a parameters ordinance to provide flexibility in issuance. The ordinance authorizes the sale of bonds at a future date, as long as certain parameters are met. This includes the maximum par value, interest rate, and maturity date. The ordinance also designates certain elected and appointed officials to complete the sale on behalf of the City Council if the terms of the ordinance are met.

The bonds will have a maximum value of \$20,350,000 and a maximum rate of 5% with final maturity on December 15, 2040. The bonds will be repaid through the property tax levy. The parameters ordinance was prepared by the City’s bond counsel, Chapman and Cutler, LLP, and reviewed by our financial advisor, Speer Financial, as well as the City Attorney, Ancel Glink.

With approval of the proposed ordinance, staff will work with the City’s financial advisory firm and bond counsel to prepare for a bond auction. The first draft of the Official Statement will be completed at the end of October in preparation for the sale, followed by a bond rating with Moody’s Investor Services in November. The bond sale is tentatively scheduled for January 20, 2026. Competitive bids will be presented to the Mayor and Finance Committee Chair prior to acceptance.

PROJECT REVIEW/RECOMMENDATIONS

Reviewed	Date	Comments
City Council	10/6/25	First reading of bond ordinance
City Council	10/6/25	Approval of various contracts and bids associated with the new Police Station project
City Council	9/6/25	Review of project financing options
City Council	12/2/24	Approval of the 2024 Tax Levy and review of 15-year maturity options
City Council	11/18/24	Review of maturity options and options for phasing in debt
City Council	11/12/24	Capital Budget Workshop — Review of 10 and 15-year maturity options and estimated tax impacts

BUDGET/FISCAL IMPACT

The interest rate on the bond issue will be determined at the online bid auction tentatively scheduled for January 20, 2026. Debt service on the bond issue is scheduled through December 2040 and will be paid from the City’s debt service property tax levy. The bonds will be callable in whole or in part on or after December 15, 2034.

COUNCIL ACTION: Approval of an Ordinance providing for the issuance of not to exceed \$20,350,000 General Obligation Bonds of the City of Lake Forest, Lake County, Illinois, for the purpose of financing capital improvements in and for the City including, but not limited to,

renovation of a building for use as a public safety facility, including the site work, design and engineering related thereto, providing for the levy and collection of a direct annual tax sufficient to pay the principal and interest on said bonds, and authorizing the sale of said bonds to the purchaser thereof.



3. Determination of a Non-Binding Estimate of the Amount of Revenue to be Generated from Property Taxes for the 2025 Calendar Year and Establishment of December 1, 2025 as a Public Hearing Date (if required) in Accordance with the Truth in Taxation Statute

PRESENTED BY: *Katie Skibbe, 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 2025 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 2025 tax levy by establishing an estimated amount from which staff can prepare a proposed levy ordinance.

The 2025 property tax levy estimate, as considered by the Finance Committee on October 20, is as follows:

Levy	2024 Extended	2025 Levy Estimate	% Increase (Decr.)
Aggregate Levy	\$ 38,385,595	\$ 39,213,085	2.16%
Debt Service Levy	3,137,133	4,390,605	39.96%
PTAB/CE Recapture	200,136	N/A	
TOTAL LEVY	\$ 41,722,864	\$ 43,603,690	4.51%

The tax levy cap applicable to the 2025 tax levy is **2.90%**. The 2025 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 4/30/25 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,
- An estimate for the 2025 issue for the Police Station renovation,
- Capital Improvements Fund levy consistent with FY27-31 Five-Year Forecast,
- 2.90% 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.

After discussions with the Finance Committee, staff have also included in the 2025 tax levy estimate:

- A reduction in the General Levy from 2.9% to 2.0% and
- Abating the first-year debt service for the 2025 General Obligation Bond issue by \$230,000 to further phase in the debt service to taxpayers.

Based on the preliminary estimate, a public hearing will not be required under the Truth in Taxation Act.

A discussion of the 2025 tax levy is scheduled for the November 10 Finance Committee budget workshop. The tax levy ordinance will be considered by the City Council on November 17 and again on December 1, 2025.

PROJECT REVIEW/RECOMMENDATIONS:

Reviewed	Date	Comments
Finance Committee	10/20/25	Reviewed 2025 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 2025 Calendar Year and Establishment of December 1, 2025 as a Public Hearing Date (if required) in Accordance with the Truth in Taxation Statute.

PERSONNEL ADMINISTRATION COMPENSATION COMMITTEE



- 1. Approval of Proposed Changes to the City of Lake Forest’s Health Insurance Plan for Plan Year 2026**

PRESENTED BY: *Ben Roesler, Director of HR (847-810-3532)*

PURPOSE AND ACTION REQUESTED: The Personnel Compensation Administration (PCA) Committee and staff request approval of proposed health insurance plan changes for Plan Year 2026 to help manage costs. Specifically, these changes entail modifying access to GLP-1 weight loss drugs. These modifications would require GLP-1 users to take part in a lifestyle modification plan through the EnCircleRx program. The program is managed by the City’s health insurance benefit administrator, the Intergovernmental Personnel Benefit Cooperative (IPBC). Approval of these modifications comes on the recommendation of the Personnel Compensation Administration (PCA) Committee following their meeting on October 23, 2025.

BACKGROUND/DISCUSSION: In 2024, the City transitioned from self-insured benefit plans to membership within IPBC. IPBC was established in 1979 and currently has over 170 members across the State of Illinois. The City Council approved Ordinance No. 2024-027 authorizing

acceptance of a contract and by-laws with IPBC on September 16, 2024. Joining IPBC provides the City with greater flexibility in determining plan terms, and provides employees with more benefit election options.

Proposed Health Insurance Plan Decisions for Plan Year 2026

Over the last several months, staff have worked with IPBC to prepare for open enrollment (November 10-23), understand changes to various plans, and determine how these changes may impact employees and retirees. Below are summaries of the major decisions impacting plan costs, as well as costs to the City and enrollees.

Premium Increases

The IPBC underwriting team finalized premium rate adjustments for all IPBC members earlier in 2025. For Lake Forest, the underwriters seek a **9.1% increase for both the HDHP and traditional PPO plans**, as well as a **6.2% increase for HMO plans**. For context, the **IPBC membership average for PPO and HMO rate increases are 11.1% and 6.2%**, respectively, for the upcoming plan year. Prior to receiving the rate increases from IPBC, City staff had anticipated a premium increase of approximately 5% for Plan Year 2026.

Across all IPBC members, the primary drivers of premium increases are hospital consolidation (i.e., less competition thereby allowing hospitals to negotiate higher prices with insurers) and the use of GLP-1 weight loss drugs (e.g., Zepbound and Wegovy). These drugs are expensive, with the average annual cost per person equating to \$13,000. As of July 2025, total GLP-1 prescription plan costs (\$147,527) for Lake Forest insurance participants were approximately 4.2% of the total claims amount (\$3,512,553).

IPBC allowed its members the opportunity to reduce premium rate increases for Plan Year 2026 by implementing the EnCircleRx Program. Specifically, GLP-1 users would take part in the Omada health program that features one-on-one health coaching and support, a personalized care plan, and weekly at-home weigh-in requirements via a digital scale. Omada encourages lifestyle modifications with the goal of reducing the prescription dosage (or transitioning off the drugs) and maintaining a healthy weight.

Communities could reduce premium rate increases by 0.5 percentage points if they applied thresholds before and after a prescription (e.g., BMI measurements, documentation of comorbidities, and lifestyle changes). This would apply to all new GLP-1 users, as well as anyone currently on the drugs whose prior authorization expires (i.e., some “grandfathering”). Communities could reduce premium rate increases by 1 percentage point if they implemented the same thresholds, but do not “grandfather” current users. The City has 227 employees/retirees enrolled in health insurance with 501 dependents for a total of 728 plan participants. Of the 728 participants, 27 individuals are currently on GLP-1 weight loss drugs (3.7% of all plan participants).

PROJECT REVIEW/RECOMMENDATIONS

Reviewed	Date	Comments
PCA Committee	10/23/2025	Recommending GLP-1 Access Modification for All Users

BUDGET/FISCAL IMPACT

In terms of budget impact, Table 1 below depicts:

- **Current State:** current City premium payments;
- **Option 1 – “Do Nothing”:** what the City would pay with the premium rate increases, and by not implementing provider attestations and continuation of therapy;
- **Option 2 – “Grandfather” – 0.5% Decrement:** what the City would pay with the premium rate increases, and by modifying access and “grandfathering” current users; and
- **Option 3 – “Modify for All” – 1% Decrement:** what the City would pay by with the premium rate increases, and modifying access for current and future users.

Table 1: Premium Payment Comparison – GLP-1 Options				
	<i>PY25 (Current State)</i>	<i>PY26 Option 1: Do Nothing</i>	<i>PY26 Option 2: Grandfather 0.5% Decrement</i>	<i>PY26 Option 3: Modify for All 1% Decrement</i>
<i>ER Annual Premium Cost</i>	\$4,376,898	\$4,752,724	\$4,735,554	\$4,713,669
<i>Increase in ER Premiums – PY25-PY26</i>	N/A	\$375,826 (8.6%)	\$358,656 (8.2%)	\$336,771 (7.1%)
<i>\$ Savings (Compared to Option 1)</i>	N/A	\$ -	\$17,170	\$39,054

To summarize Table 1:

- **Option 1 – “Do Nothing”:** by maintaining current access to GLP-1’s, the City would see a \$375,826 (8.6%) increase in insurance premiums compared to the current plan year.
- **Option 2 – “Grandfather” – 0.5% Decrement:** with Option 2, the City would see a \$358,656 (8.2%) increase in insurance premium payments compared to the current plan year. This would save \$17,170 compared to the “Do Nothing” option
- **Option 3 – “Modify for All” – 1% Decrement:** with Option 3, the City would see a \$336,771 (7.1%) increase in insurance premium payments compared to the current plan year. This would save \$39,054 compared to the “Do Nothing” option.

The PCA Committee recommended Option 3 (“Modify for All”) to establish guardrails for GLP-1 usage for current and future users. As a result, the City would save \$39,054 in health insurance premium payments during Plan Year 2026.

The City’s health insurance plan year runs from January through December and does not align with the fiscal year. Staff are monitoring the Fiscal Year 2026 health insurance budget closely but anticipate the 9.1% increase for the HDHP and traditional PPO plans, as well as the 6.2%

increase for the HMO plan, will result in these accounts being over budget. Staff will budget for a larger increase in the Fiscal Year 2027 Budget and will continue to monitor trends in healthcare costs.

Has City staff obtained competitive pricing for proposed goods/services? **Not applicable**

COUNCIL ACTION: Approval of health insurance plan modifications for Plan Year 2026 by implementing Option 3 ("Modify for All") for GLP-1 prescriptions.

5. ITEMS FOR OMNIBUS VOTE CONSIDERATION
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1. Approval of the Monday, October 20, 2025 City Council Meeting Minutes

A copy of the minutes begins on **page 253**

COUNCIL ACTION: Approval of the Monday, October 20, 2025 City Council Meeting Minutes



2. Approval of the Check Register for the Period of September 20 – October 17, 2025.

STAFF CONTACT: *James 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 20th - October 17th, 2025

	Fund	Invoice	Payroll	Total
101	General	601,733	1,962,849	2,564,581
501	Water & Sewer	123,721	219,432	343,152
220	Parks & Recreation	223,257	482,041	705,298
311	Capital Improvements	1,194,079		1,194,079
202	Motor Fuel Tax	9,700		9,700
230	Cemetery	11,317	54,137	65,454
210	Senior Resources	14,695	42,442	57,136
510	Deerpath Golf Course	51,098	2,759	53,857
601	Fleet	161,139	67,201	228,340
416 - 434	Debt Funds			0
248	Housing Trust			0
201	Park & Public Land			0
	All other Funds	299,772	237,055	536,826
		\$2,690,508	\$3,067,915	\$5,758,423

Included in the subtotal denoted as "All other Funds" is \$135,175 in Water & Sewer Capital Improvement Fund expenditures.

COUNCIL ACTION: Approval of the Check Register for the Period of September 20 – October 17, 2025



3. Consideration of a Request to Waive the Fidelity Bond Requirement in Connection with Holding the Raffles in the City of Lake Forest for the School of St. Mary

STAFF CONTACT: Margaret Boyer, City Clerk (847.810.3674)

PURPOSE AND ACTION REQUESTED: Staff requests City Council consideration of waiving the fidelity bond requirement in connection with a proposed raffle from the Women’s Guild of St. Mary.

BACKGROUND: In January 2020 the City Council approved an Ordinance Amending Chapter 110, titled "Licenses and Miscellaneous" related to Raffles, to align these sections with recent State of Illinois Legislation. Section 110.0149, J, allows the raffle manager designated by the organization to seek a waiver of the bond requirement from the City Council.

At this time the School of St. Mary is requesting a waiver of the bond requirement and has submitted a request. A copy of the request can be found beginning on **page 258**

BUDGET/FISCAL IMPACT: N/A

COUNCIL ACTION: Consideration of a Request to Waive the Fidelity Bond Requirement in Connection with Holding a Raffle in the City of Lake Forest for the School of St. Mary (Approval by Motion).



4. Approval to authorize the City Manager to Award a Contract for Tree Pruning for FY2026 to Advanced Tree Care for an Amount Not to Exceed \$83,000

STAFF CONTACT: *Kelly Bougher, City Forester/Forestry Supervisor (847-810-3563)*

PURPOSE AND ACTION REQUESTED: Staff is seeking City Council approval to continue the Municipal Partnership Initiative (MPI) that was approved in FY2024 and proceed with the third year of a three-year contract with Advanced Tree Care.

BACKGROUND/DISCUSSION: Starting with FY2024, the City began its first eight-year cycle pruning plan. Cycle pruning is an essential practice in urban forestry that helps maintain a healthy urban forest. By removing dead and competing branches, pruning encourages healthy new growth and maturation, maximizing a tree's value and supporting its numerous environmental and community benefits, including increased property values.

Under the third year of this contract, the City will prune approximately 1800 trees contractually in FY2026. This work will extend the functional lifespan of the City's parkway trees, delay long-term expenses associated with removing and replacing unhealthy trees, and decrease the cost and liability associated with storm damage.

The City Council has been briefed on the MPI, a program that uses economies of scale to secure low bid prices among neighboring municipalities that bid on similar projects yearly.

PROJECT REVIEW/RECOMMENDATIONS:

Reviewed	Date	Comments
Public Works Committee	10/20/25	Reviewed and Approved

BUDGET/FISCAL IMPACT: The MPI Tree Pruning contract term agreement is from January 2023 through December 2025. The City of Lake Forest reserves the right to renew this contract for two (2) additional one (1) year periods subject to acceptable performance by the contractor.

The Village of Glenview initiated a joint public bidding process via the MPI to include the following categories of tree work: Group "A" Tree Removal, Group "B" Stump Removal, Group "C" Tree Pruning. Four bids were received for the 2024 MPI Tree Group "C" Pruning Contract, and Advanced Tree Care provided the lowest proposed cost. At the time of the bid posting, the City did not participate. As with many MPI bid processes, other municipalities may join existing bid opportunities as authorized by the Governmental Joint Purchasing Act, 30 ILCS 525/0.01 *et seq.* (the "Act") to take advantage of already secured pricing.

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

If no, indicate the specific waiver requested:

Administrative Directive 3-5, Section 9.0F – Government Joint Purchases

FY2026 Funding Source	Amount Budgeted	Amount Requested	Budgeted? Y/N
220-5888-435.35-10 Forestry Operating Fund	\$83,000	\$83,000	Y

COUNCIL ACTION: Approval to authorize the City Manager to Award a Contract for Tree Pruning for FY2026 to Advanced Tree Care for an Amount Not to Exceed \$83,000



5. Authorization to Dispose of City Property to the Highest Bidder, Miguel Camarena, for the Sale of the 2010 Chevrolet Express/Arboc Mobility in the Amount of \$7,505

STAFF CONTACT: *Matt Brugioni, Superintendent of Public Works (810-3561)*

PURPOSE AND ACTION REQUESTED: City staff is requesting City Council authorization to dispose of surplus equipment. Per Administrative Directive 3-2, any item that has a current value of \$4,000 or more requires City Council approval to sell. The items are sold via the public bidding process with the required fulfillment of posting, public viewing, and sealed bid submittal. The invitation to bid was placed on the City’s website and was printed in the Lake County News-Sun. Anyone is allowed to submit a sealed bid, and all items must be paid via cash or cashier’s check.

BACKGROUND/DISCUSSION: On September 5th, 2025, City staff initiated a surplus/used equipment bid sale for items no longer needed by the City. The City’s 2010 Chevrolet Express/Arboc Mobility, which had been previously utilized by the Senior Center, sold for a value greater than \$4,000. The ADA Van has since been replaced after the City Council approved a replacement purchase at the July 21, 2025, City Council meeting. The new replacement ADA Van was recently placed into service, which led staff to seek the sale of a 2010 Chevrolet Express/Arboc Mobility via the competitive public bid process.

BUDGET/FISCAL IMPACT: On September 19, 2025, the bid process closed, and staff received the below bids for the 2010 Chevrolet Express/Arboc Mobility

Firm Name	Bid Total
Miguel Camarena	\$7,505
Rob January	\$6,121
Austin Yarc	\$4,000

Per Section 3.10 of Administrative Directive 3-2, all revenues received from the sale of this truck will be credited to the General Fund.

COUNCIL ACTION: Authorization to Dispose of City Property to the Highest Bidder, Miguel Camarena, for the Sale of the 2010 Chevrolet Express/Arboc Mobility in the Amount of \$7,505



6. Approval of a Grant of Easement to Commonwealth Edison for the Waukegan and Westleigh Intersection Project and Authorization for Staff to Execute the Easement and Related Documentation

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

PURPOSE AND ACTION REQUESTED: The Public Works Committee and staff request City Council approval of a grant of easement for Commonwealth Edison (ComEd hereafter) to relocate aerial poles on the City owned property at 1030 W Westleigh Road as necessary for the upcoming Waukegan & Westleigh Road Intersection Improvements Project.

BACKGROUND/DISCUSSION: The specific request today concerns the easement; however, a summary of the overall construction project it supports is provided first for context. This intersection has frequent north-south rear-end collisions, as well as left-turning collisions. This intersection is also very congested, especially during events at the West Campus. The City's proposed intersection improvements project will improve the traffic-flow and safety at this intersection by widening the roadway, constructing dedicated left and right turn lanes and adding pedestrian signals, cross-walks, sidewalks, and ADA accessible curb ramps. The proposed improvements along Waukegan Road (IL 43) include installing a dedicated left-turn lane for northbound traffic and a dedicated right and left-turn lane for south-bound traffic. Along Westleigh Road, a dedicated left-turn lane will be added for westbound traffic. The existing traffic signals at this intersection will also be upgraded to accommodate the additional dedicated turning lanes. Pedestrian safety will be improved by upgrading pedestrian signals, with new cross-walks and ADA accessible curb ramps installed throughout the intersection. In January 2022, a call for submissions was released for federal Surface Transportation Program (STP) grant funding via the Lake County Council of Mayors, which the City applied for and received \$2,620,000 in federal funding.

Due to the widening of the intersection, it requires utility relocations by numerous private-utility companies. Extensive ComEd aerial relocation is necessary on the east side of Waukegan. ComEd is paying for these relocations at their own cost. The intersection project is tentatively scheduled for the mid-January IDOT bid opening with construction start anticipated for mid-March with completion early August. Although project construction is not tentatively until Spring of 2026, it is necessary for the utility relocations to begin this fall so it can be completed prior to construction starting. Terms of the easement are ComEd can access the site, clear vegetation, and remove obstructions as needed; no changes or obstructions allowed on the easement area without ComEd's consent; the easement is permanent and applies to future property owners. In order to accommodate the wider geometry on Waukegan Road, it is necessary for 621' by 8', and 73' by 18' of the City owned property on the eastside of Waukegan Road to be granted to ComEd as an easement. This City property is currently open-space as part of the booster station. For informational purposes attached is the ComEd easement package on **page 259**.

City Council will review the overall intersection project in further detail later this fall for approval of necessary IDOT funding agreements.

PROJECT REVIEW/RECOMMENDATIONS:

Project history is shown dating back to 2020.

Reviewed	Date	Comments
Public Works Committee	10/20/2025	Reviewed & Recommended City Council Approval to Grant Easement to ComEd
City Council	8/5/2024	City Council Approval to dedicate City Property for Road Purposes as Needed for the Waukegan Westleigh Intersection
Public Works Committee	7/1/2024	Reviewed & Recommended City Council Approval to dedicate City Property for Road Purposes as Needed for the Waukegan Westleigh Intersection
Public Works Committee	4/1/21	Reviewed, recommended Phase II Design for approval
Finance Committee	11/9/2020	Phase II Design Included with Capital Plan

BUDGET/FISCAL IMPACT: In consideration of the sum of One Dollar.

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

COUNCIL ACTION: Approval of a Grant of Easement to Commonwealth Edison for the Waukegan and Westleigh Intersection Project and Authorization for Staff to Execute the Easement and Related Documentation



- 7. Consideration of a Recommendation from the Plan Commission in Support of Approval of the Elm Tree Road Subdivision at 1310 Lake Road and 1235 Elm Tree Road through a Special Use Permit. (Waive First Reading and Grant Final approval of An Ordinance.)**

*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 a two lot subdivision of a 5.7 acre parcel to allow each parcel to be held in separate ownership. No redevelopment is planned.

BACKGROUND/DISCUSSION: The property proposed for subdivision has been in the ownership of the same family for many decades. The original estate house was subdivided off several decades ago and is located across from the subject parcel, on the east side of Lake Road. The proposed two lot subdivision will allow the property to remain in the family but held in the ownership of two different family members. The subject property is developed with several outbuildings from the original estate and a garden. Minor modifications, upgrades, and investment in the property are planned over time to better preserve the historic buildings and

garden and to accommodate family use going forward. As noted above, no redevelopment of the site is planned.

The Commission considered this petition over the course of two meetings and voted unanimously to recommend approval of the two lot subdivision to the City Council. The Plan Commission's report and recommendation and the plat of subdivision are included in the Council packet for additional background beginning on **page 262** along with the approving ordinance. The Historic Preservation Commission also considered this petition and applauded the family for the decades of stewardship of the property and the planned ongoing care and preservation of the unique property.

COUNCIL ACTION: If determined to be appropriate by the City Council, waive first reading of the Ordinance approving the two lot Elm Tree Road Subdivision and grant final approval.



8. Consideration of an Ordinance Approving a Recommendation from the Zoning Board of Appeals for 491 Buena Road. (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 Zoning Board of Appeals is presented to the City Council for consideration as part of the Omnibus Agenda along with the associated Ordinance.

BACKGROUND: 491 Buena Road – The Zoning Board of Appeals recommended approval of an Ordinance granting a variance to allow expansion of the driveway within the front and side yard setbacks to accommodate on site parking. Two letters of support were submitted by neighbors. (Board vote: 4-0, approved)

The Ordinance approving a variance as recommended by the Zoning Board of Appeals, with key exhibits attached, is included in the Council packet beginning on **page 277**. 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 a variance from the driveway width limitation within the front and side yard setbacks for 491 Buena Road in accordance with the Zoning Board of Appeals' recommendation.

COUNCIL ACTION: Approve the eight (8) Omnibus items as presented

6. OLD BUSINESS

Consideration of a Recommendation from Staff to Authorize Negotiations with TowerNorth Relating to a Ground Lease for a Monopole Cell Tower at the City's Compost Center, 1381 Kennedy Road. (By Motion.)

PRESENTED BY: Catherine Czerniak,
 Director of Community Development (810-3504)

PURPOSE AND ACTION REQUESTED: At the City Council’s direction, a Request for Proposals was issued inviting bids from tower building companies for installation of a stand-alone monopole at the City’s compost center. Authorization is requested to allow City staff, in collaboration with the City Attorney, to begin lease negotiations with TowerNorth, the bidder presenting the most favorable terms.

The draft ground lease will be presented to the Council for consideration and action at a future meeting.

BACKGROUND/DISCUSSION: In July, the City Council heard a report from the City’s consultant regarding the quality and coverage of wireless service in the community. The report confirmed that there are deficiencies in service in various areas of the community and most prominently, in the southwest quadrant of the City. The Council stated an interest in working incrementally toward improved service City-wide and took the immediate step of approving a Code amendment designating the City’s Compost Center site as a permitted location for a telecommunications monopole.

Following the Council’s action to amend the Code, City staff proceeded with the necessary surveys to document the land area at the compost center site that is available for construction of a tower, free of flood plain and floodway.

With the zoning entitlements in place, and the available land area identified, the City issued a Request for Proposals to tower building companies. Two responses were received. The proposals received are summarized below. It is important to note that the specific terms of a lease have not yet been discussed and may differ from the information presented in the proposals.

	TowerNorth	Harmoni Towers
Initial Payment	\$125,000	\$0
Monthly Lease Rate	NA	\$1,250 (1.5%/year escalation)
Wireless Carrier Revenue Sharing (subtenant)	30% of rent /month/carrier (est. rent/carrier/month: \$2,800 - \$4,000)	\$400/month/carrier (no escalation)
Letters of Intent from wireless carriers	Yes – three provided	None provided
	Three	Three

Anticipated Number of Providers		
Estimated Timeline	Due Diligence – 6-9 months Tower Construction - 90-120 days	12 months
Lease Area	60' x 60'	75' x 75'
Tower Height	160'	160'
Referrals	Provided and contacted	Not provided

Anticipated Wireless Carriers

As planned, a new monopole at the compost center site would ultimately support three nation-wide providers, Verizon, AT&T, and T-Mobile. Verizon does not currently have any facilities at the compost center. AT&T and T-Mobile currently have antennas on the City's elevated water tank, cables inside the cylinder, and equipment on the ground around the tower. The goal would be for these two wireless carriers to relocate from the water tank to the stand alone pole.

Revenue Loss

The City receives significant revenue from the leases with AT&T and T-Mobile, a combined \$200,000 annually. This revenue would only partially be replaced as noted above. The deficient could exceed \$150,000 annually based on the estimates above acknowledging that lease negotiations have not yet taken place. It is important to note that the current lease rate received by the City is not guaranteed in the future and in fact, the City has been approached by one of the providers requesting renegotiation of the lease asserting that the lease rate is significantly out of market range. Considering the larger picture, the City may in the future have the opportunity for additional revenue if an additional tower, or towers, are needed at other locations in the City in the future.

In addition, there are benefits to the City by removing the existing telecommunications facilities from the City's elevated water tank. Operationally, the removal of the cables that crowd the interior of the cylinder will allow more efficient and safer maintenance of the tower by City crews. Removal of the cables and the externally mounted antenna arrays will eliminate multiple penetrations into the water tower and, repairs and repainting of the tower will be able to proceed without powering down the telecommunication equipment or removing it. The elevated water tank is a critical piece of City infrastructure.

Based on available information, it is not anticipated that a tower at the compost center will fully address the need for high quality cell service throughout the community. However, the addition of Verizon at this location and the potential for upgrading the facilities of the two existing providers at the site, AT&T and T-Mobile, will advance the Council's commitment to

ongoing efforts to address the deficiency. Once the new facilities are in place, further study will be necessary to identify remaining gaps in service coverage and quality.

Staff recommends engaging with TowerNorth to negotiate a ground lease. TowerNorth has acknowledged the City's interest in moving forward with the installation of the tower, and wireless service improvements, as quickly as possible. Once a draft lease is prepared, the lease will be presented to the City Council for review and action. Every effort will be made to expedite this work.

COUNCIL ACTION: Authorize staff to engage in lease negotiations with TowerNorth with the goal of expediting the installation of a cell tower at the City's compost center to enhance service to residents and businesses in the community as well as those traveling through the community.

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, along with a guide to icons focusing on the Priority Areas in the Strategic Plan, is included with this agenda, starting on the following page.



Office of the City Manager

October 29, 2025

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.

Priority Areas



FISCAL STEWARDSHIP

Implement an operating budget and capital improvement strategy that is balanced over the long-term.



INFRASTRUCTURE & CITY FACILITIES

Invest in and maintain infrastructure and facilities to ensure they are safe, reliable, and capable of meeting current and future needs of the community.



PUBLIC SAFETY

Ensure the safety and security of all residents by providing efficient and effective police, fire, and emergency services while promoting community-based crime prevention initiatives.



RECREATION AND COMMUNITY WELL-BEING

Promote a healthy and active community by providing diverse recreational opportunities, maintaining parks and open spaces, and supporting programs that enhance residents' quality of life.



COMMUNITY'S VISUAL CHARACTER AND DEVELOPMENT

Enhance the aesthetic appeal of Lake Forest by balancing preservation of historic buildings, distinct streetscapes and landscapes with being open to opportunities and new ideas.



BUSINESS & ECONOMIC VITALITY

Enhance the business community so that it remains economically viable, enticing to visit, and meets the needs of the community and visitors.



COMMUNITY ENGAGEMENT

Encourage active participation and communication between the City government and residents, fostering a sense of community and ensuring that voices are heard in the decision-making process.



Annual Comprehensive Financial Report



City of Lake Forest, Illinois

For the Year Ended April 30, 2025

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

April 30, 2025

City of Lake Forest Finance Department

Diane Hall, Interim Finance Director

City of Lake Forest

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INTRODUCTORY SECTION



October 16, 2025

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, 2025, 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.

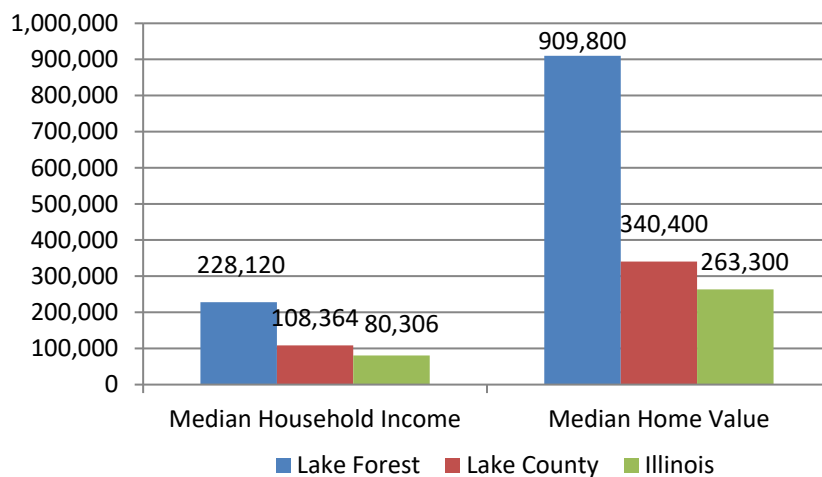
The City of Lake Forest utilizes an independent Audit Committee for reviewing the audit process and to report and make recommendations to the City Council. The Audit Committee members are Lake Forest residents who have expertise in the area of financial administration and auditing.

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, 2025, 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, 2025, 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, 2019-2023 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 for Lake County and the State of Illinois. For calendar year 2024, the City's annual average unemployment rate was estimated to be 4.3%, compared to 5.0% for Lake County and 5.0% for the State of Illinois.
- The consumer confidence index is closely monitored by economists because consumer spending accounts for 70% of the United States' economic activity. In August 2025, the index was 97.4, down from 98.7 in July and comparing unfavorably to the August 2024 index of 103.3. 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 73.0% of the General Fund operating budget, it has been necessary to achieve cost savings through reduced personnel. In fiscal years (FY) 2004-2026, the City has reduced budgeted full-time employees by 38 positions (14.88%), 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 FY2025 budget estimates in aggregate. Effective May 1, 2014, the City implemented a new sanitation fee that generates \$944,000 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 FY26 budget. The State's FY25 budget eliminated the 1% grocery tax. In anticipation of losing an estimated \$525k, the City adopted a local 1% grocery tax effective January 1, 2026. 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,
- Enhance 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 with 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 FY2025. 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, which is funding the Ahwahnee Storm Sewer project. 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. FY2025 real estate transfer tax revenue totaled \$1.7 million, which is the FY25 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, 2025, the most recent actuarial valuation date, the funded ratio for the Police Pension Plan is 60.63% and for the Firefighters' Pension Plan is 73.85%. Funding ratios were positively impacted by investment returns of 9.78% for the Police Pension Fund and 10.52% for the Firefighters' Pension Fund in FY25.

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, 2024 due to a 2024 investment return of 9.2%, the funded ratio for IMRF is 96.25%, 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 the 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 FY25, 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 FY2025, 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, 2025 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 all 12 units have been sold awaiting the completion of the building. This building is the last piece of development. The twelve single family homes have been completed and sold,. The first Note payment was made in FY22. In FY25, the Note payment of \$1.2 million from Tax Increment proceeds for the sale of the property to a developer was made. A total of \$3.6 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 the Ahwahnee Lane 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 completed in FY25.
- In September 2024, the City Council approved moving from a self-insured plan for medical and dental benefits to joining a cooperative IPBC for the administration of the City's employee medical and dental plans. This change anticipates achieving more predictable healthcare costs and improving administrative efficiency.
- In September 2024, the City purchased 1925 Field Ct for \$3.5 million to be repurposed as a new police facility and the City Council approved a contract for the design of the renovation of the new police facility for \$1.5 million.
- In November 2024, the City Council approved a joint agreement with IDOT to federally fund the Deerpath Streetscape project with a \$2.1 million grant and a City share of \$1.5 million. The project is scheduled to be completed in October 2025.
- In November 2024, the City Council approved a 5 year water meter replacement project for \$5.7 million to replace aging water meters and to provide updated technology.
- In December 2024, the City Council approved \$1.2 million for the replacement of the Deerpath watermain in anticipation of the Deerpath Streetscape project.

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, 2024. This was the 46th 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,



Jason Wicha
City Manager



Diane Hall
Interim 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, 2024

Christopher P. Morill

Executive Director/CEO

Residents of the City of Lake Forest

Mayor and City Council

City Attorney

Office of the City Manager

APPOINTED BOARDS, COMMISSIONS, & COMMITTEES

- Audit Committee
- Board of Fire and Police Commissioners
- Board of Trustees - Firefighter Pension Fund
- Board of Trustees - Police Pension Fund
- Building Review Board
- Cemetery Commission
- Construction Codes Commission
- CROYA Board
- Historic Preservation Commission
- Housing Trust Fund Board
- Legal Committee
- Library Board
- Parks and Recreation Board
- Plan Commission
- Senior Resources Commission
- Zoning Board of Appeals

Communications & Community Engagement

Community Development

Finance

Fire

Human Resources

Innovation & Technology

Parks & Recreation

Police

Public Works

City of Lake Forest

List of Principal Officials
Year Ended April 30, 2025

LEGISLATIVE

City Council

Stanford "Randy" Tack, Mayor

Nancy P. Novit

Alice LeVert

Peter Clemens

Eileen Looby Weber

Ted Notz Jr.

Richard Walther

John G. Powers

Ara Goshgarian

AUDIT COMMITTEE

Mark Dillon, Chairman

Brian Durkin

Joy Larisey

Robert Nowlin

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

Eileen Looby Weber, Finance Committee Chairman (ex-officio)

EXECUTIVE

Jason Wicha, City Manager

DEPARTMENT OF FINANCE

Diane Hall, Interim Finance Director

FINANCIAL SECTION

Independent Auditors' Report

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

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, 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, 2025, 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, 2025 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 16, 2025 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.

Baker Tilly US, LLP

Oak Brook, Illinois
October 16, 2025

CITY OF LAKE FOREST, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
APRIL 30, 2025

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 \$14.9 million for the fiscal year ending April 30, 2025 (FY25). Governmental net position increased \$14.8 million and business-type net position increased \$.1 million.
- The governmental activities revenue decreased by \$7.6 million (9.4%) due to decreases to investment income and capital contributions (\$12.3 million FY24 storm sewer pumping station contribution) partially offset by increases in taxes, charges for services and intergovernmental taxes. The expenses increased by \$6.1 million (10.2%) due primarily to adjustments related to pensions and non-capitalized improvements.
- The business-type activities revenue decreased by \$.2 million (1.6%) primarily due to a decrease in charges for services in the Water and Sewer Fund. The City's business-type activity expenses increased by \$1.5 million (13.9%) due primarily to pension adjustments and non-capitalized improvements.
- The total cost of all City programs increased from \$70.5 million in FY24 to \$78.1 million in FY25 – an increase of \$7.6 million or 10.8% - 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 funds' current financial resources (short-term spendable resources) with capital assets and long-term obligations using the accrual basis of accounting and economic resources measurement focus.

The Statement of Activities 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, 2025

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 \$14.9 million for FY25 – from \$294.8 million to \$309.7 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 \$14.8 million – from \$239.7 million to \$254.5 million. The business-type activities net position increased by \$.1 million – from \$55.1 million to \$55.2 million. Table 1 reflects the condensed Statement of Net Position compared to FY24. 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, 2025

Table 1
Statement of Net Position
As of April 30, 2024 and 2025
(in millions)

	Governmental		Business- Type		Total Primary	
	Activities		Activities		Government	
	2024	2025	2024	2025	2024	2025
Current and Other Assets	\$148.5	\$158.1	\$19.7	\$20.8	\$168.2	\$178.9
Capital Assets	223.7	228.8	47.1	46.6	270.8	275.4
Total Assets	372.2	386.9	66.8	67.4	439.0	454.3
Deferred Outflows	13.3	10.0	1.0	.7	14.3	10.7
Long- Term Liabilities	96.3	92.8	9.8	9.5	106.1	102.3
Other Liabilities	13.8	11.1	1.4	1.9	15.2	13.0
Total Liabilities	110.1	103.9	11.2	11.4	121.3	115.3
Deferred Inflows	35.7	38.5	1.5	1.4	37.2	39.9
Net Position:						
Net Investment in						
Capital Assets	191.3	197.4	38.3	37.3	229.6	234.7
Restricted	47.0	54.4			47.0	54.4
Unrestricted	1.4	2.7	16.8	17.9	18.2	20.6
Total Net Position	\$239.7	\$254.5	\$55.1	\$55.2	\$294.8	\$309.7

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, 2025

Current Year Impacts

The City's \$14.9 million increase in combined net position (which is the City's bottom line) was the result of the governmental activities net position increasing by \$14.8 million and the business-type activities net position increasing by \$.1 million.

The governmental activities total assets increased by \$14.7 million (3.9%) and the governmental activities total liabilities decreased by \$6.2 million (6.0%). 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 increased cash and investments from an operating surplus to be used for financing a portion of the renovation of the new police facility and capital assets with the purchase of 1925 Field Ct. to be repurposed as the new police facility. 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 \$3.3 million relates to pensions offset by increases to the OPEB deferred outflow. An increase in deferred inflows of \$2.8 million relates to increases in pensions and property taxes levied for future periods and leases.

Net investment in capital assets increased by \$6.1 million (3.2%) due to the purchase of the new police facility and the pay down of G.O. Bonds that funded the capital assets. Restricted net position increased \$7.4 million largely due to FY24 assigned funds in the Capital Improvement Fund (\$6.0 million) were spent first in FY25 and revenues earned during FY25 were not fully spent on capital projects. Unrestricted net position increased by \$1.3 million primarily due to the net effect of GASB 68 reporting of pension liabilities and GASB 75 reporting of OPEB.

The net position of business-type activities increased by \$.1 million, from \$55.1 million to \$55.2 million. The primary change in assets of the business-type activities was an increase in unrestricted net position (\$1.1 million) primarily due to the net effect of GASB 68.

Long-term liabilities decreased by \$.3 million due to scheduled maturities of debt obligations (\$.5 million) and an increase in net effect of GASB 68 reporting (\$.2 million). Net investment in capital assets decreased by \$1.0 million due to bond-funded capital improvements and unrestricted net position increased by \$1.1 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 \$9.7 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 \$14.9 million in FY25. The City's total revenues decreased by \$7.8 million, primarily driven by increased property taxes and intergovernmental taxes, offset by decreased investment income and donated capital contribution of the storm sewer pumping station in FY24. The City's cost of all programs increased by \$7.6 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.

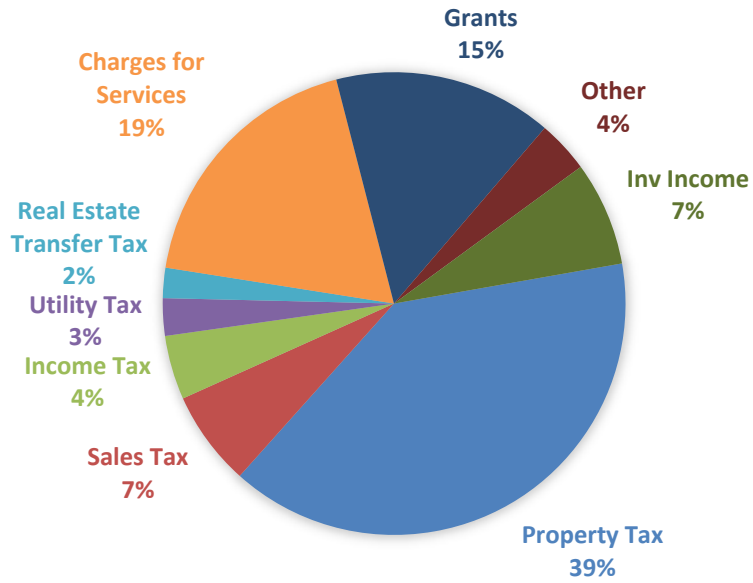
CITY OF LAKE FOREST, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
APRIL 30, 2025

Table 2
Changes in Net Position
For the Fiscal Year Ended April 30, 2024 and 2025
(in millions)

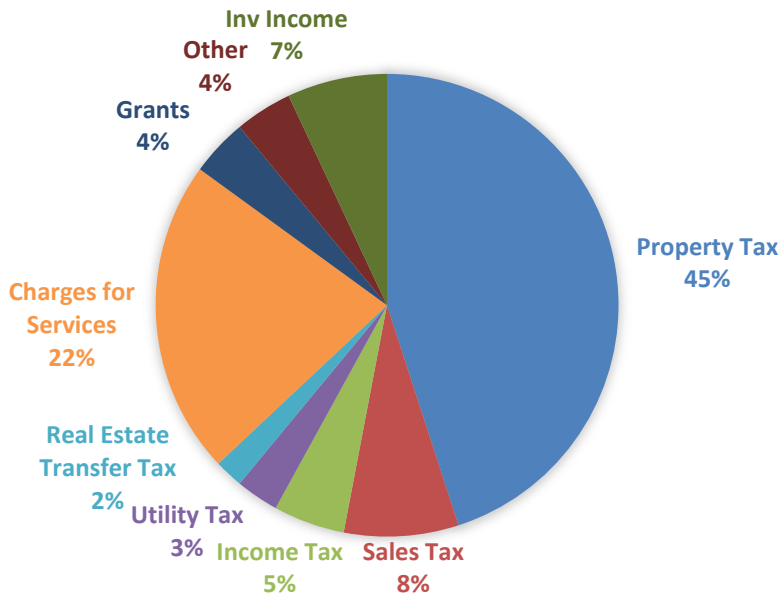
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2024	2025	2024	2025	2024	2025
REVENUE						
Program Revenue						
Charges for Services	\$16.3	\$17.5	\$11.4	\$11.3	\$27.7	\$28.8
Grants and Contributions						
Operating	1.1	3.5	0.0	0.0	1.1	3.5
Capital	12.4	0.1	0.2	0.0	12.6	0.1
General Revenue						
Property Taxes	34.8	36.3			34.8	36.3
Other Taxes	7.1	7.5			7.1	7.5
Intergovernmental - Taxes	8.4	8.7			8.4	8.7
Interest Revenue	6.4	5.2	0.8	0.4	7.2	5.6
Other	1.7	1.8	0.2	0.7	1.9	2.5
Total Revenue	88.2	80.6	12.6	12.4	100.8	93.0
EXPENSES						
Governmental Activities						
General Government	15.2	16.1			15.2	16.1
Highways and Streets	8.1	7.5			8.1	7.5
Sanitation	2.6	3.7			2.6	3.7
Culture and Recreation	10.7	15.4			10.7	15.4
Public Safety	22.3	22.3			22.3	22.3
Interest	0.8	0.8			0.8	0.8
Business-Type Activities						
Water and Sewer			8.4	9.9	8.4	9.9
Golf			2.4	2.4	2.4	2.4
Total Expenses	59.7	65.8	10.8	12.3	70.5	78.1
Excess before Transfers	28.5	14.8	1.8	0.1	30.3	14.9
Transfers In (out)	(0.5)	0.0	0.5	0.0	0.0	0.0
Change in Net Position	28.0	14.8	2.3	0.1	30.3	14.9
Net Position - Beginning	211.7	239.7	52.8	55.1	264.5	294.8
Net Position - Ending	\$239.7	\$254.5	\$55.1	\$55.2	\$294.8	\$309.7

CITY OF LAKE FOREST, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
APRIL 30, 2025

FY2024 GOVERNMENTAL ACTIVITIES REVENUE

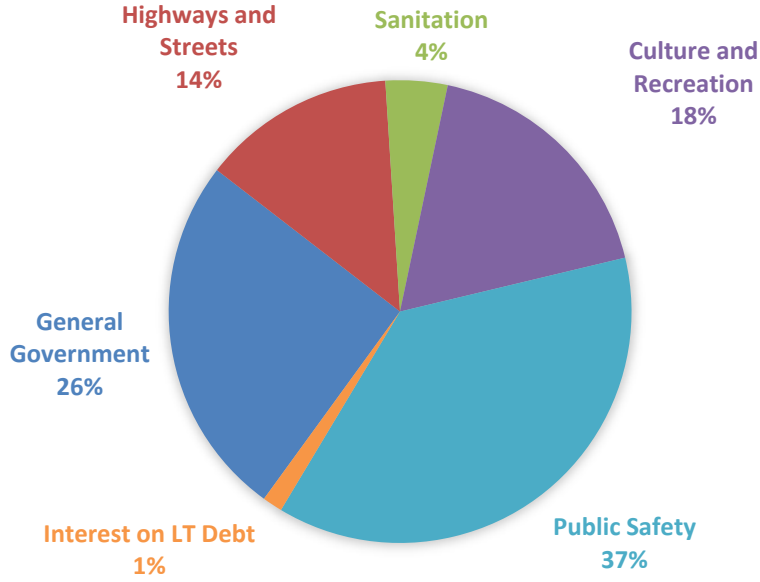


FY2025 GOVERNMENTAL ACTIVITIES REVENUE

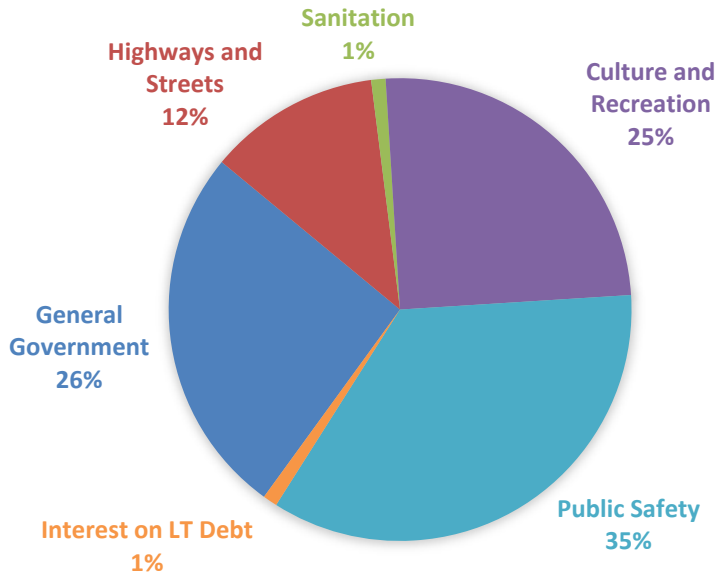


CITY OF LAKE FOREST, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
APRIL 30, 2025

FY2024 GOVERNMENTAL ACTIVITIES EXPENSES



FY2025 GOVERNMENTAL ACTIVITIES EXPENSES



CITY OF LAKE FOREST, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
APRIL 30, 2025

Normal Impacts

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

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, 2025, revenues from governmental activities totaled \$80.6 million, decreasing \$7.6 million compared to FY24. The primary changes occurred in Property Taxes (up \$1.5 million), Charges for Services (up \$1.2 million), Grants and Contributions (down \$9.9 million), Sales Taxes (up \$.8 million), Interest Revenue (down \$1.2 million) and Real Estate Transfer Taxes (down \$.2 million). Investment income decreased due to falling interest rates. Grants and Contributions decreased due to the contribution of storm sewer pumping station for \$11.9 million donated in FY24. Real Estate Transfer Tax decreased due to declining housing market impacted by rising mortgage interest rates. Property tax revenue continues to be the City's single largest revenue source, contributing \$36.3 million (45.0%) 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 \$51.1 million and represent 63.3% of the total governmental activities' revenue.

CITY OF LAKE FOREST, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
APRIL 30, 2025

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.

The City's 2024 equalized assessed valuation increased 9.2% compared to the prior year and totaled \$2,771,949,837. 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 4.9% over FY24 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 \$1.7 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 decreased by \$1.2 million, from \$6.4 million to \$5.2 million. The City's strategy for investing did not change but the City was impacted by changing market conditions primarily due to decreased interest rates.

Expenses

For the fiscal year ended April 30, 2025, expenses for governmental activities totaled \$65.8 million, an increase of \$6.1 million (10.2%). The increase 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 FY25 expenses included funding for the City's performance-based employee compensation package plus a 3.0% general salary adjustment.

Business-type Activities

Revenue

Total revenue for the business-type activities decreased by \$.2 million (1.6%) primarily due to a decrease in charges for services in the Water and Sewerage Fund and in the Golf Course Fund. Revenue in these funds are weather dependent and varies with consumer usage patterns.

Expenses

The City's business-type activity expenses increased by \$1.5 million (13.9%) 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, 2025

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

Governmental Funds

At April 30, 2025, the governmental funds (as presented on the balance sheet) reported a combined fund balance of \$96.4 million which is a \$9.6 million (11.1%) increase from the beginning of the year (\$86.8 million). This increase was largely driven by excess of revenues over expenditures in the General Fund, Parks and Recreation Fund, Cemetery Fund and Laurel/Western TIF Fund and decrease of revenue over expenditures in the Capital Fund, Park and Public Land Fund, Motor Fuel Tax Fund and Debt Service Fund. In the General Fund, the City Council elected to reserve an additional \$3.4 million of the FY25 operating surplus to be transferred to the Capital Improvement Fund in FY26 to provide additional funding for new police facility. Of the total fund balance of \$96.4 million, \$1.1 million is not available for continuing City services and capital projects, \$54.6 million is restricted in its use and \$4.8 is assigned for future capital projects. The unassigned fund balance for the total of all governmental funds is \$35.9 million, which is a \$3.5 million (10.9%) 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 \$6.8 million or 20.2% from FY24 (from \$33.6 million to \$40.4 million). The General Fund revenues decreased by \$.1 million (<1%) due primarily to decreases in charges for services and investment income offset by higher property taxes, and intergovernmental revenues, including sales tax and income tax. The General Fund expenditures increased by \$.4 million (1.0%) due to personnel costs. The excess of revenues over expenditures (before transfers) for FY25 of \$8.4 million was \$.4 million less than FY24 \$8.8 million. The other financing sources (uses) for FY25 of \$1.5 million was less than FY24 \$6.6 million due to reserving the FY25 surplus to be transferred in FY26 to the Capital Improvement Fund to assist with the financing of the repurposing of the new police facility.

Property taxes increased \$.6 million, intergovernmental revenues increased \$.4 million, charges for services decreased \$.2 million and investment income decreased \$.7 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 2023 levy extension (FY25 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 decreased 2.1%, highways and streets increased 8.4% (personnel; snow and ice control), public safety increased 2.0% and sanitation decreased 2.2%.

CITY OF LAKE FOREST, ILLINOIS
MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED)
APRIL 30, 2025

Table 3
General Fund Budgetary Highlights
(in millions)

General Fund	Original Budget	Final Budget	Actual
Revenues:			
Taxes	\$25.8	\$25.8	\$26.1
Intergovernmental	6.8	6.8	8.9
Other	11.4	11.4	12.9
Total	44.0	44.0	47.9
Expenditures and Transfers:			
Expenditures	45.0	45.9	39.6
Transfers (Net)	2.3	1.8	1.5
Total	47.3	47.7	41.1
Change in Fund Balance	(\$3.3)	(\$3.7)	\$6.8

Actual General Fund revenues were higher than budgeted revenues by \$3.9 million during FY25. The primary variance resulted from income tax, sales tax and building permits exceeding projections. Actual General Fund expenditures and transfers were lower than the final budget by \$6.6 million. It is the City’s policy to add 10%, which is \$4.3 million of contingency funding to the budget appropriation. The contingency amount is only for specific uses as determined by the City Council. 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 \$3.1 million to \$3.8 million. The Parks and Recreation Fund revenues increased by \$.6 million due to increased participation in Recreation Programs. Expenses increased by \$.5 million due to increased participation in Recreation Programs. Total other financing sources (uses) increased by \$.1 million due to the transfer of \$.2 million to the Capital Improvement Fund for the future replacement of the athletic turf field.

The Capital Improvements Fund is reported as a Major Fund for FY25 and is used to account for revenues associated with City building and infrastructure projects. Fund balance of this fund increased by \$1.4 million in FY25. Compared to FY24, revenue increased by \$3.5 million due to increases in grant funding. Total expenditures decreased by \$10.5 million in the capital outlay category. This was primarily due to onetime Deerpath Park Athletic Field project in FY24. Transfers in of \$2.6 million for FY25 consisted of transfer of \$1.2 million from the General Fund to provide funding for future projects, \$1.2 million from Laurel/Western TIF for the repayment of the outstanding TIF Note and \$.2 million from the Parks and Recreation Fund to build reserves for the future replacement of the athletic turf field.

CITY OF LAKE FOREST, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
APRIL 30, 2025

CAPITAL ASSETS

Table 4
Capital Assets at Year End - 2024 and 2025
Net of Depreciation
(in millions)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2024	2025	2024	2025	2024	2025
Land and Improvements	\$44.3	\$48.8	\$0.7	\$0.7	\$45.0	\$49.5
Infrastructure - Land	66.7	66.7			66.7	66.7
Construction in Progress	20.9	7.6	0.0	2.2	20.9	9.8
Infrastructure	55.9	54.0			55.9	54.0
Buildings	20.1	19.4	5.4	4.4	25.5	23.8
Improvements	11.7	26.8	29.1	27.9	40.8	54.7
Machinery and Equipment	4.1	5.5	1.4	1.4	5.5	6.9
Sanitary Sewers	0.0	0.0	10.5	10.0	10.5	10.0
Total	\$223.7	\$228.8	\$47.1	\$46.6	\$270.8	\$275.4

At the end of FY25, the City had a combined total of \$275.4 million invested in a broad range of capital assets. This amount represents a net increase (including additions and deductions) of \$4.6 million. The net increase is attributable to a \$5.1 million increase in governmental activities and a \$.5 million decrease in the business-type activities.

The increase in the governmental activities was due to additions exceeding depreciation by \$5.1 million. The decrease in business-type activities was due primarily to \$.5 million of depreciation exceeding additions.

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

Table 5
Change in Capital Assets
(in millions)

	Governmental Activities	Business-Type Activities	Total
Beginning Balance	\$223.7	\$47.1	\$270.8
Additions			
Not Depreciable	4.5	0.0	4.5
Depreciable	21.9	0.6	22.5
Construction in Progress	(13.4)	2.3	(11.1)
Retirements			
Depreciable	(0.7)	0.0	(0.7)
Depreciation	(7.9)	(3.4)	(11.3)
Retirements	0.7	0.0	0.7
Ending Balance	\$228.8	\$46.6	\$275.4

CITY OF LAKE FOREST, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
APRIL 30, 2025

The addition in Governmental Activities Depreciable assets of \$21.9 million was primarily due to the reclassification of the Deerpath Park athletic field from construction in progress to depreciable assets. The decrease in Governmental Activities Construction in progress of \$13.4 million was primarily due to the reclassification of the Deerpath Park athletic fields and the addition of Ahwahnee Rd storm sewer project and the Deerpath Streetscape Project.

Debt Outstanding

The City had \$36.5 million of general obligation bonds outstanding at April 30, 2025. Of this amount \$24.9 million were payable from property taxes and the remainder were self-supporting. The City abates the property tax levies for self-supporting debt issues annually.

The City's per capita debt ratio for all direct and overlapping debt with other governmental units was \$7,844 and \$7,648 if self-supporting debt is excluded.

As of April 30, 2025, the City's net pension liability is \$58.1 million, a decrease of \$2.7 million compared to the \$60.8 million balance as of April 30, 2024. Additional information regarding the net pension liability can be found in Note 4.

As of April 30, 2025, the City's OPEB liability is \$3.7 million an increase of \$1.8 million compared to the \$1.9 million balance as of April 30, 2024. Additional information regarding the OPEB liability can be found in Note 4.

Economic Factors

Unemployment levels in Lake Forest are well below the levels for Lake County and the State of Illinois. For calendar year 2024, the City's annual average unemployment rate was estimated to be 4.3%, compared to 5.0% for Lake County and 5.0% 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 Diane Hall, Interim Finance Director, City of Lake Forest, 800 N. Field Drive, Lake Forest, IL 60045 or by email at Halld@cityoflakeforest.com.

BASIC FINANCIAL STATEMENTS

City of Lake Forest

Statement of Net Position
April 30, 2025

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Lake Forest Library
Assets and Deferred Outflows of Resources				
Assets				
Cash and cash equivalents	\$ 61,997,541	\$ 11,284,340	\$ 73,281,881	\$ 7,113,705
Investments	43,200,588	5,044,030	48,244,618	2,237,467
Receivables (net):				
Property taxes	36,057,199	-	36,057,199	5,103,186
Other taxes	421,881	-	421,881	12,154
Accounts	1,726,109	1,662,803	3,388,912	-
Loans	1,207,893	-	1,207,893	-
Other	9,295,290	235	9,295,525	26,193
Due from other governmental units	2,811,635	-	2,811,635	-
Internal balances	(1,236,288)	1,236,288	-	-
Inventories	764,080	102,731	866,811	-
Prepaid items	1,102,622	181,108	1,283,730	-
Due from fiduciary funds	40,595	-	40,595	-
Leases receivable	649,077	1,344,470	1,993,547	-
Capital assets:				
Capital assets not being depreciated	123,140,398	2,931,825	126,072,223	309,125
Capital assets being depreciated, net of accumulated depreciation	105,688,707	43,629,987	149,318,694	3,756,919
Total assets	<u>386,867,327</u>	<u>67,417,817</u>	<u>454,285,144</u>	<u>18,558,749</u>
Deferred Outflows of Resources				
Deferred outflows related to pensions	8,316,617	508,970	8,825,587	411,107
Deferred outflows related to total OPEB liability	1,698,857	164,894	1,863,751	11,977
Total deferred outflows of resources	<u>10,015,474</u>	<u>673,864</u>	<u>10,689,338</u>	<u>423,084</u>

City of Lake Forest

Statement of Net Position
April 30, 2025

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Lake Forest Library
Liabilities, Deferred inflows of Resources and Net Position				
Liabilities				
Accounts payable	\$ 4,593,862	\$ 1,385,186	\$ 5,979,048	\$ 164,791
Accrued liabilities	1,436,248	88,977	1,525,225	63,781
Accrued interest payable	366,062	93,586	459,648	-
Deposits	1,094,021	-	1,094,021	-
Unearned revenue	3,571,917	355,828	3,927,745	-
Due to fiduciary funds	75,312	-	75,312	-
Noncurrent liabilities:				
Due within one year	2,845,613	601,414	3,447,027	16,060
Due in more than one year	89,932,194	8,918,146	98,850,340	625,361
Total liabilities	<u>103,915,229</u>	<u>11,443,137</u>	<u>115,358,366</u>	<u>869,993</u>
Deferred Inflows of Resources				
Property taxes levied for future periods	36,057,200	-	36,057,200	5,103,185
Deferred inflows related to pensions	1,122,131	2,967	1,125,098	2,348
Deferred inflows related to total OPEB liability	626,735	60,832	687,567	32,868
Deferred inflows related to leases	649,077	1,344,470	1,993,547	-
Total deferred inflows of resources	<u>38,455,143</u>	<u>1,408,269</u>	<u>39,863,412</u>	<u>5,138,401</u>
Net Position				
Net investment in capital assets	197,430,906	37,292,438	234,723,344	4,066,044
Restricted for:				
Culture and recreation	4,992,462	-	4,992,462	-
Highways and streets	2,628,864	-	2,628,864	-
Public safety	2,078,716	-	2,078,716	-
Cemetery purposes	12,686,690	-	12,686,690	-
Affordable housing	2,664,533	-	2,664,533	-
Capital projects	29,338,736	-	29,338,736	-
Unrestricted	2,691,522	17,947,837	20,639,359	8,907,395
Total net position	<u>\$ 254,512,429</u>	<u>\$ 55,240,275</u>	<u>\$309,752,704</u>	<u>\$ 12,973,439</u>

See notes to financial statements

City of Lake Forest

Statement of Activities
Year Ended April 30, 2025

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	\$ 16,096,226	\$ 5,432,746	\$ 2,496,688	\$ 123,667	\$ (8,043,125)	\$ -	\$ (8,043,125)	\$ -
Highway and streets	7,512,355	4,049,619	875,362	-	(2,587,374)	-	(2,587,374)	-
Sanitation	3,672,111	1,058,094	-	-	(2,614,017)	-	(2,614,017)	-
Culture and Recreation	15,504,605	4,002,290	55,736	-	(11,446,579)	-	(11,446,579)	-
Public safety	22,279,519	2,960,403	19,565	-	(19,299,551)	-	(19,299,551)	-
Interest on long-term debt	745,127	-	-	-	(745,127)	-	(745,127)	-
Total governmental activities	<u>65,809,943</u>	<u>17,503,152</u>	<u>3,447,351</u>	<u>123,667</u>	<u>(44,735,773)</u>	<u>-</u>	<u>(44,735,773)</u>	<u>-</u>
Business-type activities:								
Waterworks and Sewerage	9,948,784	9,020,277	-	-	-	(928,507)	(928,507)	-
Deerpath Golf Course	2,368,364	2,248,235	20,826	-	-	(99,303)	(99,303)	-
Total business-type activities	<u>12,317,148</u>	<u>11,268,512</u>	<u>20,826</u>	<u>-</u>	<u>-</u>	<u>(1,027,810)</u>	<u>(1,027,810)</u>	<u>-</u>
Total primary government	<u>\$ 78,127,091</u>	<u>\$ 28,771,664</u>	<u>\$ 3,468,177</u>	<u>\$ 123,667</u>	<u>(44,735,773)</u>	<u>(1,027,810)</u>	<u>(45,763,583)</u>	<u>-</u>
Component Unit								
Lake Forest Library	<u>\$ 4,832,654</u>	<u>\$ 35,433</u>	<u>\$ 112,216</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4,685,005)</u>
General Revenues								
Taxes:								
Property					36,326,854	-	36,326,854	4,982,825
Home rule sales					2,714,081	-	2,714,081	-
Utility					2,415,148	-	2,415,148	-
Real estate transfer					1,699,690	-	1,699,690	-
Other					699,717	-	699,717	-
Intergovernmental, unrestricted:								
Sales					3,972,768	-	3,972,768	-
Income					4,004,310	-	4,004,310	-
Telecommunication					561,923	-	561,923	-
Replacement					189,093	-	189,093	56,535
Other					1,852,636	356,745	2,209,381	-
Investment income					5,174,746	759,886	5,934,632	455,630
Gain on sale of assets					-	1,922	1,922	-
Total general revenues					<u>59,610,966</u>	<u>1,118,553</u>	<u>60,729,519</u>	<u>5,494,990</u>
Transfers					<u>(12,500)</u>	<u>12,500</u>	<u>-</u>	<u>-</u>
Total general revenues and transfers					<u>59,598,466</u>	<u>1,131,053</u>	<u>60,729,519</u>	<u>5,494,990</u>
Change in net position					14,862,693	103,243	14,965,936	809,985
Net Position, Beginning					<u>239,649,736</u>	<u>55,137,032</u>	<u>294,786,768</u>	<u>12,163,454</u>
Net Position, Ending					<u>\$ 254,512,429</u>	<u>\$ 55,240,275</u>	<u>\$ 309,752,704</u>	<u>\$ 12,973,439</u>

See notes to financial statements

City of Lake Forest

Balance Sheet -
Governmental Funds
April 30, 2025

	<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	\$ 19,033,211	\$ 2,087,753	\$ 24,811,726	\$ 8,984,591	\$ 54,917,281
Investments	20,019,785	3,052,917	8,118,229	12,009,657	43,200,588
Receivables (net):					
Property taxes	24,109,291	6,779,714	2,078,118	3,090,076	36,057,199
Other taxes	421,881	-	-	-	421,881
Accounts	1,579,937	130,916	15,256	-	1,726,109
Loans	1,207,893	-	-	-	1,207,893
Other	125,000	-	8,369	1,493,358	1,626,727
Due from other governments	1,902,729	13,104	825,803	69,999	2,811,635
Advances to other funds	814,500	-	-	-	814,500
Due from fiduciary funds	-	-	-	40,595	40,595
Inventories	207,513	3,109	-	-	210,622
Prepaid items	119,092	728	-	37,037	156,857
Lease receivable	649,077	-	-	-	649,077
	<u>\$ 70,189,909</u>	<u>\$ 12,068,241</u>	<u>\$ 35,857,501</u>	<u>\$ 25,725,313</u>	<u>\$ 143,840,964</u>
Total assets					
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities					
Accounts payable	\$ 763,673	\$ 295,333	\$ 2,729,360	\$ 78,274	\$ 3,866,640
Accrued liabilities	989,289	154,486	-	26,936	1,170,711
Deposits	1,028,428	19,593	28,000	18,000	1,094,021
Unearned revenue	2,204,579	959,418	407,920	-	3,571,917
Due to fiduciary funds	75,312	-	-	-	75,312
Advances from other funds	-	-	-	814,500	814,500
	<u>5,061,281</u>	<u>1,428,830</u>	<u>3,165,280</u>	<u>937,710</u>	<u>10,593,101</u>
Total liabilities					
Deferred Inflows of Resources					
Property taxes levied for a future period	24,109,291	6,779,715	2,078,117	3,090,077	36,057,200
Unavailable revenues	-	-	105,009	-	105,009
Deferred inflows related to leases	649,077	-	-	-	649,077
	<u>24,758,368</u>	<u>6,779,715</u>	<u>2,183,126</u>	<u>3,090,077</u>	<u>36,811,286</u>
Total deferred inflows of resources					
Fund Balances					
Nonspendable	1,141,105	3,837	-	37,037	1,181,979
Restricted	-	3,855,859	29,062,494	21,660,489	54,578,842
Assigned	3,360,000	-	1,446,601	-	4,806,601
Unassigned	35,869,155	-	-	-	35,869,155
	<u>40,370,260</u>	<u>3,859,696</u>	<u>30,509,095</u>	<u>21,697,526</u>	<u>96,436,577</u>
Total fund balances					
Total liabilities, deferred inflows of resources and fund balances					
	<u>\$ 70,189,909</u>	<u>\$ 12,068,241</u>	<u>\$ 35,857,501</u>	<u>\$ 25,725,313</u>	<u>\$ 143,840,964</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, 2025

Total Fund Balances, Governmental Funds	\$ 96,436,577
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.	228,829,105
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.	105,009
Deferred outflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds.	8,316,617
Less amount reported in the internal service fund below.	(161,687)
Deferred inflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds.	(1,122,131)
Less amount reported in the internal service fund below.	944
Deferred outflows of resources related to total OPEB liability do not relate to current financial resources and are not reported in the governmental funds.	1,698,857
Less amount reported in the internal service fund below.	(51,169)
Deferred inflows of resources related to total OPEB liability do not relate to current financial resources and are not reported in the governmental funds.	(626,735)
Less amount reported in the internal service fund below.	18,877
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	(28,230,000)
Compensated absences	(2,180,174)
Accrued interest	(366,062)
Unamortized debt premium	(1,415,573)
Net pension liabilities	(57,558,999)
Total OPEB liability	(3,393,061)
Less internal service fund long-term liabilities	324,615
Internal service funds are reported in the Statement of Net Position as governmental activities.	<u>13,887,419</u>
Net Position of Governmental Activities	<u>\$ 254,512,429</u>

City of Lake Forest

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds Year Ended April 30, 2025

	<u>General</u>	<u>Parks and Recreation</u>	<u>Capital Improvements</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Revenues					
Taxes:					
Property	\$ 23,043,589	\$ 7,215,567	\$ 1,554,237	\$ 4,513,461	\$ 36,326,854
Other taxes	3,042,865	-	4,449,771	36,000	7,528,636
Intergovernmental	8,898,128	58,258	-	886,156	9,842,542
Licenses and permits	4,971,912	-	-	-	4,971,912
Fines, forfeitures and penalties	217,796	-	-	-	217,796
Charges for services	4,986,181	3,682,035	148,858	2,136,739	10,953,813
Grants and contributions	11,252	63,611	3,938,307	295,283	4,308,453
Investment income	1,368,061	300,308	1,582,419	1,542,342	4,793,130
Miscellaneous revenues	1,399,453	12,093	29,431	-	1,440,977
Total revenues	<u>47,939,237</u>	<u>11,331,872</u>	<u>11,703,023</u>	<u>9,409,981</u>	<u>80,384,113</u>
Expenditures					
Current:					
General government	12,089,702	-	476,974	1,139,834	13,706,510
Highways and streets	3,414,302	-	249,783	-	3,664,085
Sanitation	2,943,252	-	-	-	2,943,252
Culture and recreation	-	10,256,949	16,873	783,136	11,056,958
Public safety	20,984,168	-	-	366,096	21,350,264
Capital outlay	142,658	166,176	12,184,955	2,047,430	14,541,219
Debt service:					
Principal retirement	-	-	-	2,395,000	2,395,000
Interest and fiscal charges	-	-	-	1,083,502	1,083,502
Total expenditures	<u>39,574,082</u>	<u>10,423,125</u>	<u>12,928,585</u>	<u>7,814,998</u>	<u>70,740,790</u>
Excess (deficiency) of revenues over expenditures	<u>8,365,155</u>	<u>908,747</u>	<u>(1,225,562)</u>	<u>1,594,983</u>	<u>9,643,323</u>
Other Financing Sources (Uses)					
Transfers in	-	28,040	2,621,024	657,274	3,306,338
Transfers out	(1,536,751)	(221,024)	-	(1,564,063)	(3,321,838)
Proceeds from capital asset sales	-	-	48,594	-	48,594
Total other financing sources (uses)	<u>(1,536,751)</u>	<u>(192,984)</u>	<u>2,669,618</u>	<u>(906,789)</u>	<u>33,094</u>
Net change in fund balances	6,828,404	715,763	1,444,056	688,194	9,676,417
Fund Balances, Beginning	<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>
Fund Balances, Ending	<u>\$ 40,370,260</u>	<u>\$ 3,859,696</u>	<u>\$ 30,509,095</u>	<u>\$ 21,697,526</u>	<u>\$ 96,436,577</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, 2025

Net Change in Fund Balances, Total Governmental Funds \$ 9,676,417

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	13,093,812
Depreciation is reported in the government-wide financial statements	(7,918,614)
Retirement of capital assets	(2,858)

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	(80,593)
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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	2,395,000
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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	300,625
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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	(181,954)
Accrued interest on debt	37,750
Deferred outflows of resources related to pensions	(4,783,464)
Deferred inflows of resources related to pensions	(901,903)
Net pension liability	2,739,214
Deferred outflows of resources related to OPEB Liability	1,497,526
Deferred inflows of resources related to OPEB Liability	82,728
Total OPEB liability	(1,695,815)
Less amount reported in internal service funds below	161,706

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

	<u>443,116</u>
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Change in Net Position of Governmental Activities \$ 14,862,693

City of Lake Forest

Statement of Net Position -
Proprietary Funds
April 30, 2025

	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	\$ 10,832,282	\$ 452,058	\$ 11,284,340	\$ 7,080,260
Investments	5,044,030	-	5,044,030	-
Receivables:				
Accounts	1,660,355	2,448	1,662,803	-
Other	235	-	235	7,668,563
Inventories	-	102,731	102,731	553,458
Prepaid items	-	181,108	181,108	945,765
Lease receivable	114,360	-	114,360	-
Total current assets	17,651,262	738,345	18,389,607	16,248,046
Noncurrent assets:				
Lease receivable	1,230,110	-	1,230,110	-
Capital assets:				
Capital assets not being depreciated	2,713,745	218,080	2,931,825	-
Capital assets being depreciated	119,985,998	6,228,063	126,214,061	48,047
Less accumulated depreciation	<u>(77,704,569)</u>	<u>(4,879,505)</u>	<u>(82,584,074)</u>	<u>(48,047)</u>
Total noncurrent assets	46,225,284	1,566,638	47,791,922	-
Total assets	63,876,546	2,304,983	66,181,529	16,248,046
Deferred Outflows of Resources				
Deferred outflows related to pensions	500,951	8,019	508,970	161,687
Deferred outflows related to total OPEB liability	<u>163,034</u>	<u>1,860</u>	<u>164,894</u>	<u>51,169</u>
Total deferred outflows of resources	663,985	9,879	673,864	212,856

See notes to financial statements

City of Lake Forest

Statement of Net Position -
Proprietary Funds
April 30, 2025

	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	\$ 1,170,350	\$ 214,836	\$ 1,385,186	\$ 727,222
Accrued liabilities	62,497	26,480	88,977	265,537
Accrued interest payable	93,586	-	93,586	-
Unearned revenue	24,624	331,204	355,828	-
General obligation bonds	535,000	-	535,000	-
Compensated absences	45,000	-	45,000	-
Total OPEB liability	<u>21,172</u>	<u>242</u>	<u>21,414</u>	<u>6,645</u>
Total current liabilities	<u>1,952,229</u>	<u>572,762</u>	<u>2,524,991</u>	<u>999,404</u>
Noncurrent liabilities:				
Long-term debt:				
General obligation debt payable	7,750,215	-	7,750,215	-
Compensated absences	261,449	917	262,366	32,263
Net pension liability	590,693	6,949	597,642	190,153
Total OPEB liability	<u>304,449</u>	<u>3,474</u>	<u>307,923</u>	<u>95,554</u>
Total noncurrent liabilities	<u>8,906,806</u>	<u>11,340</u>	<u>8,918,146</u>	<u>317,970</u>
Total liabilities	<u>10,859,035</u>	<u>584,102</u>	<u>11,443,137</u>	<u>1,317,374</u>
Deferred Inflows of Resources				
Deferred inflows related to pensions	2,932	35	2,967	944
Deferred inflows related to total OPEB liability	60,145	687	60,832	18,877
Deferred inflows related to leases	<u>1,344,470</u>	<u>-</u>	<u>1,344,470</u>	<u>-</u>
Total deferred inflows of resources	<u>1,407,547</u>	<u>722</u>	<u>1,408,269</u>	<u>19,821</u>
Net Position				
Net investment in capital assets	35,770,300	1,522,138	37,292,438	-
Unrestricted	<u>16,503,649</u>	<u>207,900</u>	<u>16,711,549</u>	<u>15,123,707</u>
Total net position	<u>\$ 52,273,949</u>	<u>\$ 1,730,038</u>	54,003,987	<u>\$ 15,123,707</u>
Adjustments to reflect the consolidation of internal service funds activities related to enterprise funds			<u>1,236,288</u>	
Net position business-type activities			<u>\$ 55,240,275</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, 2025

	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	\$ 9,118,258	\$ 2,247,991	\$ 11,366,249	\$ 10,685,126
Connection fees	93,390	-	93,390	-
Grants and contributions	-	20,826	20,826	-
Miscellaneous	2,409	244	2,653	-
Total operating revenues	<u>9,214,057</u>	<u>2,269,061</u>	<u>11,483,118</u>	<u>10,685,126</u>
Operating Expenses				
General and administrative	3,454,069	913,656	4,367,725	10,627,839
Operations and maintenance	3,137,381	1,161,008	4,298,389	-
Depreciation	3,085,373	313,175	3,398,548	-
Total operating expenses	<u>9,676,823</u>	<u>2,387,839</u>	<u>12,064,662</u>	<u>10,627,839</u>
Operating income (loss)	<u>(462,766)</u>	<u>(118,778)</u>	<u>(581,544)</u>	<u>57,287</u>
Nonoperating Revenues (Expenses)				
Investment income	743,734	16,152	759,886	381,616
Gain on disposal of capital assets	1,922	-	1,922	-
Other	-	162,965	162,965	-
Interest expense	(250,448)	-	(250,448)	-
Paying agent fees	(825)	-	(825)	-
Total nonoperating revenues (expenses)	<u>494,383</u>	<u>179,117</u>	<u>673,500</u>	<u>381,616</u>
Income before contributions and transfers	<u>31,617</u>	<u>60,339</u>	<u>91,956</u>	<u>438,903</u>
Contributions and Transfers				
Transfers in	<u>12,500</u>	<u>-</u>	<u>12,500</u>	<u>3,000</u>
Total contributions and transfers	<u>12,500</u>	<u>-</u>	<u>12,500</u>	<u>3,000</u>
Change in net position	44,117	60,339	104,456	441,903
Net Position, Beginning	<u>52,229,832</u>	<u>1,669,699</u>	<u>53,899,531</u>	<u>14,681,804</u>
Net Position, Ending	<u>\$ 52,273,949</u>	<u>\$ 1,730,038</u>	54,003,987	<u>\$ 15,123,707</u>
Adjustment to change in net position to reflect the consolidation of internal service funds activities related to enterprise funds			(1,213)	
Change in net position of business-type activities			<u>\$ 103,243</u>	

See notes to financial statements

City of Lake Forest

Statement of Cash Flows -
Proprietary Funds
Year Ended April 30, 2025

	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	\$ 9,139,643	\$ 2,147,889	\$ 11,287,532	\$ 9,625,904
Paid to suppliers for goods and services	(3,129,731)	(1,267,346)	(4,397,077)	(11,045,506)
Paid to employees for services	(2,899,074)	(904,188)	(3,803,262)	(513,963)
Other revenue	-	162,965	162,965	-
Net cash flows from operating activities	<u>3,110,838</u>	<u>139,320</u>	<u>3,250,158</u>	<u>(1,933,565)</u>
Cash Flows From Investing Activities				
Investment income	743,734	16,152	759,886	381,616
Purchase of investments	(5,044,030)	-	(5,044,030)	-
Net cash flows from investing activities	<u>(4,300,296)</u>	<u>16,152</u>	<u>(4,284,144)</u>	<u>381,616</u>
Cash Flows From Noncapital Financing Activities				
Transfers from (to) other funds	12,500	-	12,500	3,000
Net cash flows from noncapital financing activities	<u>12,500</u>	<u>-</u>	<u>12,500</u>	<u>3,000</u>
Cash Flows From Capital and Related Financing Activities				
Principal paid	(525,000)	-	(525,000)	-
Interest paid	(260,853)	-	(260,853)	-
Acquisition and construction of capital assets	(1,882,725)	(127,599)	(2,010,324)	-
Net cash flows from capital and related financing activities	<u>(2,668,578)</u>	<u>(127,599)</u>	<u>(2,796,177)</u>	<u>-</u>
Net change in cash and cash equivalents	(3,845,536)	27,873	(3,817,663)	(1,548,949)
Cash and Cash Equivalents, Beginning	<u>14,677,818</u>	<u>424,185</u>	<u>15,102,003</u>	<u>8,629,209</u>
Cash and Cash Equivalents, Ending	<u>\$ 10,832,282</u>	<u>\$ 452,058</u>	<u>\$ 11,284,340</u>	<u>\$ 7,080,260</u>

See notes to financial statements

City of Lake Forest

Statement of Cash Flows -
Proprietary Funds
Year Ended April 30, 2025

	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)	\$ (462,766)	\$ (118,778)	\$ (581,544)	\$ 57,287
Nonoperating revenues (expenses)	(825)	162,965	162,140	-
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:				
Depreciation	3,085,373	313,175	3,398,548	-
Changes in assets and liabilities:				
Accounts receivable	(83,740)	124,730	40,990	(1,058,470)
Inventories	-	15,024	15,024	48,917
Prepaid items	-	(84,254)	(84,254)	(175,326)
Deferred outflows related to pensions	431,840	7,462	439,302	143,067
Deferred outflows related to OPEB	(144,791)	(1,627)	(146,418)	(45,414)
Accounts payable	12,783	(37,108)	(24,325)	(344,139)
Accrued liabilities	-	-	-	(625,714)
Accrued salaries	10,871	971	11,842	2,926
Net pension liability	71,955	166	72,121	21,321
Deferred inflows related to pensions	(2,690)	(39)	(2,729)	(886)
Deferred inflows related to OPEB	(4,142)	(134)	(4,276)	(1,404)
Deferred revenue	9,326	(245,902)	(236,576)	(752)
Compensated absences	15,817	917	16,734	(8,657)
Total OPEB liability	171,827	1,752	173,579	53,679
Net cash flows from operating activities	<u>\$ 3,110,838</u>	<u>\$ 139,320</u>	<u>\$ 3,250,158</u>	<u>\$ (1,933,565)</u>

Noncash Capital and Related Financing Activities

None

City of Lake Forest

Statement of Fiduciary Net Position -
Fiduciary Funds
April 30, 2025

	Private Purpose Trust Fund	Pension Trust Funds
Assets		
Cash	\$ -	\$ 83,568
Money markets	12,576	354,480
Investments:		
Equity securities	568,232	-
Mutual funds	170,958	-
Illinois police officers' pension investment fund	-	52,113,803
Illinois firefighters' pension investment fund	-	55,273,901
Prepaid items	-	14,432
Due from primary government	-	75,312
	<u>751,766</u>	<u>107,915,496</u>
Total assets		
Liabilities		
Accounts payable	-	3,615
Due to primary government	40,595	-
	<u>40,595</u>	<u>3,615</u>
Total liabilities		
Net Position		
Restricted for pension benefits	-	107,911,881
Restricted for other purposes	711,171	-
	<u>\$ 711,171</u>	<u>\$ 107,911,881</u>
Total net position		

City of Lake Forest

Statement of Changes in Fiduciary Net Position -
Fiduciary Funds
Year Ended April 30, 2025

	<u>Private Purpose Trust Fund</u>	<u>Pension Trust Funds</u>
Additions		
Contributions:		
Employer	\$ -	\$ 6,286,390
Employee	-	805,947
Total contributions	<u>-</u>	<u>7,092,337</u>
Investment income:		
Interest	17,652	1,382,286
Net appreciation in fair value of investments	<u>55,747</u>	<u>8,755,384</u>
Total investment income	73,399	10,137,670
Less investment expense	<u>-</u>	<u>(129,615)</u>
Net investment income	<u>73,399</u>	<u>10,008,055</u>
Total additions	<u>73,399</u>	<u>17,100,392</u>
Deductions		
Pension benefits and refunds	-	8,295,946
Other administrative expenses	<u>40,595</u>	<u>106,352</u>
Total deductions	<u>40,595</u>	<u>8,402,298</u>
Change in fiduciary net position	32,804	8,698,094
Net Position, Beginning	<u>678,367</u>	<u>99,213,787</u>
Net Position, Ending	<u>\$ 711,171</u>	<u>\$ 107,911,881</u>

See notes to financial statements

City of Lake Forest

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April 30, 2025

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City of Lake Forest

Notes to Financial Statements
April 30, 2025

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 operates under a Mayor-Council form of government and 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 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. The board of the Library is appointed by the Mayor of the City. As a component unit, the Library's financial statements have been presented as a discrete column in the financial statements. The information presented is for the fiscal year ended April 30, 2025. 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, 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, 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.

City of Lake Forest

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April 30, 2025

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 and enterprise funds:

General Fund

General Fund is used to account 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.

City of Lake Forest

Notes to Financial Statements
April 30, 2025

Enterprise Fund

Waterworks and Sewerage Fund is used to account for operations of the waterworks and sewerage system for the residents of the City.

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.

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, 2025

Intergovernmental aids and grants are recognized as revenues in the period the City is entitled to 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. 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.

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

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. 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. Additional information related to the Illinois Police Officers' Pension Investment Fund and the Illinois Firefighters' Pension Investment Fund can be found at <https://www.ipopif.org> and <https://www.ifpif.org>, respectively.

The Illinois Police Officers' Pension Investment Fund's investment policy statement has an investment objective to earn a long-term, net-of-fees, investment return that meets or exceeds the actuarial assumed rate of return and the return of the Policy Benchmark consistent with the risk level expected from the asset allocation. In the March 4, 2022 actuarial experience study the Illinois Police Officers' Pension Investment Fund's actuaries recommended an investment return of 6.75%.

The Illinois Firefighters' Pension Investment Fund's investment policy has an investment objective that seeks to maximize the likelihood of meeting long-term return objectives, while (i) maintaining prudent risk exposure, (ii) controlling fees and expenses related to management of the Fund and (iii) complying with the governing provisions of the Illinois Pension Code (40 ILCS 5 et seq.) and other applicable laws and regulations. Long-term return objectives are based on an assumed rate of return as set forth by the Illinois Firefighters' Pension Investment Fund's actuary. In the December 1, 2021 actuarial experience study the Illinois Firefighters' Pension Investment Fund's actuaries recommended an investment return of 7.125%.

The City has adopted an investment policy.

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.

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.

Receivables

Property taxes for levy year 2024 attaches as an enforceable lien on January 1, 2024, 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).

Tax bills for levy year 2024 are prepared by Lake County and issued on or about May 2025 and are payable in two installments, on or about June 1 and September 1, 2025 or within 30 days of the tax bills being issued.

The County collects such taxes and remits them periodically. The 2024 property tax levy is recognized as a receivable and deferred inflows in fiscal 2025, net the 1.5% allowance for uncollectible. As the taxes become available to finance current expenditures, they are recognized as revenues. At April 30, 2025, the property taxes receivable and related deferred inflows consisted of the estimated amount collectible from the 2024 levy and any uncollected and available amounts from prior levies.

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

Governmental fund inventories, if material, are recorded at cost based on the FIFO method using the consumption method of accounting. Enter other Proprietary Fund language here

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 Financial Statements

Capital assets, which include property, buildings, vehicles, plant and equipment, and infrastructure are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial 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.

Additions to and replacements of capital assets of business-type activities are recorded at original cost, which includes material, labor and overhead. 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	10-80 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 represents 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.

Vacation and sick leave pay is accrued 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.

City of Lake Forest

Notes to Financial Statements
April 30, 2025

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 represents 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.

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

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. The budget is as amended by the City Council. All annual appropriations lapse at fiscal year end.

Prior to April 30, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing May 1. The operating budget includes proposed expenditures and the means of financing them. Public hearings are conducted to obtain taxpayer comments. Prior to July 31, the budget is legally enacted through passage of an ordinance. Formal budgetary integration is employed as a management control device during the year of the general fund and special revenue funds.

City of Lake Forest

Notes to Financial Statements

April 30, 2025

The City is authorized to change budgeted amounts within any fund; however, revision must be approved by two-thirds of the members of the City Council. No revisions can be made increasing the budget unless funding is available for the purpose of the revision. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the fund level. The appropriated budget is prepared by fund, function and department. The City Manager is authorized to transfer budget amounts between departments within any fund; however, the City Council must approve revisions that alter the total expenditures of any fund.

Excess Expenditures Over Budget

<u>Fund</u>	<u>Budgeted Expenditures</u>	<u>Actual Expenditures</u>	<u>Excess Expenditures Over Budget</u>
Debt service	\$ 3,458,088	\$ 3,458,538	\$ 450

3. Detailed Notes on All Funds

Deposits and Investments

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

	<u>Carrying Value</u>	<u>Statement Balances</u>
Deposits	\$ 44,028,823	\$ 44,346,581
Negotiable certificates of deposit	11,416,056	11,416,056
Mutual funds, other than bonds	1,350,370	1,350,370
U.S. treasury obligations	24,818,905	24,818,905
Illinois police officers' pension investment	52,113,803	52,113,803
Illinois firefighters' pension investment	55,273,901	55,273,901
Illinois funds	29,692,857	29,692,857
Equity securities	10,035,977	10,035,977
Mutual funds, bond funds	1,362,500	1,362,500
Petty cash	10,825	-
	<u>\$ 230,104,017</u>	<u>\$ 230,410,950</u>

Reconciliation to financial statements

Per statement of net position:

Cash and cash equivalents, primary government	\$ 73,281,881
Investments, primary government	48,244,618

Per statement of net position, fiduciary funds:

Private Purpose Trust, money markets	12,576
Private Purpose Trust, equity securities	568,232
Private Purpose Trust, mutual funds	170,958
Pension Trusts, cash	83,568
Pension Trusts, money markets	354,480
Pension Trusts, Illinois police officers' pension investment fund	52,113,803
Pension Trusts, Illinois firefighters' pension investment fund	55,273,901

Total deposits and investments \$ 230,104,017

City of Lake Forest

Notes to Financial Statements
April 30, 2025

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 non-interest-bearing). In addition, if deposits are held in an institution outside of the state in which the government is located, insured amounts are further limited to a total of \$250,000 for the combined amount of all deposit accounts. 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, 2025			
	Level 1	Level 2	Level 3	Total
Mutual funds, other than bond funds	\$ 1,266,070	\$ -	\$ -	\$ 1,266,070
Negotiable certificates of deposit	-	11,416,056	-	11,416,056
U.S. treasury obligations	24,818,905	-	-	24,818,905
Equity securities	9,467,745	-	-	9,467,745
Mutual funds, bond funds	1,275,842	-	-	1,275,842
Total	<u>\$ 36,828,562</u>	<u>\$ 11,416,056</u>	<u>\$ -</u>	<u>\$ 48,244,618</u>

Private Purpose Trust

Investment Type	April 30, 2025			
	Level 1	Level 2	Level 3	Total
Mutual funds, other than bond funds	\$ 84,300	\$ -	\$ -	\$ 84,300
Equity securities	568,232	-	-	568,232
Mutual funds, bond funds	86,658	-	-	86,658
Total	<u>\$ 739,190</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 739,190</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, 2025

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, 2025, the City's 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, 2025, 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	\$ 11,416,056	\$ 2,704,164	\$ 8,308,799	\$ 403,093	\$ -
U.S. treasury obligations	24,818,905	-	5,034,275	10,009,080	9,775,550
Mutual funds, bond funds	1,275,842	1,275,842	-	-	-
Total	<u>\$ 37,510,803</u>	<u>\$ 3,980,006</u>	<u>\$ 13,343,074</u>	<u>\$ 10,412,173</u>	<u>\$ 9,775,550</u>

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	\$ 86,658	\$ 86,658	\$ -	\$ -	\$ -
Total	<u>\$ 86,658</u>	<u>\$ 86,658</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

City of Lake Forest

Notes to Financial Statements
April 30, 2025

Money-Weighted Rate of Return

Police Pension Fund

For the year ended April 30, 2025, the annual money-weighted rate of return on the Police Pension plan investments, net of pension plan investment expense, was 9.78%. 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, 2025, the annual money-weighted rate of return on the Firefighters' Pension plan investments, net of pension plan investment expense, was 10.52%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Receivables

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

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, 2025</u>
Building rental	05/01/19	04/30/28	2.73%	\$ 8,544
Building rental	06/01/21	05/31/30	2.73	38,100
Building rental	04/01/22	03/31/27	2.73	14,363
Land rental	01/01/24	12/31/29	2.73	301,412
Building rental	01/01/25	12/31/31	2.73	<u>286,658</u>
Total governmental activities				<u>\$ 649,077</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, 2025</u>
Water tower lease	08/01/18	04/30/33	2.73%	\$ 517,870
Water tower lease	08/01/20	04/30/35	2.73	<u>826,600</u>
Total business-type activities				<u>\$ 1,344,470</u>

The City recognized \$239,116 and \$63,766 of lease revenue and interest revenue, respectively, during the fiscal year.

City of Lake Forest

Notes to Financial Statements
April 30, 2025

Capital Assets

Capital asset activity for the year ended April 30, 2025, 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	\$ 44,267,740	\$ 4,540,675	\$ -	\$ 48,808,415
Infrastructure, land	66,740,770	-	-	66,740,770
Construction in progress	20,905,071	9,690,768	23,004,626	7,591,213
	<u>131,913,581</u>	<u>14,231,443</u>	<u>23,004,626</u>	<u>123,140,398</u>
Total capital assets not being depreciated				
Capital assets being depreciated:				
Infrastructure	199,820,500	377,052	-	200,197,552
Buildings	35,876,472	212,623	-	36,089,095
Improvements other than buildings	36,161,280	18,150,364	-	54,311,644
Machinery and equipment	23,143,342	3,126,956	743,336	25,526,962
	<u>295,001,594</u>	<u>21,866,995</u>	<u>743,336</u>	<u>316,125,253</u>
Total capital assets being depreciated				
Total capital assets				
	<u>426,915,175</u>	<u>36,098,438</u>	<u>23,747,962</u>	<u>439,265,651</u>
Less accumulated depreciation for:				
Infrastructure	143,957,444	2,249,669	-	146,207,113
Buildings	15,838,493	813,942	-	16,652,435
Improvements other than buildings	24,497,626	3,037,024	-	27,534,650
Machinery and equipment	18,964,847	1,817,979	740,478	20,042,348
	<u>203,258,410</u>	<u>7,918,614</u>	<u>740,478</u>	<u>210,436,546</u>
Total accumulated depreciation				
Net capital assets being depreciated				
	<u>91,743,184</u>	<u>13,948,381</u>	<u>2,858</u>	<u>105,688,707</u>
Total governmental activities capital assets, net				
	<u>\$ 223,656,765</u>	<u>\$ 28,179,824</u>	<u>\$ 23,007,484</u>	<u>\$ 228,829,105</u>

Depreciation expense was charged to functions as follows:

Governmental Activities

General government	\$ 1,396,480
Highways and streets	2,602,196
Sanitation	316,070
Culture and recreation	2,861,348
Public safety	<u>742,520</u>

Total governmental activities depreciation expense \$ 7,918,614

City of Lake Forest

Notes to Financial Statements
April 30, 2025

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Business-Type Activities				
Capital assets not being depreciated:				
Land	\$ 743,649	\$ -	\$ -	\$ 743,649
Construction in progress	-	2,188,176	-	2,188,176
Total capital assets not being depreciated	<u>743,649</u>	<u>2,188,176</u>	<u>-</u>	<u>2,931,825</u>
Capital assets being depreciated:				
Buildings	27,020,235	-	-	27,020,235
Improvements other than buildings	60,189,395	234,800	-	60,424,195
Machinery and equipment	6,672,484	381,852	31,891	7,022,445
Sanitary sewers and related property	31,747,186	-	-	31,747,186
Total capital assets being depreciated	<u>125,629,300</u>	<u>616,652</u>	<u>31,891</u>	<u>126,214,061</u>
Total capital assets	<u>126,372,949</u>	<u>2,804,828</u>	<u>31,891</u>	<u>129,145,886</u>
Less accumulated depreciation for:				
Buildings	21,623,855	1,003,574	-	22,627,429
Improvements other than buildings	31,056,502	1,483,203	-	32,539,705
Machinery and equipment	5,290,985	382,548	31,891	5,641,642
Sanitary sewers and related property	21,246,075	529,223	-	21,775,298
Total accumulated depreciation	<u>79,217,417</u>	<u>3,398,548</u>	<u>31,891</u>	<u>82,584,074</u>
Net capital assets being Depreciated	<u>46,411,883</u>	<u>(2,781,896)</u>	<u>-</u>	<u>43,629,987</u>
Business-type activities capital assets, net	<u>\$ 47,155,532</u>	<u>\$ (593,720)</u>	<u>\$ -</u>	<u>\$ 46,561,812</u>

Interfund Advances and Transfers

Advances

The general fund is advancing funds to Cemetery Fund. The amount advanced is \$905,000, and the balance as of fiscal year end is \$814,500.

The principal purpose of this advance is to renovate the Memorial Garden at Lake Forest Cemetery. This amount will be repaid over a 10-year period, with repayment starting during the fiscal year.

City of Lake Forest

Notes to Financial Statements
April 30, 2025

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	\$ 1,200,000	Funding for debt service payment
Parks and recreation	General	28,040	Funding for budgeted salary amounts
Capital improvement	General	1,200,000	Funding for capital outlay projects
Nonmajor government	General	293,211	Funding for debt service and budgeted salary amounts
Nonmajor government	Nonmajor government	364,063	Funding for debt service payment
Waterworks and sewerage	General	12,500	Funding for budgeted salary amounts and capital outlay
Internal service	General	3,000	Funding for budgeted salary amounts
Capital improvement	Parks and recreation	<u>221,024</u>	Funding for capital outlay projects
Total, fund financial statements		\$ 3,321,838	
Less government-wide eliminations		<u>(3,309,338)</u>	
Total transfers, government-wide statement of activities		<u>\$ 12,500</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, 2025

Long-Term Obligations

Long-term obligations activity for the year ended April 30, 2025, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Governmental Activities					
Bonds and notes payable:					
General obligation debt	\$ 30,625,000	\$ -	\$ 2,395,000	\$ 28,230,000	\$ 2,500,000
Premiums	1,716,198	-	300,625	1,415,573	-
Total bonds and notes payable	<u>32,341,198</u>	<u>-</u>	<u>2,695,625</u>	<u>29,645,573</u>	<u>2,500,000</u>
Other liabilities:					
Compensated absences	1,998,220	3,324,340	3,142,386	2,180,174	125,000
Total OPEB liability	1,697,246	1,860,489	164,674	3,393,061	220,613
Net pension liability	60,298,213	20,270,219	23,009,433	57,558,999	-
Total other liabilities	<u>63,993,679</u>	<u>25,455,048</u>	<u>26,316,493</u>	<u>63,132,234</u>	<u>345,613</u>
Total governmental activities long-term liabilities	<u>\$ 96,334,877</u>	<u>\$ 25,455,048</u>	<u>\$ 29,012,118</u>	<u>\$ 92,777,807</u>	<u>\$ 2,845,613</u>
Business-Type Activities					
Bonds and notes payable:					
General obligation debt	\$ 8,780,000	\$ -	\$ 525,000	\$ 8,255,000	\$ 535,000
Premium	34,937	-	4,722	30,215	-
Total bonds and notes payable	<u>8,814,937</u>	<u>-</u>	<u>529,722</u>	<u>8,285,215</u>	<u>535,000</u>
Other liabilities:					
Total OPEB liability	155,758	180,583	7,004	329,337	21,414
Net pension liability	525,521	1,321,080	1,248,959	597,642	-
Compensated absences	290,632	285,389	268,655	307,366	45,000
Total other liabilities	<u>971,911</u>	<u>1,787,052</u>	<u>1,524,618</u>	<u>1,234,345</u>	<u>66,414</u>
Total business-type activities long-term liabilities	<u>\$ 9,786,848</u>	<u>\$ 1,787,052</u>	<u>\$ 2,054,340</u>	<u>\$ 9,519,560</u>	<u>\$ 601,414</u>

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, 2025</u>
2015 Series	08/03/15	12/15/36	2.50-3.75%	\$ 9,780,000	\$ 7,310,000
2019 Series Refunding	12/19/19	12/15/32	2.00-5.00	10,751,022	6,010,000
2021 Series Refunding	09/15/21	12/15/32	2.00	7,590,000	5,855,000
2023 Series	04/27/23	12/15/33	5.00	10,770,000	9,055,000
Total governmental activities, general obligation debt					<u>\$ 28,230,000</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, 2025</u>
2017 Series	06/05/17	12/15/37	2.00-3.50%	\$ 9,295,000	\$ 8,255,000
Total business-type activities, general obligation debt					<u>\$ 8,255,000</u>

City of Lake Forest

Notes to Financial Statements
April 30, 2025

Debt service requirements to maturity are as follows:

Years	Governmental Activities General Obligation Debt		Business-Type Activities General Obligation Debt	
	Principal	Interest	Principal	Interest
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	687,953	580,000	206,477
2030	3,165,000	592,149	590,000	191,688
2031-2035	13,560,000	1,330,161	3,235,000	681,388
2036-2038	690,000	38,150	2,200,000	153,975
Total	<u>\$ 28,230,000</u>	<u>\$ 5,262,227</u>	<u>\$ 8,255,000</u>	<u>\$ 1,936,210</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.

Total OPEB liability and the net pension liability attributable to governmental activities will be liquidated primarily by the General Fund.

Net Position/Fund Balances

Net position reported on the government-wide statement of net position at April 30, 2025, includes the following:

	Governmental Activities	Business-Type Activities
Net investment in capital assets:		
Total capital assets	\$ 439,265,651	\$ 129,145,886
Less accumulated depreciation	<u>210,436,546</u>	<u>82,584,074</u>
Net carrying value of capital assets	<u>228,829,105</u>	<u>46,561,812</u>
Less all outstanding principal of capital-related debt/borrowings related to the City's own capital assets, including borrowing used to refund capital-related borrowings	28,230,000	8,255,000
Less outstanding principal balance of any other (non-debt) capital related liabilities as of fiscal year end, including capital accounts payable and retainage payable	1,752,626	984,159
Less unamortized original issue premiums on outstanding capital debt	<u>1,415,573</u>	<u>30,215</u>
Subtotal	<u>31,398,199</u>	<u>9,269,374</u>
Total net investment in capital assets	<u>\$ 197,430,906</u>	<u>\$ 37,292,438</u>

City of Lake Forest

Notes to Financial Statements
April 30, 2025

Governmental Funds

Governmental fund balances reported on the fund financial statements at April 30, 2025, 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	\$ 119,092	\$ 728	\$ -	\$ 37,037	\$ 156,857
Inventories	207,513	3,109	-	-	210,622
Advances	<u>814,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>814,500</u>
Subtotal	<u>1,141,105</u>	<u>3,837</u>	<u>-</u>	<u>37,037</u>	<u>1,181,979</u>
Restricted for:					
Culture and recreation	-	3,855,859	-	1,136,603	4,992,462
Highway and streets	-	-	-	2,628,864	2,628,864
Public safety, fire	-	-	-	311,723	311,723
Public safety, police	-	-	-	1,766,993	1,766,993
Cemetery perpetual care	-	-	-	12,686,690	12,686,690
Affordable housing	-	-	-	2,664,533	2,664,533
Capital projects	-	-	29,062,494	171,233	29,233,727
Debt service	<u>-</u>	<u>-</u>	<u>-</u>	<u>293,850</u>	<u>293,850</u>
Subtotal	<u>-</u>	<u>3,855,859</u>	<u>29,062,494</u>	<u>21,660,489</u>	<u>54,578,842</u>
Assigned to:					
Capital projects	3,360,000	-	1,446,601	-	4,806,601
Unassigned	<u>35,869,155</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>35,869,155</u>
Total fund balances	<u>\$ 40,370,260</u>	<u>\$ 3,859,696</u>	<u>\$ 30,509,095</u>	<u>\$ 21,697,526</u>	<u>\$ 96,436,577</u>

Component Unit

Lake Forest Library

This report contains the Lake Forest Library (Library), which is included as a component unit.

In addition to the basic financial statements and the preceding notes to financial statements which apply, the following additional disclosures are considered necessary for a fair presentation.

Basis of Accounting/Measurement Focus

The Library follows the modified accrual basis of accounting and the flow of economic resources measurement focus.

City of Lake Forest

Notes to Financial Statements
April 30, 2025

Deposits and Investments

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

	<u>Carrying Value</u>	<u>Statement Balances</u>
Deposits	\$ 6,240,637	\$ 6,240,637
Negotiable certificates of deposit	1,731,382	1,731,382
U.S. treasury obligations	506,085	506,085
Illinois funds	872,718	872,718
Petty cash	350	-
	<u>9,351,172</u>	<u>9,350,822</u>
Total deposits and investments	<u>\$ 9,351,172</u>	<u>\$ 9,350,822</u>

The Library 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 Library 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.

<u>Investment Type</u>	<u>April 30, 2025</u>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Negotiable certificates of deposit	\$ -	\$ 1,731,382	\$ -	\$ 1,731,382
U.S. treasury obligations	506,085	-	-	506,085
Total	<u>\$ 506,085</u>	<u>\$ 1,731,382</u>	<u>\$ -</u>	<u>\$ 2,237,467</u>

Custodial Credit Risk

Deposits

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

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

Investments

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

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

City of Lake Forest

Notes to Financial Statements
April 30, 2025

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, 2025, the Library's investments were rated as follows:

<u>Investment Type</u>	<u>Standard & Poors</u>	<u>Moody's Investors Services</u>
Illinois funds	AAAm	Not rated
Negotiable certificates of deposit	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, 2025, the Library's investments were as follows:

<u>Investment Type</u>	<u>Maturity (in Years)</u>		
	<u>Fair Value</u>	<u>Less Than One Year</u>	<u>1 - 5 Years</u>
Negotiable certificates of deposit	\$ 1,731,382	\$ 495,582	\$ 1,235,800
U.S. treasury obligations	<u>506,085</u>	<u>-</u>	<u>506,085</u>
Total	<u>\$ 2,237,467</u>	<u>\$ 495,582</u>	<u>\$ 1,741,885</u>

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

City of Lake Forest

Notes to Financial Statements
April 30, 2025

Capital Assets

	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets not being depreciated / amortized:				
Land	\$ 70,000	\$ -	\$ -	\$ 70,000
Construction in progress	-	70,625	-	70,625
Art	168,500	-	-	168,500
Total capital assets not being depreciated / amortized	<u>238,500</u>	<u>70,625</u>	<u>-</u>	<u>309,125</u>
Capital assets being depreciated / amortized:				
Buildings	2,253,707	-	-	2,253,707
Improvements other than buildings	2,271,091	160,305	-	2,431,396
Machinery and equipment	3,901,909	731,230	352,050	4,281,089
Total capital assets being depreciated / amortized	<u>8,426,707</u>	<u>891,535</u>	<u>352,050</u>	<u>8,966,192</u>
Total capital assets	<u>8,665,207</u>	<u>962,160</u>	<u>352,050</u>	<u>9,275,317</u>
Less accumulated depreciation / amortization for:				
Buildings	872,603	50,541	-	923,144
Improvements other than buildings	1,855,336	58,443	-	1,913,779
Machinery and equipment	2,345,038	379,362	352,050	2,372,350
Total accumulated depreciation / amortization	<u>5,072,977</u>	<u>488,346</u>	<u>352,050</u>	<u>5,209,273</u>
Net capital assets being depreciated / amortized	<u>3,353,730</u>	<u>403,189</u>	<u>-</u>	<u>3,756,919</u>
Total capital assets, net	<u>\$ 3,592,230</u>	<u>\$ 473,814</u>	<u>\$ -</u>	<u>\$ 4,066,044</u>

Long-Term Obligations

Long-term obligations activity for the year ended April 30, 2025, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Other liabilities:					
Compensated absences (net change)	\$ 99,235	\$ 32,105	\$ -	\$ 131,340	\$ 5,000
Total OPEB Liability	44,845	2,918	10,617	37,146	11,060
Net pension liability	422,335	1,001,483	950,883	472,935	-
Total other liabilities	<u>566,415</u>	<u>1,036,506</u>	<u>961,500</u>	<u>641,421</u>	<u>16,060</u>
Total long-term liabilities	<u>\$ 566,415</u>	<u>\$ 1,036,506</u>	<u>\$ 961,500</u>	<u>\$ 641,421</u>	<u>\$ 16,060</u>

Employee Retirement System

All eligible Library employees participate in the Illinois Municipal Retirement Fund (IMRF), a multi-employer public pension fund. Library employees are pooled with the employees of the City for purposes of actuarial valuation. See Note 4 for disclosures related to the Library's participation in IMRF.

Other Postemployment Benefits

Plan Description

The Library provides postemployment health care for retired employees through a cost-sharing defined benefit plan administered by the Library. Hereinafter, the medical and dental plan benefits offered are referred to as the Plan. The Plan offers several medical and dental insurance benefit options to eligible retirees and their dependents. The benefits, benefit levels, employee contributions and employer contributions are governed by the Library Board and can only be amended by the Library Board. The plan is 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. The plan does not issue a separate report.

Benefits Provided

The 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 & 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, 2025, the following employees were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefit payments	1
Active plan members	<u>22</u>
Total	<u><u>23</u></u>

Total OPEB Liability

The Library's total OPEB liability of \$37,146 was measured as of April 30, 2025, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the April 30, 2025 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Discount rate	5.24%
Inflation	2.50%
Salary increases	3.00%
Healthcare cost trend rates	Initial - 8.30% Ultimate - 5.00%
Healthcare participation rate	Currently Participating - 30%

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

City of Lake Forest

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Mortality rates were based on the PubG-2010(B) Improved Generationally using MP-2021 Improvement Rates, weighted per IMRF Experience Study Report dated January 4, 2024, for IMRF members.

The actuarial assumptions used in the April 30, 2025 valuation were based on the results of an actuarial experience study dated January 4, 2024.

Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
Balances at April 30, 2024	\$ 44,845
Changes for the year:	
Service cost	1,313
Interest	1,605
Differences between expected and actual experience	(8,728)
Changes in assumptions or other inputs	8,927
Benefit payments	<u>(10,816)</u>
Net changes	<u>(7,699)</u>
Balances at April 30, 2025	<u>\$ 37,146</u>

Changes of assumptions and other inputs reflect a change in the discount rate from 4.07% in 2024 to 5.24% in 2025 and a change in election rate from 16% to 30% for the Library.

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

The following presents the total OPEB liability of the Library, as well as what the Library's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.24%) or 1-percentage-point higher (6.24%) than the current discount rate:

	<u>1% Decrease</u>	<u>Discount Rate</u>	<u>1% Increase</u>
Total OPEB liability	\$ 37,362	\$ 37,146	\$ 36,888

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

The following presents the total OPEB liability of the Library, as well as what the Library's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	<u>1% Decrease</u>	<u>Healthcare Cost Trend Rates</u>	<u>1% Increase</u>
Total OPEB liability	\$ 35,693	\$ 37,146	\$ 38,770

City of Lake Forest

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

For the year ended April 30, 2025, the Library recognized negative OPEB expense of \$(3,284). At April 30, 2025, 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	\$ -	\$ 30,560
Changes of assumptions or other inputs	<u>11,977</u>	<u>2,308</u>
Total	<u>\$ 11,977</u>	<u>\$ 32,868</u>

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

<u>Years Ending April 30:</u>	<u>Amount</u>
2026	\$ (6,202)
2027	(4,217)
2028	(2,282)
2029	(2,441)
2030	(2,845)
Thereafter	<u>(2,904)</u>
Total	<u>\$ (20,891)</u>

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

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For the year ended April 30, 2025, the following balances are recognized in the government-wide financial statements:

	<u>Net Pension Liability</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Pension Expense</u>
IMRF	\$ 4,997,207	\$ 4,248,836	\$ 24,809	\$ 5,558,812
Police Pension Plan	33,916,423	2,623,608	578,721	3,237,516
Firefighters' Pension Plan	<u>19,715,946</u>	<u>2,364,250</u>	<u>523,916</u>	<u>2,482,828</u>
Total	<u>\$ 58,629,576</u>	<u>\$ 9,236,694</u>	<u>\$ 1,127,446</u>	<u>\$ 11,279,156</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 every year after retirement, upon reaching age 67, by the lesser of 3% of the original pension amount or 1/2 of the increase in the Consumer Price Index of the original pension amount.

Under the employer number within IMRF, both the City and Library contribute to the regular 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, 2024, the measurement date, membership in the plan was as follows:

Retirees and beneficiaries	325
Inactive, nonretired members	220
Active members	<u>217</u>
Total	<u><u>762</u></u>

Contributions

As set by statute, 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 actuarially determined contribution rate for the calendar year ending December 31, 2024 was 6.17% of annual covered payroll for IMRF. The City and Library also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability/(Asset)

The net pension liability/(asset) was measured as of December 31, 2024, 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 and additions to/deductions from 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, 2024 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 non-disabled 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.

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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	33.50 %	5.70 %	4.35 %
International equities	18.00	7.10	5.40
Fixed income	24.50	5.30	5.20
Real estate	10.50	7.30	6.40
Alternatives	12.50		
Private equity		10.00	6.25
Commodities		6.05	4.85
Cash equivalents	1.00	3.60	3.60

Discount Rate

The discount rate used to measure the total pension liability for IMRF was 7.25%, 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 employer 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) 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
Net pension liability/(asset), City	\$ 17,011,114	\$ 4,524,272	\$ (5,515,516)
Net pension liability/(asset), Library	2,042,174	472,935	(788,779)
Total	<u>\$ 19,053,288</u>	<u>\$ 4,997,207</u>	<u>\$ (6,304,295)</u>

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Changes in Net Pension Liability/(Asset)

The changes in net pension liability/(asset) for the calendar year ended December 31, 2024 were as follows:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (a) - (b)
Balances at December 31, 2023	\$ 129,552,818	\$ 124,932,831	\$ 4,619,987
Service cost	1,420,078	-	1,420,078
Interest on total pension liability	9,161,933	-	9,161,933
Differences between expected and actual experience of the total pension liability	821,768	-	821,768
Benefit payments, including refunds of employee contributions	(7,782,745)	(7,782,745)	-
Contributions, employer	-	1,058,871	(1,058,871)
Contributions, employee	-	766,271	(766,271)
Net investment income	-	12,596,654	(12,596,654)
Other (net transfer)	-	(3,395,237)	3,395,237
Balances at December 31, 2024	<u>\$ 133,173,852</u>	<u>\$ 128,176,645</u>	<u>\$ 4,997,207</u>
Plan fiduciary net position as a percentage of the total pension liability			96.25 %
Balances at December 31, 2024			
City	\$ 118,306,152	\$ 113,781,880	\$ 4,524,272
Library	<u>14,867,700</u>	<u>14,394,765</u>	<u>472,935</u>
Total	<u>\$ 133,173,852</u>	<u>\$ 128,176,645</u>	<u>\$ 4,997,207</u>

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

For the year ended April 30, 2025, pension expense was \$5,558,812. Deferred outflows and inflows of resources related to pension were from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 1,011,578	\$ -
Assumption changes	-	24,809
Net difference between projected and actual earnings on pension plan investments	2,791,109	-
Contributions subsequent to the measurement date	446,149	-
	<u>\$ 4,248,836</u>	<u>\$ 24,809</u>
Total	<u>\$ 4,248,836</u>	<u>\$ 24,809</u>
City	\$ 3,837,729	\$ 22,461
Library	411,107	2,348
	<u>\$ 4,248,836</u>	<u>\$ 24,809</u>
Total	<u>\$ 4,248,836</u>	<u>\$ 24,809</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, 2026. The remaining amounts reported as deferred outflows and inflows of resources related to pensions is \$3,777,878. Amounts will be recognized in pension expense as follows:

<u>Years Ending April 30:</u>	<u>Amount</u>
2026	\$ 2,219,024
2027	4,029,766
2028	(1,695,300)
2029	(775,612)
2030	-
Thereafter	-
	<u>\$ 3,777,878</u>
Total	<u>\$ 3,777,878</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.

City of Lake Forest

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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, 2025, the Police Pension membership consisted of:

Retirees and beneficiaries	51
Inactive, nonretired members	15
Active members	<u>38</u>
Total	<u><u>104</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 2040. The City's actuarially determined contribution rate for the fiscal year ending April 30, 2025 was 81.89% of annual covered payroll.

Net Pension Liability/(Asset)

The net pension liability/(asset) was measured as of April 30, 2025.

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.

City of Lake Forest

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Actuarial Assumptions

The total pension liability was determined by an actuarial valuation performed as of April 30, 2025 using the following actuarial methods and assumptions:

Actuarial cost method	Entry Age Normal
Asset valuation method	Market Value of Assets
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. 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.

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>
Net pension liability	\$ 46,082,153	\$ 33,916,423	\$ 24,019,661

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Changes in Net Pension Liability/(Asset)

The City's changes in net pension liability/(asset) for the year ended April 30, 2025 was as follows:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/Asset (a) - (b)
Balances at April 30, 2024	\$ 83,392,192	\$ 47,981,628	\$ 35,410,564
Service cost	1,032,116	-	1,032,116
Interest on total pension liability	5,340,594	-	5,340,594
Differences between expected and actual experience of the total pension liability	898,057	-	898,057
Benefit payments, including refunds of employee contributions	(4,522,653)	(4,522,653)	-
Contributions, employer	-	3,697,077	(3,697,077)
Contributions, employee	-	443,181	(443,181)
Net investment income	-	4,668,199	(4,668,199)
Administration	-	(43,549)	43,549
Balances at April 30, 2025	<u>\$ 86,140,306</u>	<u>\$ 52,223,883</u>	<u>\$ 33,916,423</u>
Plan fiduciary net position as a percentage of the total pension liability			60.63 %

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

For the year ended April 30, 2025, the City recognized pension expense of \$3,237,516. The City reported deferred outflows and inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 2,527,685	\$ 120,283
Assumption changes	95,923	-
Net difference between projected and actual earnings on pension plan investments	-	458,438
Total	<u>\$ 2,623,608</u>	<u>\$ 578,721</u>

The amounts reported as deferred outflows and inflows of resources related to pensions is \$2,044,887 and will be recognized in pension expense as follows:

<u>Years Ending April 30:</u>	<u>Amount</u>
2026	\$ 1,461,847
2027	720,561
2028	(4,486)
2029	(133,035)
Total	<u>\$ 2,044,887</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.

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, 2025, the Firefighters' Pension Plan membership consisted of:

Retirees and beneficiaries	50
Inactive, non-retired members	7
Active members	<u>32</u>
Total	<u><u>89</u></u>

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Contributions

Participants contribute a fixed percentage of their base salary to the plans. At April 30, 2025, 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, 2025 was 70.16% of annual covered payroll.

Net Pension Liability/(Asset)

The net pension liability/(asset) was measured as of April 30, 2025.

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, 2025 using the following actuarial methods and assumptions:

Actuarial cost method	Entry Age
Asset valuation method	Market Value of Assets
Actuarial assumptions	
Interest rate	6.50%
Inflation	2.25%
Projected salary increases	Service based
Cost-of-living adjustments	3.0% (1.125% for those hired on or after January 1, 2011)

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. 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.

City of Lake Forest

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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.

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>
Net pension liability	\$ 30,111,006	\$ 19,715,946	\$ 11,222,855

Changes in Net Pension Liability/(Asset)

The City's changes in net pension liability/(asset) for the year ended April 30, 2025 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, 2024	\$ 72,447,677	\$ 51,232,159	\$ 21,215,518
Service cost	987,414	-	987,414
Interest on total pension liability	4,650,649	-	4,650,649
Differences between expected and actual experience of the total pension liability	1,091,497	-	1,091,497
Benefit payments, including refunds of employee contributions	(3,773,293)	(3,773,293)	-
Contributions, employer	-	2,589,313	(2,589,313)
Contributions, employee	-	362,766	(362,766)
Net investment income	-	5,339,856	(5,339,856)
Administration	-	(62,803)	62,803
Balances at April 30, 2025	<u>\$ 75,403,944</u>	<u>\$ 55,687,998</u>	<u>\$ 19,715,946</u>

Plan fiduciary net position as a percentage of the total pension liability 73.85 %

City of Lake Forest

Notes to Financial Statements
April 30, 2025

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

For the year ended April 30, 2025, the City recognized pension expense of \$2,482,828. 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	\$ 2,076,747	\$ -
Assumption changes	287,503	-
Net difference between projected and actual earnings on pension plan investments	<u>-</u>	<u>523,916</u>
Total	<u>\$ 2,364,250</u>	<u>\$ 523,916</u>

The amounts reported as deferred outflows and inflows of resources related to pensions is \$1,840,334 and will be recognized in pension expense as follows:

<u>Years Ending April 30:</u>	<u>Amount</u>
2026	\$ 1,758,595
2027	416,406
2028	(276,495)
2029	<u>(58,172)</u>
Total	<u>\$ 1,840,334</u>

City of Lake Forest

Notes to Financial Statements
April 30, 2025

Pension Segment Information

Fiduciary Net Position

	Pension Trust		Total
	Police Pension	Firefighters' Pension	
Assets			
Cash	\$ 56,877	\$ 26,691	\$ 83,568
Investments:			
Money markets	-	354,480	354,480
Illinois police officers' pension investment fund	52,113,803	-	52,113,803
Illinois firefighters' pension investment fund	-	55,273,901	55,273,901
Prepaid items	7,148	7,284	14,432
Due from primary government	47,974	27,338	75,312
	<u>52,225,802</u>	<u>55,689,694</u>	<u>107,915,496</u>
Total assets			
Liabilities			
Accounts payable	<u>1,919</u>	<u>1,696</u>	<u>3,615</u>
Total liabilities	<u>1,919</u>	<u>1,696</u>	<u>3,615</u>
Net Position			
Restricted for pension benefits	<u>52,223,883</u>	<u>55,687,998</u>	<u>107,911,881</u>
Total net position	<u>\$ 52,223,883</u>	<u>\$ 55,687,998</u>	<u>\$107,911,881</u>

City of Lake Forest

Notes to Financial Statements
April 30, 2025

Changes in Plan Net Position

	Pension Trust		Total
	Police Pension	Firefighters' Pension	
Additions			
Contributions:			
Employer	\$ 3,697,077	\$ 2,589,313	\$ 6,286,390
Employee	443,181	362,766	805,947
Total contributions	<u>4,140,258</u>	<u>2,952,079</u>	<u>7,092,337</u>
Investment income:			
Interest	293,519	1,088,767	1,382,286
Net appreciation in fair value of investments	<u>4,408,871</u>	<u>4,346,513</u>	<u>8,755,384</u>
Total investment income	4,702,390	5,435,280	10,137,670
Less investment expense	<u>(34,191)</u>	<u>(95,424)</u>	<u>(129,615)</u>
Net investment income	<u>4,668,199</u>	<u>5,339,856</u>	<u>10,008,055</u>
Total additions	<u>8,808,457</u>	<u>8,291,935</u>	<u>17,100,392</u>
Deductions			
Pension benefits and refunds	4,522,653	3,773,293	8,295,946
Other administrative expenses	<u>43,549</u>	<u>62,803</u>	<u>106,352</u>
Total deductions	<u>4,566,202</u>	<u>3,836,096</u>	<u>8,402,298</u>
Change in net position	4,242,255	4,455,839	8,698,094
Net Position, Beginning	<u>47,981,628</u>	<u>51,232,159</u>	<u>99,213,787</u>
Net Position, Ending	<u>\$ 52,223,883</u>	<u>\$ 55,687,998</u>	<u>\$ 107,911,881</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; workers compensation; and health care of its employees. The City participates in a public entity risk pool called Intergovernmental Risk Management Agency to provide coverage for losses from damage to or destruction of assets; workers compensation and cyber attacks. However, other risks, such as health care of its employees are accounted for and financed by the City in an internal service fund - the Liability Insurance Fund.

City of Lake Forest

Notes to Financial Statements
April 30, 2025

Self Insurance

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. During fiscal year 2025, the City is no longer self insured and is covering these risks with participating in the Intergovernmental Personnel Benefit Cooperative (IPBC). The self-insurance plan was terminated as of December 31, 2024.

A liability for a claim is established if information indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss is reasonably estimable. Liabilities include an amount for claims that have been incurred but not reported. The City does not allocate overhead costs or other nonincremental costs to the claims liability.

Claims Liability

	<u>Prior Year</u>	<u>Current Year</u>
Unpaid Claims, Beginning	\$ 426,629	\$ 787,422
Current year claims and changes in estimates	6,181,712	3,605,999
Claim payments	<u>(5,820,919)</u>	<u>(4,393,421)</u>
Unpaid Claims, Ending	<u>\$ 787,422</u>	<u>\$ -</u>

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.

Intergovernmental Personnel Benefit Cooperative

The City participates in the Intergovernmental Personnel Benefit Cooperative (IPBC). IPBC is a public entity risk pool established in 1979 by certain units of local government in Illinois to administer some or all of the personnel benefit programs (primarily medical, dental and life insurance coverage) offered by these members to their officers and employees and to the officers and employees of certain other governmental, quasi governmental and nonprofit public service entities. Management consists of a Board of Directors comprised of one appointed representative from each member. The officers of IPBC are chosen by the Board of Directors from among their membership.

The City does not exercise any control over the activities of the IPBC beyond its representation on the Board of Directors. IPBC acts as an administrative agency to receive, process and pay such claims as may come within the benefit program of each member. Through IPBC, the City offers both a PPO plan and an HMO plan. For those employees enrolled in the PPO plan, the City is responsible for the first \$35,000 in claims for each individual employee participant every claim year. The members of IPBC share claims (for each individual employee) between \$35,000 and \$125,000. IPBC maintains stop-loss insurance to cover claims in excess of \$125,000. Approximately 93% of the City's employees and retirees are PPO participants.

The HMO plan is also self-insured through a special arrangement. Members of IPBC pay for fixed costs of capitation and administration and then fund for claims not covered under the capitation fee. This plan is fully pooled, and the City is not individually rated based on claims experience. All members of IPBC pay the same rates based on plan design choices. Approximately, 7% of the City's employees and retirees are HMO participants.

The City makes payments to IPBC monthly based on its participation in the plan. The rates per individual participant are determined annually based on each member's prior experience within the pool and projected future claims. This rate also includes a provision for the cost of excess insurance purchased by IPBC.

The City also makes monthly payments to IPBC for the administration of the plan.

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.

Other Postemployment Benefits

General Information about the OPEB Plan

Plan Description

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

The plan is 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. The plan does not issue a separate report.

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.

City of Lake Forest

Notes to Financial Statements
April 30, 2025

Employees Covered by Benefit Terms

At April 30, 2025, the following employees were covered by the benefit terms:

Inactive plan members entitled to but not yet receiving benefit payments	17
Active plan members	<u>209</u>
Total	<u><u>226</u></u>

Total OPEB Liability

The total OPEB liability of \$3,722,398 was measured as of April 30, 2025, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the April 30, 2025 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Discount rate	5.24%
Inflation	2.50%
Salary increases	3.00%
Healthcare cost trend rates	Initial - 8.30% Ultimate - 5.00%
Healthcare participation rate	30%

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-2021 Improvement Rates, weighted per IMRF Experience Study Report dated January 4, 2024, for IMRF members. For police and fire members, mortality rates were based on the PubS-2010(A) Study improved to 2021 using MP-2021 improvement rates.

The actuarial assumptions used in the April 30, 2025 valuation were based on the results of an actuarial experience study dated January 4, 2024.

City of Lake Forest

Notes to Financial Statements
April 30, 2025

Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
Balances at April 30, 2024	\$ 1,853,004
Changes for the year:	
Service cost	137,467
Interest	71,924
Changes of benefit terms	8,396
Differences between expected and actual experience	1,047,933
Changes in assumptions or other inputs	775,352
Benefit payments	<u>(171,678)</u>
Net changes	<u>1,869,394</u>
Balances at April 30, 2025	<u>\$ 3,722,398</u>

Changes of assumptions and other inputs reflect a change in the discount rate from 4.07% in 2024 to 5.24% in 2025 and a change in election rate from 16% to 30% for the City. Demographic experience was updated to reflect the addition of one new PSEBA participant and another existing PSEBA recipient who switched to a higher-cost medical plan. Additionally, the City revised its plan to include City-paid vision premiums for PSEBA recipients, as reflected in the updated benefit terms.

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

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.24%) or 1-percentage-point higher (6.24%) than the current discount rate:

	<u>1% Decrease</u>	<u>Discount Rate</u>	<u>1% Increase</u>
Total OPEB liability	\$ 3,998,841	\$ 3,722,398	\$ 3,467,584

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

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	<u>1% Decrease</u>	<u>Healthcare Cost Trend Rates</u>	<u>1% Increase</u>
Total OPEB liability	\$ 3,375,948	\$ 3,722,398	\$ 4,123,329

City of Lake Forest

Notes to Financial Statements
April 30, 2025

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

For the year ended April 30, 2025, the City recognized OPEB expense of \$310,124. At April 30, 2025, 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	\$ 965,742	\$ 524,431
Changes of assumptions or other inputs	<u>898,009</u>	<u>163,136</u>
Total	<u>\$ 1,863,751</u>	<u>\$ 687,567</u>

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

<u>Years Ending April 30:</u>	<u>Amount</u>
2026	\$ 92,337
2027	92,337
2028	92,337
2029	92,337
2030	89,750
Thereafter	<u>717,086</u>
Total	<u>\$ 1,176,184</u>

Tax Increment Financing 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, 2025, the City received \$4,763,542 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 \$3,604,494 have been made on the TIF Note as of April 30, 2025.

A redevelopment agreement between the City and developer was also executed in September 2016. As of April 30, 2025, 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 2025, 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 all 12 units are sold pending completion of the building. The interiors of the units will all be custom build outs. The twelve single family homes are completed and are occupied. 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. 102, *Certain Risk Disclosures*
- Statement No. 103, *Financial Reporting Model Improvements*
- Statement No. 104, *Disclosure of Certain Capital Assets*

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, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes:				
Property	\$ 23,028,388	\$ 23,028,388	\$ 23,043,589	\$ 15,201
Other taxes	2,780,384	2,780,384	3,042,865	262,481
Intergovernmental	6,761,429	6,761,429	8,898,128	2,136,699
Licenses and permits	3,804,528	3,804,528	4,971,912	1,167,384
Fines, forfeitures and penalties	255,450	255,450	217,796	(37,654)
Charges for services	5,226,544	5,226,544	4,986,181	(240,363)
Grants and contributions	6,000	6,000	11,252	5,252
Investment income	820,035	820,035	1,368,061	548,026
Miscellaneous revenues	1,307,000	1,307,000	1,399,453	92,453
	<u>43,989,758</u>	<u>43,989,758</u>	<u>47,939,237</u>	<u>3,949,479</u>
Total revenues				
Expenditures				
General government	12,958,853	13,292,048	12,089,702	1,202,346
Highways and streets	3,580,979	3,761,741	3,414,302	347,439
Sanitation	2,835,994	2,838,494	2,943,252	(104,758)
Public safety	21,152,472	21,458,927	20,984,168	474,759
Capital outlay	171,600	205,334	142,658	62,676
Contingency	4,331,220	4,331,220	-	4,331,220
	<u>45,031,118</u>	<u>45,887,764</u>	<u>39,574,082</u>	<u>6,313,682</u>
Total expenditures				
Excess (deficiency) of revenues over (under) expenditures	<u>(1,041,360)</u>	<u>(1,898,006)</u>	<u>8,365,155</u>	<u>10,263,161</u>
Other Financing Sources (Uses)				
Transfers out	<u>(2,240,940)</u>	<u>(1,755,651)</u>	<u>(1,536,751)</u>	<u>218,900</u>
Total other financing sources (uses)	<u>(2,240,940)</u>	<u>(1,755,651)</u>	<u>(1,536,751)</u>	<u>218,900</u>
Net change in fund balance	<u>\$ (3,282,300)</u>	<u>\$ (3,653,657)</u>	<u>6,828,404</u>	<u>\$ 10,482,061</u>
Fund Balance, Beginning			<u>33,541,856</u>	
Fund Balance, Ending			<u>\$ 40,370,260</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, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Property taxes	\$ 7,205,492	\$ 7,205,492	\$ 7,215,567	\$ 10,075
Intergovernmental	80,000	80,000	58,258	(21,742)
Charges for services	3,630,805	3,630,805	3,682,035	51,230
Grants and contributions	67,000	67,000	63,611	(3,389)
Investment income	70,000	70,000	300,308	230,308
Miscellaneous revenues	<u>30,500</u>	<u>30,500</u>	<u>12,093</u>	<u>(18,407)</u>
Total revenues	<u>11,083,797</u>	<u>11,083,797</u>	<u>11,331,872</u>	<u>248,075</u>
Expenditures				
Current:				
Culture and recreation	10,685,975	10,731,137	10,256,949	474,188
Capital outlay	427,208	536,579	166,176	370,403
Contingency	<u>1,134,971</u>	<u>1,134,971</u>	<u>-</u>	<u>1,134,971</u>
Total expenditures	<u>12,248,154</u>	<u>12,402,687</u>	<u>10,423,125</u>	<u>1,979,562</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,164,357)</u>	<u>(1,318,890)</u>	<u>908,747</u>	<u>2,227,637</u>
Other Financing Sources (Uses)				
Transfers in	-	-	28,040	28,040
Transfers out	<u>-</u>	<u>(82,000)</u>	<u>(221,024)</u>	<u>(139,024)</u>
Total other financing sources (uses)	<u>-</u>	<u>(82,000)</u>	<u>(192,984)</u>	<u>(110,984)</u>
Net change in fund balance	<u>\$ (1,164,357)</u>	<u>\$ (1,400,890)</u>	715,763	<u>\$ 2,116,653</u>
Fund Balance, Beginning			<u>3,143,933</u>	
Fund Balance, Ending			<u>\$ 3,859,696</u>	

City of Lake Forest

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

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 Ten 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%

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 Ten 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%

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 Ten Fiscal Years

	2025		
	<u>City</u>	<u>Library</u>	<u>Total</u>
Total Pension Liability			
Service cost	\$ 1,285,681	\$ 134,397	\$ 1,420,078
Interest on total pension liability	8,294,847	867,086	9,161,933
Differences between expected and actual experience of the total pension liability	743,996	77,772	821,768
Changes of assumptions	(14,902)	14,902	-
Transfer of liability	-	-	-
Benefit payments, including refunds of member contributions	(7,046,184)	(736,561)	(7,782,745)
Net change in total pension liability	3,263,438	357,596	3,621,034
Total Pension Liability, Beginning	115,042,714	14,510,104	129,552,818
Total Pension Liability, Ending (a)	<u>\$ 118,306,152</u>	<u>\$ 14,867,700</u>	<u>\$ 133,173,852</u>
Plan Fiduciary Net Position			
Employer contributions	\$ 958,659	\$ 100,212	\$ 1,058,871
Employee contributions	693,751	72,520	766,271
Net investment income	11,404,503	1,192,151	12,596,654
Benefit payments, including refunds of member contributions	(7,046,184)	(736,561)	(7,782,745)
Other (net transfer)	(3,073,911)	(321,326)	(3,395,237)
Net change in plan fiduciary net position	2,936,818	306,996	3,243,814
Plan Fiduciary Net Position, Beginning	110,845,062	14,087,769	124,932,831
Plan Fiduciary Net Position, Ending (b)	<u>\$ 113,781,880</u>	<u>\$ 14,394,765</u>	<u>\$ 128,176,645</u>
Employer's Net Pension Liability, Ending (a) - (b)	<u>\$ 4,524,272</u>	<u>\$ 472,935</u>	<u>\$ 4,997,207</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability			96.25%
Covered Payroll			\$ 17,161,612
Employer's Net Pension Liability as a Percentage of Covered Payroll			29.12%

See notes to required supplementary information

City of Lake Forest

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

	2025			2024			2023			2022		
	City	Library	Total	City	Library	Total	City	Library	Total	City	Library	Total
Actuarially determined contribution	\$ 958,660	\$ 100,211	\$ 1,058,871	\$ 867,326	\$ 87,264	\$ 954,590	\$ 1,161,647	115,501	\$ 1,277,148	\$ 1,553,462	\$ 155,110	\$ 1,708,572
Contributions in relation to the actuarially determined contribution	(958,660)	(100,211)	(1,058,871)	(867,326)	(87,264)	(954,590)	(1,161,723)	(115,509)	(1,277,232)	(1,553,376)	(155,101)	(1,708,477)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (76)	\$ (8)	\$ (84)	\$ 86	\$ 9	\$ 95
Covered Payroll			\$ 17,440,220			\$ 16,611,639			\$ 15,404,437			\$ 14,860,617
Contributions as a Percentage of Covered Payroll			6.07%			5.75%			8.29%			11.50%
	2021			2020			2019			2018		
	City	Library	Total	City	Library	Total	City	Library	Total	City	Library	Total
Actuarially determined contribution	\$ 1,525,367	\$ 158,082	\$ 1,683,449	\$ 1,217,957	\$ 131,782	\$ 1,349,739	\$ 1,514,588	\$ 156,757	\$ 1,671,345	\$ 1,447,303	\$ 172,745	\$ 1,620,048
Contributions in relation to the actuarially determined contribution	(1,525,544)	(158,100)	(1,683,644)	(1,224,123)	(132,449)	(1,356,572)	(1,535,144)	(158,885)	(1,694,029)	(1,485,109)	(177,258)	(1,662,367)
Contribution deficiency (excess)	\$ (177)	\$ (18)	\$ (195)	\$ (6,166)	\$ (667)	\$ (6,833)	\$ (20,556)	\$ (2,128)	\$ (22,684)	\$ (37,806)	\$ (4,513)	\$ (42,319)
Covered Payroll			\$ 15,519,529			\$ 14,612,252			\$ 14,446,880			\$ 13,247,776
Contributions as a Percentage of Covered Payroll			10.85%			9.28%			11.73%			12.55%
	2017			2016								
	City	Library	Total	City	Library	Total						
Actuarially determined contribution	\$ 1,454,901	\$ 177,896	\$ 1,632,797	\$ 1,741,632	\$ 233,902	\$ 1,975,534						
Contributions in relation to the actuarially determined contribution	(1,494,964)	(182,795)	(1,677,759)	(1,757,095)	(235,978)	(1,993,073)						
Contribution deficiency (excess)	\$ (40,063)	\$ (4,899)	\$ (44,962)	\$ (15,463)	\$ (2,076)	\$ (17,539)						
Covered payroll			\$ 13,135,941			\$ 13,391,112						
Contributions as a percentage of covered payroll			12.77%			14.88%						

Valuation Date:

Actuarially determined contribution rates are calculated as of December 31 each year, which are 4 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	19 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

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Pension Liability										
Service cost	\$ 883,178	\$ 931,083	\$ 895,320	\$ 900,450	\$ 908,951	\$ 1,053,151	\$ 948,636	\$ 1,040,068	\$ 992,054	\$ 1,032,116
Interest on total pension liability	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	5,340,594
Change on benefit terms	-	-	-	-	231,490	-	-	-	-	-
Differences between expected and actual experience of the total pension liability	(2,129,040)	306,030	(39,964)	2,043,281	(1,297,619)	1,028,579	(360,851)	1,398,788	2,082,874	898,057
Changes of assumptions	-	1,248,764	-	3,709,450	2,226,349	-	287,776	-	-	-
Benefit payments, including refunds of member contributions	(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)	(4,522,653)
Net change in total pension liability	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	2,748,114
Total Pension Liability, Beginning	52,530,895	52,622,210	56,248,128	58,400,246	66,252,095	69,868,229	73,432,245	75,529,445	79,134,271	83,392,192
Total Pension Liability, Ending (a)	\$ 52,622,210	\$ 56,248,128	\$ 58,400,246	\$ 66,252,095	\$ 69,868,229	\$ 73,432,245	\$ 75,529,445	\$ 79,134,271	\$ 83,392,192	\$ 86,140,306
Plan Fiduciary Net Position										
Employer contributions	\$ 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	\$ 3,697,077
Employee contributions	373,216	371,695	379,500	392,258	404,985	427,305	474,816	515,034	501,413	443,181
Net investment income	(475,655)	2,635,379	2,064,885	1,716,441	158,635	8,702,747	(888,628)	493,641	4,272,819	4,668,199
Benefit payments, including refunds of member contributions	(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)	(4,522,653)
Administrative expenses	(4,835)	(27,816)	(34,158)	(60,847)	(52,357)	(45,069)	(54,302)	(59,179)	(48,628)	(43,549)
Net change in plan fiduciary net position	(621,592)	2,354,285	1,892,487	1,699,891	211,890	9,637,216	(588,058)	839,264	4,530,490	4,242,255
Plan Fiduciary Net Position, Beginning	28,025,755	27,404,163	29,758,448	31,650,935	33,350,826	33,562,716	43,199,932	42,611,874	43,451,138	47,981,628
Plan Fiduciary Net Position, Ending (b)	\$ 27,404,163	\$ 29,758,448	\$ 31,650,935	\$ 33,350,826	\$ 33,562,716	\$ 43,199,932	\$ 42,611,874	\$ 43,451,138	\$ 47,981,628	\$ 52,223,883
City's Net Pension Liability, Ending (a) - (b)	\$ 25,218,047	\$ 26,489,680	\$ 26,749,311	\$ 32,901,269	\$ 36,305,513	\$ 30,232,313	\$ 32,917,571	\$ 35,683,133	\$ 35,410,564	\$ 33,916,423
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	52.08%	52.91%	54.20%	50.34%	48.04%	58.83%	56.42%	54.91%	57.54%	60.63%
Covered Payroll	\$ 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	\$ 4,514,720
City's Net Pension Liability as a Percentage of Covered Payroll	670.76%	706.26%	703.77%	834.97%	894.27%	741.41%	727.05%	859.75%	816.02%	751.24%

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>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Actuarially determined contribution	\$ 1,810,315	\$ 1,737,445	\$ 1,832,059	\$ 2,505,888
Contributions in relation to the actuarially determined contribution	<u>1,806,270</u>	<u>1,895,500</u>	<u>2,094,124</u>	<u>2,504,581</u>
Contribution deficiency (excess)	<u>\$ 4,045</u>	<u>\$ (158,055)</u>	<u>\$ (262,065)</u>	<u>\$ 1,307</u>
Covered Payroll	\$ 3,759,611	\$ 3,750,706	\$ 3,800,841	\$ 3,940,419
Contributions as a Percentage of Covered Payroll	48.04%	50.54%	55.10%	63.56%

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	17-year amortization in 2023
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. Ten percent of deaths are assumed to be in the line of duty

<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
\$ 2,594,845	\$ 3,090,726	\$ 3,388,076	\$ 3,338,755	\$ 3,428,788	\$ 3,607,232
2,589,534	3,581,389	3,379,444	3,580,856	3,703,402	3,697,077
<u>\$ 5,311</u>	<u>\$ (490,663)</u>	<u>\$ 8,632</u>	<u>\$ (242,101)</u>	<u>\$ (274,614)</u>	<u>\$ (89,845)</u>
\$ 4,059,797	\$ 4,077,656	\$ 4,527,537	\$ 4,150,388	\$ 4,339,405	\$ 4,514,720
63.78%	87.83%	74.64%	86.28%	85.34%	81.89%

See notes to required supplementary information

City of Lake Forest

Police Pension Fund
Schedule of Investment Returns
Last Ten Fiscal Years

	<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>	<u>2025</u>
Annual money-weighted rate of return, net of investment expense	-1.44%	9.67%	7.03%	5.48%	0.59%	25.29%	-1.89%	1.15%	9.80%	9.78%

City of Lake Forest

Firefighters' Pension Fund

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

Last Ten Fiscal Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Pension Liability										
Service cost	\$ 926,420	\$ 860,148	\$ 854,245	\$ 891,741	\$ 876,151	\$ 1,017,451	\$ 1,006,247	\$ 936,270	\$ 1,002,124	\$ 987,414
Interest on total pension liability	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	4,650,649
Changes in benefit terms	-	-	-	-	172,556	-	-	-	-	-
Differences between expected and actual experience of the total pension liability	(186,474)	227,730	176,286	166,664	134,069	1,089,198	150,101	894,144	787,367	1,091,497
Changes of assumptions	-	1,401,097	-	3,101,793	1,900,513	-	680,212	121,539	-	-
Benefit payments, including refunds of member contributions	(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)	(3,773,293)
Net change in total pension liability	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	2,956,267
Total Pension Liability, Beginning	43,938,314	45,820,158	49,290,987	51,327,313	56,470,867	60,620,657	63,740,015	66,590,834	69,539,760	72,447,677
Total Pension Liability, Ending (a)	\$ 45,820,158	\$ 49,290,987	\$ 51,327,313	\$ 56,470,867	\$ 60,620,657	\$ 63,740,015	\$ 66,590,834	\$ 69,539,760	\$ 72,447,677	\$ 75,403,944
Plan Fiduciary Net Position										
Employer contributions	\$ 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	\$ 2,589,313
Employee contributions	297,946	290,383	296,202	311,675	330,725	349,655	343,611	350,363	405,970	362,766
Net investment income	60,335	3,053,497	2,897,100	3,032,134	988,063	10,796,842	(2,576,122)	259,444	4,958,868	5,339,856
Miscellaneous revenue	100	-	-	-	-	-	-	-	-	-
Benefit payments, including refunds of member contributions	(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)	(3,773,293)
Administrative expenses	(4,835)	(34,006)	(35,547)	(52,598)	(44,220)	(38,657)	(41,385)	(35,450)	(45,762)	(62,803)
Net change in plan fiduciary net position	(360,916)	2,312,990	2,046,421	2,429,035	383,768	10,775,523	(2,968,796)	(199,652)	4,555,796	4,455,839
Plan Fiduciary Net Position, Beginning	32,257,990	31,897,074	34,210,064	36,256,485	38,685,520	39,069,288	49,844,811	46,876,015	46,676,363	51,232,159
Plan Fiduciary Net Position, Ending (b)	\$ 31,897,074	\$ 34,210,064	\$ 36,256,485	\$ 38,685,520	\$ 39,069,288	\$ 49,844,811	\$ 46,876,015	\$ 46,676,363	\$ 51,232,159	\$ 55,687,998
City's Net Pension Liability, Ending (a) - (b)	\$ 13,923,084	\$ 15,080,923	\$ 15,070,828	\$ 17,785,347	\$ 21,551,369	\$ 13,895,204	\$ 19,714,819	\$ 22,863,397	\$ 21,215,518	\$ 19,715,946
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	69.61%	69.40%	70.64%	68.51%	64.45%	78.20%	70.39%	67.12%	70.72%	73.85%
Covered Payroll	\$ 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	\$ 3,690,694
City's Net Pension Liability as a Percentage of Covered Payroll	476.02%	491.04%	465.52%	532.74%	626.33%	393.91%	559.49%	612.91%	547.43%	534.21%

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>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Actuarially determined contribution	\$ 1,217,702	\$ 1,137,826	\$ 1,298,188	\$ 1,721,953
Contributions in relation to the actuarially determined contribution	<u>1,216,585</u>	<u>1,211,587</u>	<u>1,308,348</u>	<u>1,719,445</u>
Contribution deficiency (excess)	<u>\$ 1,117</u>	<u>\$ (73,761)</u>	<u>\$ (10,160)</u>	<u>\$ 2,508</u>
Covered Payroll	\$ 2,924,893	\$ 3,071,211	\$ 3,237,410	\$ 3,388,448
Contributions as a Percentage of Covered Payroll	41.59%	39.45%	40.41%	50.74%

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	17-year amortization in 2023
Asset valuation method	5-year average fair value
Inflation	2.25%
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-2020. Twenty percent of deaths are assumed to be in the line of duty

<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
\$ 1,826,568	\$ 2,075,171	\$ 2,406,318	\$ 2,344,403	\$ 2,286,752	\$ 2,472,865
<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>2,589,313</u>
<u>\$ 4,504</u>	<u>\$ (492,045)</u>	<u>\$ 7,515</u>	<u>\$ (167,098)</u>	<u>\$ (307,640)</u>	<u>\$ (116,448)</u>
\$ 3,440,901	\$ 3,527,518	\$ 3,523,737	\$ 3,730,296	\$ 3,875,500	\$ 3,690,694
52.95%	72.78%	68.08%	67.33%	66.94%	70.16%

See notes to required supplementary information

City of Lake Forest

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

	<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>	<u>2025</u>
Annual money-weighted rate of return, net of investment expense	0.26%	9.66%	8.65%	8.56%	2.63%	28.13%	-5.19%	0.56%	10.67%	10.52%

City of Lake Forest

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

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Total OPEB Liability							
Service cost	\$ 46,323	\$ 49,721	\$ 64,125	\$ 169,870	\$ 154,219	\$ 142,209	\$ 137,467
Interest	93,093	89,145	68,569	49,206	66,059	62,827	71,924
Changes of benefit terms	-	-	-	-	-	-	8,396
Differences between expected and actual experience	-	-	(473,423)	-	(335,854)	-	1,047,933
Changes of assumptions	32,177	365,319	6,339	(170,973)	(10,163)	(52,806)	775,352
Benefit payments, including refunds of member contributions	(157,993)	(171,388)	(183,715)	(169,067)	(146,687)	(158,039)	(171,678)
	<u>13,600</u>	<u>332,797</u>	<u>(518,105)</u>	<u>(120,964)</u>	<u>(272,426)</u>	<u>(5,809)</u>	<u>1,869,394</u>
Net change in total OPEB liability							
Total OPEB Liability, Beginning	<u>2,423,911</u>	<u>2,437,511</u>	<u>2,770,308</u>	<u>2,252,203</u>	<u>2,131,239</u>	<u>1,858,813</u>	<u>1,853,004</u>
Total OPEB Liability, Ending	<u>\$ 2,437,511</u>	<u>\$ 2,770,308</u>	<u>\$ 2,252,203</u>	<u>\$ 2,131,239</u>	<u>\$ 1,858,813</u>	<u>\$ 1,853,004</u>	<u>\$ 3,722,398</u>
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%
Covered-Employee Payroll	\$ 20,233,763	\$ 20,794,094	\$ 22,059,672	\$ 21,774,034	\$ 22,480,316	\$ 24,035,832	\$ 24,778,894
City's Total OPEB Liability as a Percentage of Covered-Employee Payroll	12.05%	13.32%	10.21%	9.79%	8.27%	7.71%	15.02%

Notes to Schedule:

The City 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, 2025

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, 2025

	Special Revenue Funds				
	Police Restricted	Foreign Fire Insurance Tax	Emergency Telephone	Parks and Public Land	Motor Fuel Tax
Assets					
Cash and cash equivalents	\$ 176,662	\$ 311,723	\$ 272,820	\$ 1,014,379	\$ 2,591,657
Investments	-	-	-	-	-
Receivables:					
Property taxes	-	-	-	-	-
Other	1,162	-	1,317,832	-	-
Due from other governments	-	-	-	-	69,999
Due from fiduciary funds	-	-	-	-	-
Prepaid items	-	-	37,037	-	-
Total assets	<u>\$ 177,824</u>	<u>\$ 311,723</u>	<u>\$ 1,627,689</u>	<u>\$ 1,014,379</u>	<u>\$ 2,661,656</u>
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities					
Accounts payable	\$ 2,120	\$ -	\$ (637)	\$ -	\$ 32,792
Accrued liabilities	-	-	-	-	-
Deposits	-	-	-	-	-
Advances from other funds	-	-	-	-	-
Total liabilities	<u>2,120</u>	<u>-</u>	<u>(637)</u>	<u>-</u>	<u>32,792</u>
Deferred Inflows of Resources					
Property taxes levied for a future period	-	-	-	-	-
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	-	-	-	1,014,379	-
Restricted for highways and streets	-	-	-	-	2,628,864
Restricted for public safety	175,704	311,723	1,591,289	-	-
Restricted for cemetery perpetual care	-	-	-	-	-
Restricted for affordable housing	-	-	-	-	-
Restricted for debt service purposes	-	-	-	-	-
Total fund balances	<u>175,704</u>	<u>311,723</u>	<u>1,628,326</u>	<u>1,014,379</u>	<u>2,628,864</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 177,824</u>	<u>\$ 311,723</u>	<u>\$ 1,627,689</u>	<u>\$ 1,014,379</u>	<u>\$ 2,661,656</u>

City of Lake Forest

Combining Balance Sheet -
 Nonmajor Governmental Funds
 April 30, 2025

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	
\$ 89,882	\$ 2,682,533	\$ 1,379,851	\$ 293,851	\$ 171,233	\$ 8,984,591
-	-	12,009,657	-	-	12,009,657
-	-	-	3,090,076	-	3,090,076
53,514	-	120,850	-	-	1,493,358
-	-	-	-	-	69,999
-	-	40,595	-	-	40,595
-	-	-	-	-	37,037
<u>\$ 143,396</u>	<u>\$ 2,682,533</u>	<u>\$ 13,550,953</u>	<u>\$ 3,383,927</u>	<u>\$ 171,233</u>	<u>\$ 25,725,313</u>
\$ 8,895	\$ -	\$ 35,104	\$ -	\$ -	\$ 78,274
12,277	-	14,659	-	-	26,936
-	18,000	-	-	-	18,000
-	-	814,500	-	-	814,500
<u>21,172</u>	<u>18,000</u>	<u>864,263</u>	<u>-</u>	<u>-</u>	<u>937,710</u>
-	-	-	3,090,077	-	3,090,077
-	-	-	3,090,077	-	3,090,077
-	-	-	-	-	37,037
-	-	-	-	171,233	171,233
122,224	-	-	-	-	1,136,603
-	-	-	-	-	2,628,864
-	-	-	-	-	2,078,716
-	-	12,686,690	-	-	12,686,690
-	2,664,533	-	-	-	2,664,533
-	-	-	293,850	-	293,850
<u>122,224</u>	<u>2,664,533</u>	<u>12,686,690</u>	<u>293,850</u>	<u>171,233</u>	<u>21,697,526</u>
<u>\$ 143,396</u>	<u>\$ 2,682,533</u>	<u>\$ 13,550,953</u>	<u>\$ 3,383,927</u>	<u>\$ 171,233</u>	<u>\$ 25,725,313</u>

City of Lake Forest

Combining Statement of Revenues, Expenditures and Changes in Fund Balances -
 Nonmajor Governmental Funds
 Year Ended April 30, 2025

	Special Revenue Funds				
	<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	10,794	-	-	-	875,362
Charges for services	36,162	189,618	465,324	150,042	-
Grants and contributions	-	-	-	-	-
Investment income	8,502	973	3,788	56,423	124,840
Total revenues	<u>55,458</u>	<u>190,591</u>	<u>469,112</u>	<u>206,465</u>	<u>1,000,202</u>
Expenditures					
Current:					
General government	-	-	-	-	-
Culture and recreation	-	-	-	80,208	-
Public safety	2,360	83,170	280,566	-	-
Capital outlay	76,224	-	122,019	545,763	1,063,166
Debt service:					
Principal retirement	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Total expenditures	<u>78,584</u>	<u>83,170</u>	<u>402,585</u>	<u>625,971</u>	<u>1,063,166</u>
Excess (deficiency) of revenues over expenditures	<u>(23,126)</u>	<u>107,421</u>	<u>66,527</u>	<u>(419,506)</u>	<u>(62,964)</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	<u>(23,126)</u>	<u>107,421</u>	<u>66,527</u>	<u>(419,506)</u>	<u>(62,964)</u>
Fund Balances, Beginning	<u>198,830</u>	<u>204,302</u>	<u>1,561,799</u>	<u>1,433,885</u>	<u>2,691,828</u>
Fund Balances, Ending	<u>\$ 175,704</u>	<u>\$ 311,723</u>	<u>\$ 1,628,326</u>	<u>\$ 1,014,379</u>	<u>\$ 2,628,864</u>

City of Lake Forest

Combining Statement of Revenues, Expenditures and Changes in Fund Balances -
 Nonmajor Governmental Funds
 Year Ended April 30, 2025

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	
\$ -	\$ -	\$ -	\$ 2,778,861	\$ 1,734,600	\$ 4,513,461
-	36,000	-	-	-	36,000
-	-	-	-	-	886,156
158,544	-	1,137,049	-	-	2,136,739
274,948	-	20,335	-	-	295,283
3,550	118,994	1,112,204	58,492	54,576	1,542,342
<u>437,042</u>	<u>154,994</u>	<u>2,269,588</u>	<u>2,837,353</u>	<u>1,789,176</u>	<u>9,409,981</u>
-	8,036	968,077	2,425	161,296	1,139,834
702,928	-	-	-	-	783,136
-	-	-	-	-	366,096
-	-	240,258	-	-	2,047,430
-	-	-	2,395,000	-	2,395,000
-	-	22,389	1,061,113	-	1,083,502
<u>702,928</u>	<u>8,036</u>	<u>1,230,724</u>	<u>3,458,538</u>	<u>161,296</u>	<u>7,814,998</u>
<u>(265,886)</u>	<u>146,958</u>	<u>1,038,864</u>	<u>(621,185)</u>	<u>1,627,880</u>	<u>1,594,983</u>
291,211	-	2,000	364,063	-	657,274
-	-	-	-	(1,564,063)	(1,564,063)
<u>291,211</u>	<u>-</u>	<u>2,000</u>	<u>364,063</u>	<u>(1,564,063)</u>	<u>(906,789)</u>
25,325	146,958	1,040,864	(257,122)	63,817	688,194
96,899	2,517,575	11,645,826	550,972	107,416	21,009,332
<u>\$ 122,224</u>	<u>\$ 2,664,533</u>	<u>\$ 12,686,690</u>	<u>\$ 293,850</u>	<u>\$ 171,233</u>	<u>\$ 21,697,526</u>

City of Lake Forest

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -
 Police Restricted Fund
 Year Ended April 30, 2025

	<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	\$ 10,794	\$ 9,794
Charges for services	28,500	28,500	36,162	7,662
Investment income	-	-	8,502	8,502
	<u>29,500</u>	<u>29,500</u>	<u>55,458</u>	<u>25,958</u>
Total revenues				
Expenditures				
Current:				
Public safety	45,000	45,000	2,360	42,640
Capital outlay	100,000	142,000	76,224	65,776
Contingency	<u>18,700</u>	<u>18,700</u>	-	<u>18,700</u>
	<u>163,700</u>	<u>205,700</u>	<u>78,584</u>	<u>127,116</u>
Total expenditures				
Net change in fund balance	<u>\$ (134,200)</u>	<u>\$ (176,200)</u>	(23,126)	<u>\$ 153,074</u>
Fund Balance, Beginning			<u>198,830</u>	
Fund Balance, Ending			<u>\$ 175,704</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, 2025

	<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	\$ 189,618	\$ 39,618
Investment income	<u>-</u>	<u>-</u>	<u>973</u>	<u>973</u>
Total revenues	<u>150,000</u>	<u>150,000</u>	<u>190,591</u>	<u>40,591</u>
Expenditures				
Public safety	<u>250,000</u>	<u>250,000</u>	<u>83,170</u>	<u>166,830</u>
Total expenditures	<u>250,000</u>	<u>250,000</u>	<u>83,170</u>	<u>166,830</u>
Net change in fund balance	<u><u>\$ (100,000)</u></u>	<u><u>\$ (100,000)</u></u>	107,421	<u><u>\$ 207,421</u></u>
Fund Balance, Beginning			<u>204,302</u>	
Fund Balance, Ending			<u><u>\$ 311,723</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, 2025

	<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	\$ 465,324	\$ 35,324
Investment income	2,800	2,800	3,788	988
Total revenues	<u>432,800</u>	<u>432,800</u>	<u>469,112</u>	<u>36,312</u>
Expenditures				
Public safety	321,236	321,236	280,566	40,670
Capital outlay	125,000	125,000	122,019	2,981
Contingency	<u>44,624</u>	<u>44,624</u>	-	<u>44,624</u>
Total expenditures	<u>490,860</u>	<u>490,860</u>	<u>402,585</u>	<u>88,275</u>
Net change in fund balance	<u><u>\$ (58,060)</u></u>	<u><u>\$ (58,060)</u></u>	66,527	<u><u>\$ 124,587</u></u>
Fund Balance, Beginning			<u>1,561,799</u>	
Fund Balance, Ending			<u><u>\$ 1,628,326</u></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, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Charges for services	\$ 62,672	\$ 62,672	\$ 150,042	\$ 87,370
Investment income	25,805	25,805	56,423	30,618
Total revenues	<u>88,477</u>	<u>88,477</u>	<u>206,465</u>	<u>117,988</u>
Expenditures				
Culture and recreation	110,000	110,000	80,208	29,792
Capital outlay	-	546,263	545,763	500
Contingency	<u>65,626</u>	<u>65,626</u>	-	<u>65,626</u>
Total expenditures	<u>175,626</u>	<u>721,889</u>	<u>625,971</u>	<u>95,918</u>
Net change in fund balance	<u><u>\$ (87,149)</u></u>	<u><u>\$ (633,412)</u></u>	<u>(419,506)</u>	<u><u>\$ 213,906</u></u>
Fund Balance, Beginning			<u>1,433,885</u>	
Fund Balance, Ending			<u><u>\$ 1,014,379</u></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, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$ 850,149	\$ 850,149	\$ 875,362	\$ 25,213
Investment income	78,916	78,916	124,840	45,924
Total revenues	<u>929,065</u>	<u>929,065</u>	<u>1,000,202</u>	<u>71,137</u>
Expenditures				
Capital outlay	1,150,000	1,343,926	1,063,166	280,760
Contingency	<u>134,393</u>	<u>134,393</u>	-	<u>134,393</u>
Total expenditures	<u>1,284,393</u>	<u>1,478,319</u>	<u>1,063,166</u>	<u>415,153</u>
Net change in fund balance	<u><u>\$ (355,328)</u></u>	<u><u>\$ (549,254)</u></u>	(62,964)	<u><u>\$ 486,290</u></u>
Fund Balance, Beginning			<u>2,691,828</u>	
Fund Balance, Ending			<u><u>\$ 2,628,864</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, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Charges for services	\$ 135,500	\$ 135,500	\$ 158,544	\$ 23,044
Grants and contributions	299,389	299,389	274,948	(24,441)
Investment income	<u>7,000</u>	<u>7,000</u>	<u>3,550</u>	<u>(3,450)</u>
Total revenues	<u>441,889</u>	<u>441,889</u>	<u>437,042</u>	<u>(4,847)</u>
Expenditures				
Culture and recreation	736,890	738,744	702,928	35,816
Contingency	<u>73,874</u>	<u>73,874</u>	<u>-</u>	<u>73,874</u>
Total expenditures	<u>810,764</u>	<u>812,618</u>	<u>702,928</u>	<u>109,690</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(368,875)</u>	<u>(370,729)</u>	<u>(265,886)</u>	<u>104,843</u>
Other Financing Sources				
Transfers in	<u>295,000</u>	<u>295,000</u>	<u>291,211</u>	<u>(3,789)</u>
Total other financing sources	<u>295,000</u>	<u>295,000</u>	<u>291,211</u>	<u>(3,789)</u>
Net change in fund balance	<u><u>\$ (73,875)</u></u>	<u><u>\$ (75,729)</u></u>	<u>25,325</u>	<u><u>\$ 101,054</u></u>
Fund Balance, Beginning			<u>96,899</u>	
Fund Balance, Ending			<u><u>\$ 122,224</u></u>	

City of Lake Forest

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -
 Housing Trust Fund
 Year Ended April 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Other taxes	\$ 30,000	\$ 30,000	\$ 36,000	\$ 6,000
Investment income	<u>70,000</u>	<u>70,000</u>	<u>118,994</u>	<u>48,994</u>
Total revenues	<u>100,000</u>	<u>100,000</u>	<u>154,994</u>	<u>54,994</u>
Expenditures				
General government	175,000	586,177	8,036	578,141
Contingency	<u>58,618</u>	<u>58,618</u>	-	<u>58,618</u>
Total expenditures	<u>233,618</u>	<u>644,795</u>	<u>8,036</u>	<u>636,759</u>
Net change in fund balance	<u><u>\$ (133,618)</u></u>	<u><u>\$ (544,795)</u></u>	146,958	<u><u>\$ 691,753</u></u>
Fund Balance, Beginning			<u>2,517,575</u>	
Fund Balance, Ending			<u><u>\$ 2,664,533</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, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Charges for services	\$ 1,029,600	\$ 1,029,600	\$ 1,137,049	\$ 107,449
Grants and contributions	12,000	12,000	20,335	8,335
Investment income (loss)	100,000	100,000	1,112,204	1,012,204
Total revenues	<u>1,141,600</u>	<u>1,141,600</u>	<u>2,269,588</u>	<u>1,127,988</u>
Expenditures				
Current:				
General government	984,582	984,582	968,077	16,505
Capital outlay	250,000	365,169	240,258	124,911
Contingency	146,264	146,264	-	146,264
Debt service:				
Interest and fiscal charges	112,890	112,890	22,389	90,501
Total expenditures	<u>1,493,736</u>	<u>1,608,905</u>	<u>1,230,724</u>	<u>378,181</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(352,136)</u>	<u>(467,305)</u>	<u>1,038,864</u>	<u>1,506,169</u>
Other Financing Sources (Uses)				
Transfers in	-	-	2,000	2,000
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>2,000</u>	<u>2,000</u>
Net change in fund balance	<u>\$ (352,136)</u>	<u>\$ (467,305)</u>	1,040,864	<u>\$ 1,508,169</u>
Fund Balance, Beginning			<u>11,645,826</u>	
Fund Balance, Ending			<u>\$ 12,686,690</u>	

City of Lake Forest

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -
 Debt Service Fund
 Year Ended April 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes:				
Property	\$ 2,762,557	\$ 2,762,557	\$ 2,778,861	\$ 16,304
Investment income	<u>19,695</u>	<u>19,695</u>	<u>58,492</u>	<u>38,797</u>
Total revenues	<u>2,782,252</u>	<u>2,782,252</u>	<u>2,837,353</u>	<u>55,101</u>
Expenditures				
Current:				
General government	1,975	1,975	2,425	(450)
Debt service:				
Principal retirement	2,395,000	2,395,000	2,395,000	-
Interest and fiscal charges	<u>1,061,113</u>	<u>1,061,113</u>	<u>1,061,113</u>	<u>-</u>
Total expenditures	<u>3,458,088</u>	<u>3,458,088</u>	<u>3,458,538</u>	<u>(450)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(675,836)</u>	<u>(675,836)</u>	<u>(621,185)</u>	<u>54,651</u>
Other Financing Sources (Uses)				
Transfers in	<u>364,065</u>	<u>364,065</u>	<u>364,063</u>	<u>(2)</u>
Total other financing sources (uses)	<u>364,065</u>	<u>364,065</u>	<u>364,063</u>	<u>(2)</u>
Net change in fund balance	<u><u>\$ (311,771)</u></u>	<u><u>\$ (311,771)</u></u>	<u>(257,122)</u>	<u><u>\$ 54,649</u></u>
Fund Balance, Beginning			<u>550,972</u>	
Fund Balance, Ending			<u><u>\$ 293,850</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, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Property taxes	\$ 1,586,214	\$ 1,586,214	\$ 1,734,600	\$ 148,386
Investment income	<u>40,000</u>	<u>40,000</u>	<u>54,576</u>	<u>14,576</u>
Total revenues	<u>1,626,214</u>	<u>1,626,214</u>	<u>1,789,176</u>	<u>162,962</u>
Expenditures				
General government	644,986	644,986	161,296	483,690
Capital outlay	100,000	100,000	-	100,000
Contingency	<u>150,905</u>	<u>150,905</u>	<u>-</u>	<u>150,905</u>
Total expenditures	<u>895,891</u>	<u>895,891</u>	<u>161,296</u>	<u>734,595</u>
Excess (deficiency) of revenues over (under) expenditures	<u>730,323</u>	<u>730,323</u>	<u>1,627,880</u>	<u>897,557</u>
Other Financing Sources (Uses)				
Transfers out	<u>(764,065)</u>	<u>(854,065)</u>	<u>(1,564,063)</u>	<u>(709,998)</u>
Total other financing sources (uses)	<u>(764,065)</u>	<u>(854,065)</u>	<u>(1,564,063)</u>	<u>(709,998)</u>
Net change in fund balance	<u>\$ (33,742)</u>	<u>\$ (123,742)</u>	63,817	<u>\$ 187,559</u>
Fund Balance, Beginning			<u>107,416</u>	
Fund Balance, Ending			<u>\$ 171,233</u>	

City of Lake Forest

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -
 Capital Improvements Fund
 Year Ended April 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes:				
Property	\$ 1,551,933	\$ 1,551,933	\$ 1,554,237	\$ 2,304
Other taxes	3,719,293	3,719,293	4,449,771	730,478
Charges for services	120,260	120,260	148,858	28,598
Grants and contributions	5,708,252	5,708,252	3,938,307	(1,769,945)
Investment income	696,500	696,500	1,582,419	885,919
Miscellaneous	<u>5,000</u>	<u>5,000</u>	<u>29,431</u>	<u>24,431</u>
Total revenues	<u>11,801,238</u>	<u>11,801,238</u>	<u>11,703,023</u>	<u>(98,215)</u>
Expenditures				
Current:				
General government	751,382	1,013,606	476,974	536,632
Highways and streets	895,000	925,517	249,783	675,734
Culture and recreation	-	16,873	16,873	-
Capital outlay	15,717,676	19,659,042	12,184,955	7,474,087
Contingency	<u>2,161,504</u>	<u>2,161,504</u>	<u>-</u>	<u>2,161,504</u>
Total expenditures	<u>19,525,562</u>	<u>23,776,542</u>	<u>12,928,585</u>	<u>10,847,957</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(7,724,324)</u>	<u>(11,975,304)</u>	<u>(1,225,562)</u>	<u>10,749,742</u>
Other Financing Sources (Uses)				
Transfers in	1,600,000	1,600,000	2,621,024	1,021,024
Proceeds from capital asset sales	<u>20,000</u>	<u>20,000</u>	<u>48,594</u>	<u>28,594</u>
Total other financing sources (uses)	<u>1,620,000</u>	<u>1,620,000</u>	<u>2,669,618</u>	<u>1,049,618</u>
Net change in fund balance	<u><u>\$ (6,104,324)</u></u>	<u><u>\$ (10,355,304)</u></u>	1,444,056	<u><u>\$ 11,799,360</u></u>
Fund Balance, Beginning			<u>29,065,039</u>	
Fund Balance, Ending			<u><u>\$ 30,509,095</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, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance With Final Budget
	<u>Original</u>	<u>Final</u>		
Operating Revenues				
Charges for services	\$ 9,169,756	\$ 9,169,756	\$ 9,118,258	\$ (51,498)
Connection fees	115,225	115,225	93,390	(21,835)
Miscellaneous	3,000	3,000	2,409	(591)
	<u>9,287,981</u>	<u>9,287,981</u>	<u>9,214,057</u>	<u>(73,924)</u>
Total operating revenues				
Operating Expenses				
General and administrative	2,927,179	2,927,179	3,454,069	(526,890)
Operations and maintenance	6,532,699	6,698,217	3,137,381	3,560,836
Contingency	1,491,145	1,491,145	-	1,491,145
	<u>10,951,023</u>	<u>11,116,541</u>	<u>6,591,450</u>	<u>4,525,091</u>
Total operating expenses				
Nonoperating Revenues (Expenses)				
Investment income	497,936	497,936	743,734	245,798
Gain on disposal of capital assets	-	-	1,922	1,922
Principal retirement	(525,000)	(525,000)	(525,000)	-
Interest expense	(260,855)	(260,855)	(250,448)	10,407
Paying agent fees	(200)	(200)	(825)	(625)
	<u>(288,119)</u>	<u>(288,119)</u>	<u>(30,617)</u>	<u>257,502</u>
Total nonoperating revenues (expenses)				
Contribution and Transfers				
Transfers in	-	-	12,500	12,500
	<u>-</u>	<u>-</u>	<u>12,500</u>	<u>12,500</u>
Net contribution and transfers	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,500</u>	<u>\$ 12,500</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, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Operating Revenues				
Charges for services	\$ 2,167,302	\$ 2,167,302	\$ 2,247,991	\$ 80,689
Grants and contributions	-	-	20,826	20,826
Miscellaneous	-	-	244	244
Total operating revenues	<u>2,167,302</u>	<u>2,167,302</u>	<u>2,269,061</u>	<u>101,759</u>
Operating Expenses				
General and administrative	844,240	844,240	913,656	(69,416)
Operations and maintenance	1,266,497	1,283,510	1,161,008	122,502
Contingency	213,227	213,227	-	213,227
Total operating expenses	<u>2,323,964</u>	<u>2,340,977</u>	<u>2,074,664</u>	<u>266,313</u>
Nonoperating Revenues (Expenses)				
Investment income	-	-	16,152	16,152
Interest expense	(4,521)	(4,521)	-	4,521
Other	-	-	162,965	162,965
Total nonoperating revenues (expenses)	<u>(4,521)</u>	<u>(4,521)</u>	<u>179,117</u>	<u>183,638</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, 2025

	<u>Fleet</u>	<u>Self Insurance</u>	<u>Liability Insurance</u>	<u>Total</u>
Assets and Deferred Outflows of Resources				
Current Assets				
Cash and cash equivalents	\$ 743,603	\$ 4,574,959	\$ 1,761,698	\$ 7,080,260
Receivables:				
Other	2,610	71,550	7,594,403	7,668,563
Inventories	553,458	-	-	553,458
Prepaid items	-	-	945,765	945,765
	<u>1,299,671</u>	<u>4,646,509</u>	<u>10,301,866</u>	<u>16,248,046</u>
Total current assets				
Noncurrent Assets				
Capital assets (net of accumulated depreciation):				
Property and equipment	48,047	-	-	48,047
Accumulated depreciation	(48,047)	-	-	(48,047)
	<u>1,299,671</u>	<u>4,646,509</u>	<u>10,301,866</u>	<u>16,248,046</u>
Total assets				
Deferred Outflows of Resources				
Deferred outflows related to pensions	161,687	-	-	161,687
Deferred outflows related to total OPEB liability	51,169	-	-	51,169
	<u>212,856</u>	<u>-</u>	<u>-</u>	<u>212,856</u>
Total deferred outflows of resources				
Liabilities, Deferred Inflows of Resources and Net Position				
Current Liabilities				
Accounts payable	86,517	568,464	72,241	727,222
Accrued liabilities	19,940	203,018	42,579	265,537
Total OPEB liability	6,645	-	-	6,645
	<u>113,102</u>	<u>771,482</u>	<u>114,820</u>	<u>999,404</u>
Total current liabilities				
Noncurrent Liabilities				
Compensated absences	32,263	-	-	32,263
Net pension liability	190,153	-	-	190,153
Total OPEB liability	95,554	-	-	95,554
	<u>317,970</u>	<u>-</u>	<u>-</u>	<u>317,970</u>
Total noncurrent liabilities				
Total liabilities	<u>431,072</u>	<u>771,482</u>	<u>114,820</u>	<u>1,317,374</u>
Deferred Inflows of Resources				
Deferred inflows related to pensions	944	-	-	944
Deferred inflows related to total OPEB liability	18,877	-	-	18,877
	<u>19,821</u>	<u>-</u>	<u>-</u>	<u>19,821</u>
Total deferred inflows of resources				
Net Position				
Unrestricted	<u>1,061,634</u>	<u>3,875,027</u>	<u>10,187,046</u>	<u>15,123,707</u>
Total net position	<u>\$ 1,061,634</u>	<u>\$ 3,875,027</u>	<u>\$ 10,187,046</u>	<u>\$ 15,123,707</u>

City of Lake Forest

Combining Statement of Revenues, Expenses and Changes in Fund Net Position -
Internal Service Funds
Year Ended April 30, 2025

	<u>Fleet</u>	<u>Self Insurance</u>	<u>Liability Insurance</u>	<u>Total</u>
Operating Revenues				
Charges for services	\$ 2,165,198	\$ 6,066,097	\$ 2,453,831	\$ 10,685,126
Total operating revenues	<u>2,165,198</u>	<u>6,066,097</u>	<u>2,453,831</u>	<u>10,685,126</u>
Operating Expenses				
General and administrative	<u>2,305,038</u>	<u>6,916,881</u>	<u>1,405,920</u>	<u>10,627,839</u>
Total operating expenses	<u>2,305,038</u>	<u>6,916,881</u>	<u>1,405,920</u>	<u>10,627,839</u>
Operating income (loss)	<u>(139,840)</u>	<u>(850,784)</u>	<u>1,047,911</u>	<u>57,287</u>
Nonoperating Revenues				
Investment income	<u>30,127</u>	<u>253,911</u>	<u>97,578</u>	<u>381,616</u>
Total nonoperating revenues	<u>30,127</u>	<u>253,911</u>	<u>97,578</u>	<u>381,616</u>
Income (loss) before transfers	<u>(109,713)</u>	<u>(596,873)</u>	<u>1,145,489</u>	<u>438,903</u>
Transfers				
Transfers in	<u>3,000</u>	<u>-</u>	<u>-</u>	<u>3,000</u>
Total transfers	<u>3,000</u>	<u>-</u>	<u>-</u>	<u>3,000</u>
Change in net position	(106,713)	(596,873)	1,145,489	441,903
Net Position, Beginning	<u>1,168,347</u>	<u>4,471,900</u>	<u>9,041,557</u>	<u>14,681,804</u>
Net Position, Ending	<u><u>\$ 1,061,634</u></u>	<u><u>\$ 3,875,027</u></u>	<u><u>\$ 10,187,046</u></u>	<u><u>\$ 15,123,707</u></u>

City of Lake Forest

Combining Statement of Cash Flows -
Internal Service Funds
Year Ended April 30, 2025

	<u>Fleet</u>	<u>Self Insurance</u>	<u>Liability Insurance</u>	<u>Total</u>
Cash Flows From Operating Activities				
Received from customers	\$ 2,167,095	\$ 6,131,453	\$ 1,327,356	\$ 9,625,904
Paid to suppliers for goods and services	(1,617,093)	(7,750,961)	(1,677,452)	(11,045,506)
Paid to employees for services	(513,963)	-	-	(513,963)
Net cash flows from operating activities	<u>36,039</u>	<u>(1,619,508)</u>	<u>(350,096)</u>	<u>(1,933,565)</u>
Cash Flows From Investing Activities				
Investment income	<u>30,127</u>	<u>253,911</u>	<u>97,578</u>	<u>381,616</u>
Net cash flows from investing activities	<u>30,127</u>	<u>253,911</u>	<u>97,578</u>	<u>381,616</u>
Cash Flows From Noncapital Financing Activities				
Transfers from (to) other funds	<u>3,000</u>	<u>-</u>	<u>-</u>	<u>3,000</u>
Net cash flows from noncapital financing activities	<u>3,000</u>	<u>-</u>	<u>-</u>	<u>3,000</u>
Net change in cash and cash equivalents	69,166	(1,365,597)	(252,518)	(1,548,949)
Cash and Cash Equivalents, Beginning	<u>674,437</u>	<u>5,940,556</u>	<u>2,014,216</u>	<u>8,629,209</u>
Cash and Cash Equivalents, Ending	<u>\$ 743,603</u>	<u>\$ 4,574,959</u>	<u>\$ 1,761,698</u>	<u>\$ 7,080,260</u>
Reconciliation of Operating Income (Loss) to Net Cash Flows From Operating Activities				
Operating income (loss)	\$ (139,840)	\$ (850,784)	\$ 1,047,911	\$ 57,287
Changes in assets and liabilities:				
Accounts receivable	2,649	65,356	(1,126,475)	(1,058,470)
Inventories	48,917	-	-	48,917
Prepaid items	-	-	(175,326)	(175,326)
Deferred outflows related to pensions	143,067	-	-	143,067
Accounts payable	(39,567)	(249,676)	(54,896)	(344,139)
Accrued liabilities	-	(584,404)	(41,310)	(625,714)
Accrued salaries	2,926	-	-	2,926
Net pension liability	21,321	-	-	21,321
Deferred inflows related to pensions	(886)	-	-	(886)
Deferred revenue	(752)	-	-	(752)
Compensated absences	(8,657)	-	-	(8,657)
Deferred outflows related to total OPEB liability	(45,414)	-	-	(45,414)
Deferred inflows related to total OPEB liability	(1,404)	-	-	(1,404)
Total OPEB liability	<u>53,679</u>	<u>-</u>	<u>-</u>	<u>53,679</u>
Net cash flows from operating activities	<u>\$ 36,039</u>	<u>\$ (1,619,508)</u>	<u>\$ (350,096)</u>	<u>\$ (1,933,565)</u>

City of Lake Forest

Schedule of Revenues, Expenses and Nonoperating Revenues - Budget and Actual (Budgetary Basis) -
 Fleet Fund
 Year Ended April 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Operating Revenues				
Charges for services	\$ 2,164,084	\$ 2,164,084	\$ 2,165,198	\$ 1,114
Total operating revenues	<u>2,164,084</u>	<u>2,164,084</u>	<u>2,165,198</u>	<u>1,114</u>
Operating Expenses				
General and administrative	2,263,564	2,263,564	2,305,038	(41,474)
Contingency	<u>226,356</u>	<u>226,356</u>	<u>-</u>	<u>226,356</u>
Total operating expenses	<u>2,489,920</u>	<u>2,489,920</u>	<u>2,305,038</u>	<u>184,882</u>
Nonoperating Revenues				
Investment income	<u>20,000</u>	<u>20,000</u>	<u>30,127</u>	<u>10,127</u>
Total nonoperating revenues	<u>20,000</u>	<u>20,000</u>	<u>30,127</u>	<u>10,127</u>
Net income (loss) before transfers	<u>(305,836)</u>	<u>(305,836)</u>	<u>(109,713)</u>	<u>196,123</u>
Transfers				
Transfers in	<u>-</u>	<u>-</u>	<u>3,000</u>	<u>3,000</u>
Net transfers	<u>-</u>	<u>-</u>	<u>3,000</u>	<u>3,000</u>
Change in net position	<u>\$ (305,836)</u>	<u>\$ (305,836)</u>	<u>(106,713)</u>	<u>\$ 199,123</u>
Net Position, Beginning			<u>1,168,347</u>	
Net Position, Ending			<u>\$ 1,061,634</u>	

City of Lake Forest

Schedule of Revenues, Expenses and Nonoperating Revenues - Budget and Actual (Budgetary Basis) -
Self Insurance Fund
Year Ended April 30, 2025

	<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>\$ 6,425,000</u>	<u>\$ 6,425,000</u>	<u>\$ 6,066,097</u>	<u>\$ (358,903)</u>
Total operating revenues	<u>6,425,000</u>	<u>6,425,000</u>	<u>6,066,097</u>	<u>(358,903)</u>
Operating Expenses				
General and administrative	6,510,000	6,510,000	6,916,881	(406,881)
Contingency	<u>651,000</u>	<u>651,000</u>	<u>-</u>	<u>651,000</u>
Total operating expenses	<u>7,161,000</u>	<u>7,161,000</u>	<u>6,916,881</u>	<u>244,119</u>
Nonoperating Revenues				
Investment income	<u>150,000</u>	<u>150,000</u>	<u>253,911</u>	<u>103,911</u>
Total nonoperating revenues	<u>150,000</u>	<u>150,000</u>	<u>253,911</u>	<u>103,911</u>
Change in net position	<u>\$ (586,000)</u>	<u>\$ (586,000)</u>	<u>(596,873)</u>	<u>\$ (10,873)</u>
Net Position, Beginning			<u>4,471,900</u>	
Net Position, Ending			<u>\$ 3,875,027</u>	

City of Lake Forest

Schedule of Revenues, Expenses and Nonoperating Revenues - Budget and Actual (Budgetary Basis) -
 Liability Insurance Fund
 Year Ended April 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Operating Revenues				
Charges for services	\$ 1,327,348	\$ 1,327,348	\$ 2,453,831	\$ 1,126,483
Total operating revenues	<u>1,327,348</u>	<u>1,327,348</u>	<u>2,453,831</u>	<u>1,126,483</u>
Operating Expenses				
General and administrative	1,404,324	1,404,324	1,405,920	(1,596)
Contingency	<u>140,432</u>	<u>140,432</u>	-	<u>140,432</u>
Total operating expenses	<u>1,544,756</u>	<u>1,544,756</u>	<u>1,405,920</u>	<u>138,836</u>
Nonoperating Revenues				
Investment income	<u>91,428</u>	<u>91,428</u>	<u>97,578</u>	<u>6,150</u>
Total nonoperating revenues	<u>91,428</u>	<u>91,428</u>	<u>97,578</u>	<u>6,150</u>
Change in net position	<u>\$ (125,980)</u>	<u>\$ (125,980)</u>	1,145,489	<u>\$ 1,271,469</u>
Net Position, Beginning			<u>9,041,557</u>	
Net Position, Ending			<u>\$ 10,187,046</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, 2025

	<u>Police Pension</u>	<u>Firefighters' Pension</u>	<u>Total</u>
Assets			
Cash	\$ 56,877	\$ 26,691	\$ 83,568
Money markets	-	354,480	354,480
Investments:			
Illinois police officers' pension investment fund	52,113,803	-	52,113,803
Illinois firefighters' pension investment fund	-	55,273,901	55,273,901
Prepaid items	7,148	7,284	14,432
Due from primary government	47,974	27,338	75,312
	<u>52,225,802</u>	<u>55,689,694</u>	<u>107,915,496</u>
Total assets			
Liabilities			
Accounts payable	1,919	1,696	3,615
	<u>1,919</u>	<u>1,696</u>	<u>3,615</u>
Total liabilities			
Net Position			
Restricted for pension benefits	<u>\$ 52,223,883</u>	<u>\$ 55,687,998</u>	<u>\$ 107,911,881</u>

City of Lake Forest

Combining Statement of Changes in Fiduciary Net Position -
Pension Trust Funds
Year Ended April 30, 2025

	<u>Police Pension</u>	<u>Firefighters' Pension</u>	<u>Total</u>
Additions			
Contributions:			
Employer	\$ 3,697,077	\$ 2,589,313	\$ 6,286,390
Employee	443,181	362,766	805,947
Total contributions	<u>4,140,258</u>	<u>2,952,079</u>	<u>7,092,337</u>
Investment income:			
Interest	293,519	1,088,767	1,382,286
Net appreciation in fair value of investments	<u>4,408,871</u>	<u>4,346,513</u>	<u>8,755,384</u>
Total investment income	4,702,390	5,435,280	10,137,670
Less investment expense	<u>(34,191)</u>	<u>(95,424)</u>	<u>(129,615)</u>
Net investment income	<u>4,668,199</u>	<u>5,339,856</u>	<u>10,008,055</u>
Total additions	<u>8,808,457</u>	<u>8,291,935</u>	<u>17,100,392</u>
Deductions			
Pension benefits and refunds	4,522,653	3,773,293	8,295,946
Other administrative expenses	<u>43,549</u>	<u>62,803</u>	<u>106,352</u>
Total deductions	<u>4,566,202</u>	<u>3,836,096</u>	<u>8,402,298</u>
Change in net position	4,242,255	4,455,839	8,698,094
Net Position, Beginning	<u>47,981,628</u>	<u>51,232,159</u>	<u>99,213,787</u>
Net Position, Ending	<u>\$ 52,223,883</u>	<u>\$ 55,687,998</u>	<u>\$ 107,911,881</u>

City of Lake Forest

Schedule of Changes in Fiduciary Net Position - Budget and Actual -
 Police Pension Fund
 Year Ended April 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Additions				
Contributions:				
Employer	\$ 3,684,422	\$ 3,684,422	\$ 3,697,077	\$ 12,655
Employee	435,000	435,000	443,181	8,181
Total contributions	<u>4,119,422</u>	<u>4,119,422</u>	<u>4,140,258</u>	<u>20,836</u>
Investment income:				
Interest	390,000	390,000	293,519	(96,481)
Net appreciation in fair value of investments	<u>2,600,000</u>	<u>2,600,000</u>	<u>4,408,871</u>	<u>1,808,871</u>
Total investment income	2,990,000	2,990,000	4,702,390	1,712,390
Less investment expense	<u>(35,000)</u>	<u>(35,000)</u>	<u>(34,191)</u>	<u>809</u>
Net investment income	<u>2,955,000</u>	<u>2,955,000</u>	<u>4,668,199</u>	<u>1,713,199</u>
Total additions	<u>7,074,422</u>	<u>7,074,422</u>	<u>8,808,457</u>	<u>1,734,035</u>
Deductions				
Pension benefits and refunds	4,100,000	4,100,000	4,522,653	(422,653)
Other administrative expenses	85,830	85,830	43,549	42,281
Contingency	<u>422,083</u>	<u>422,083</u>	<u>-</u>	<u>422,083</u>
Total deductions	<u>4,607,913</u>	<u>4,607,913</u>	<u>4,566,202</u>	<u>41,711</u>
Change in net position	<u>\$ 2,466,509</u>	<u>\$ 2,466,509</u>	<u>4,242,255</u>	<u>\$ 1,775,746</u>
Net Position, Beginning			<u>47,981,628</u>	
Net Position, Ending			<u>\$ 52,223,883</u>	

City of Lake Forest

Schedule of Changes in Fiduciary Net Position - Budget and Actual -
 Firefighters' Pension Fund
 Year Ended April 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Additions				
Contributions:				
Employer	\$ 2,583,239	\$ 2,583,239	\$ 2,589,313	\$ 6,074
Employee	375,000	375,000	362,766	(12,234)
Total contributions	<u>2,958,239</u>	<u>2,958,239</u>	<u>2,952,079</u>	<u>(6,160)</u>
Investment income:				
Interest	750,000	750,000	1,088,767	338,767
Net appreciation in fair value of investments	<u>2,500,000</u>	<u>2,500,000</u>	<u>4,346,513</u>	<u>1,846,513</u>
Total investment income	3,250,000	3,250,000	5,435,280	2,185,280
Less Investment expense	<u>(60,000)</u>	<u>(60,000)</u>	<u>(95,424)</u>	<u>(35,424)</u>
Net investment income	<u>3,190,000</u>	<u>3,190,000</u>	<u>5,339,856</u>	<u>2,149,856</u>
Total additions	<u>6,148,239</u>	<u>6,148,239</u>	<u>8,291,935</u>	<u>2,143,696</u>
Deductions				
Pension benefits and refunds	3,600,000	3,600,000	3,773,293	(173,293)
Other administrative expenses	65,830	65,830	62,803	3,027
Contingency	<u>372,583</u>	<u>372,583</u>	-	<u>372,583</u>
Total deductions	<u>4,038,413</u>	<u>4,038,413</u>	<u>3,836,096</u>	<u>202,317</u>
Change in net position	<u>\$ 2,109,826</u>	<u>\$ 2,109,826</u>	4,455,839	<u>\$ 2,346,013</u>
Net Position, Beginning			<u>51,232,159</u>	
Net Position, Ending			<u>\$ 55,687,998</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, 2025

	General Fund	Adjustments	Statement of Net Position
Assets and Deferred Outflows of Resources			
Assets			
Cash and cash equivalents	\$ 7,113,705	\$ -	\$ 7,113,705
Investments	2,237,467	-	2,237,467
Receivables (net of allowance for uncollectibles):			
Property taxes	5,103,186	-	5,103,186
Other taxes	12,154	-	12,154
Other	26,193		26,193
Capital assets:			
Capital assets not depreciated	-	309,125	309,125
Capital assets depreciated, net of accumulated depreciation	-	3,756,919	3,756,919
Total assets	14,492,705	4,066,044	18,558,749
Deferred Outflows of Resources			
Deferred outflows related to pensions	-	411,107	411,107
Deferred outflows related to total OPEB liability	-	11,977	11,977
Total deferred outflows of resources	-	423,084	423,084
Total assets and deferred outflows of resources	\$ 14,492,705	\$ 4,489,128	\$ 18,981,833
Liabilities, Deferred Inflows of Resources and Fund Balance/Net Position			
Liabilities			
Accounts payable	\$ 164,791	\$ -	\$ 164,791
Accrued liabilities	63,781	-	63,781
Long-term obligations:			
Due within one year	-	16,060	16,060
Due in more than one year	-	625,361	625,361
Total liabilities	228,572	641,421	869,993
Deferred Inflows of Resources			
Property taxes levied for future periods	5,103,185	-	5,103,185
Deferred inflows related to pensions	-	2,348	2,348
Deferred inflows related to total OPEB liability	-	32,868	32,868
Total deferred inflows of resources	5,103,185	35,216	5,138,401
Fund Balance/Net Position			
Committed	4,000,000	(4,000,000)	-
Unassigned	5,160,948	(5,160,948)	-
Net position:			
Net investment in capital assets	-	4,066,044	4,066,044
Unrestricted	-	8,907,395	8,907,395
Total fund balance/net position	9,160,948	3,812,491	12,973,439
Total liabilities, deferred inflows of resources and fund balance/net position	\$ 14,492,705	\$ 4,489,128	\$ 18,981,833

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, 2025

	General Fund	Adjustments	Statement of Activities
Revenues			
Property taxes	\$ 4,982,825	\$ -	\$ 4,982,825
Intergovernmental	56,535	-	56,535
Charges for services	29,218	-	29,218
Grants and contributions	112,216	-	112,216
Fines	6,215	-	6,215
Investment income	455,630	-	455,630
	<hr/>	<hr/>	<hr/>
Total revenues	5,642,639	-	5,642,639
Expenditures/Expenses			
Current	4,216,461	616,193	4,832,654
Capital outlay	666,486	(666,486)	-
	<hr/>	<hr/>	<hr/>
Total expenditures/expenses	4,882,947	(50,293)	4,832,654
	<hr/>	<hr/>	<hr/>
Net change in fund balance/net position	759,692	50,293	809,985
	<hr/>	<hr/>	<hr/>
Fund Balance/Net Position, Beginning	8,401,256	3,762,198	12,163,454
	<hr/>	<hr/>	<hr/>
Fund Balance/Net Position, Ending	\$ 9,160,948	\$ 3,812,491	\$ 12,973,439
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

City of Lake Forest

Summary of Debt Service Requirements to Maturity
April 30, 2025

<u>Fiscal Year</u>	<u>General Obligation Bonds</u>
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	<u>786,600</u>
	<u><u>\$ 43,683,437</u></u>

City of Lake Forest

Debt Service Requirements to Maturity - General Obligation Bonds
 April 30, 2025

Fiscal Year	Series 2015 Obligation Bonds		Series 2017 Obligation Bonds		Series 2019 Obligation Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
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>\$ 7,310,000</u>	<u>\$ 1,626,500</u>	<u>\$ 8,255,000</u>	<u>\$ 1,936,210</u>	<u>\$ 6,010,000</u>	<u>\$ 659,727</u>

City of Lake Forest

Debt Service Requirements to Maturity - General Obligation Bonds
 April 30, 2025

Fiscal Year	Series 2021 Obligation Bonds		Series 2023 Obligation Bonds		Total Requirements		
	Principal	Interest	Principal	Interest	Principal	Interest	Total
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>\$ 5,855,000</u>	<u>\$ 564,500</u>	<u>\$ 9,055,000</u>	<u>\$ 2,411,500</u>	<u>\$ 36,485,000</u>	<u>\$ 7,198,437</u>	<u>\$ 43,683,437</u>

City of Lake Forest

General Obligation Bonds – 2015 Series
 April 30, 2025

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>
2025	\$ 405,000
2026	410,000
2027	435,000
2028	650,000
2029	695,000
Thereafter	<u>4,715,000</u>
	<u>\$ 7,310,000</u>

Bond Principal and Interest Requirements

Tax Levy Year	Tax Levy			Coupons Due on			
	Principal	Interest	Total	June 15	Amount	December 15	Amount
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
2028	695,000	181,338	876,338	2029	90,669	2029	90,669
Thereafter	<u>4,715,000</u>	<u>575,300</u>	<u>5,290,300</u>	Thereafter	287,650	Thereafter	287,650
	<u>\$ 7,310,000</u>	<u>\$ 1,626,500</u>	<u>\$ 8,936,500</u>				

City of Lake Forest

General Obligation Bonds – 2017 Series
 April 30, 2025

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>
2025	\$ 535,000
2026	550,000
2027	565,000
2028	580,000
2029	590,000
Thereafter	5,435,000
	<u>\$ 8,255,000</u>

Bond Principal and Interest Requirements

Tax levy year	<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>
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
2028	590,000	191,688	781,688	2029	95,844	2029	95,844
Thereafter	5,435,000	835,363	6,270,363	Thereafter	417,682	Thereafter	417,681
	<u>\$ 8,255,000</u>	<u>\$ 1,936,210</u>	<u>\$ 10,191,210</u>				

City of Lake Forest

General Obligation Bonds – 2019 Series
 April 30, 2025

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>
2025	\$ 660,000
2026	695,000
2027	730,000
2028	735,000
2029	755,000
Thereafter	<u>2,435,000</u>
	<u>\$ 6,010,000</u>

Bond Principal and Interest Requirements

Tax Levy Year	Tax Levy			Coupons Due on			
	Principal	Interest	Total	June 15	Amount	December 15	Amount
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
2028	755,000	68,913	823,913	2029	34,457	2029	34,457
Thereafter	<u>2,435,000</u>	<u>110,059</u>	<u>2,545,059</u>	Thereafter	55,029	Thereafter	55,029
	<u>\$ 6,010,000</u>	<u>\$ 659,727</u>	<u>\$ 6,669,727</u>				

City of Lake Forest

General Obligation Bonds – 2021 Series
 April 30, 2025

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>
2025	\$ 615,000
2026	615,000
2027	625,000
2028	705,000
2029	715,000
Thereafter	<u>2,580,000</u>
	<u>\$ 5,855,000</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>
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
2028	715,000	65,900	780,900	2029	32,950	2029	32,950
Thereafter	<u>2,580,000</u>	<u>104,200</u>	<u>2,684,200</u>	Thereafter	52,100	Thereafter	52,100
	<u>\$ 5,855,000</u>	<u>\$ 564,500</u>	<u>\$ 6,419,500</u>				

City of Lake Forest

General Obligation Bonds – 2023 Series
 April 30, 2025

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>
2025	\$ 820,000
2026	860,000
2027	905,000
2028	950,000
2029	1,000,000
Thereafter	4,520,000
	<u>\$ 9,055,000</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>
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
2028	1,000,000	276,000	1,276,000	2029	138,000	2029	138,000
Thereafter	4,520,000	578,750	5,098,750	Thereafter	289,375	Thereafter	289,375
	<u>\$ 9,055,000</u>	<u>\$ 2,411,500</u>	<u>\$ 11,466,500</u>				

City of Lake Forest

Combining Balance Sheet -
Debt Service Fund
April 30, 2025

	2009/2019 General Obligation Bonds	2010/2019 General Obligation Bonds	2013/2021 General Obligation Bonds	2015 General Obligation Bonds	2023 General Obligation Bonds	Total
Assets						
Cash and cash equivalents	\$ 54,928	\$ 99,069	\$ 93,005	\$ 19,250	\$ 27,599	\$ 293,851
Receivables (net of allowance for uncollectibles):						
Property taxes	<u>256,872</u>	<u>564,842</u>	<u>728,335</u>	<u>273,822</u>	<u>1,266,205</u>	<u>3,090,076</u>
Total assets	<u>\$ 311,800</u>	<u>\$ 663,911</u>	<u>\$ 821,340</u>	<u>\$ 293,072</u>	<u>\$ 1,293,804</u>	<u>\$ 3,383,927</u>
Liabilities						
Total liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Deferred inflows of resources						
Property taxes levied for future periods	<u>256,872</u>	<u>564,843</u>	<u>728,335</u>	<u>273,822</u>	<u>1,266,205</u>	<u>3,090,077</u>
Fund Balance						
Fund balance-restricted for debt service	<u>54,928</u>	<u>99,068</u>	<u>93,005</u>	<u>19,250</u>	<u>27,599</u>	<u>293,850</u>
Total deferred inflows of resources, liabilities and fund balances	<u>\$ 311,800</u>	<u>\$ 663,911</u>	<u>\$ 821,340</u>	<u>\$ 293,072</u>	<u>\$ 1,293,804</u>	<u>\$ 3,383,927</u>

City of Lake Forest

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances -
 Debt Service Fund
 Year Ended April 30, 2025

	2009/2019 General Obligation Bonds	2010/2019 General Obligation Bonds	2013/2021 General Obligation Bonds	2015 General Obligation Bonds	2023 General Obligation Bonds	Total
Revenues						
Taxes:						
Property taxes	\$ 259,360	\$ 572,614	\$ 734,293	\$ 266,097	\$ 946,497	\$ 2,778,861
Investment income	<u>6,373</u>	<u>12,333</u>	<u>15,088</u>	<u>4,195</u>	<u>20,503</u>	<u>58,492</u>
Total revenues	<u>265,733</u>	<u>584,947</u>	<u>749,381</u>	<u>270,292</u>	<u>967,000</u>	<u>2,837,353</u>
Expenditures						
General government	90	385	475	1,000	475	2,425
Debt service:						
Principal	215,000	415,000	600,000	385,000	780,000	2,395,000
Interest	<u>43,950</u>	<u>153,513</u>	<u>129,100</u>	<u>242,800</u>	<u>491,750</u>	<u>1,061,113</u>
Total expenditures	<u>259,040</u>	<u>568,898</u>	<u>729,575</u>	<u>628,800</u>	<u>1,272,225</u>	<u>3,458,538</u>
Excess (deficiency) of revenues over expenditures	<u>6,693</u>	<u>16,049</u>	<u>19,806</u>	<u>(358,508)</u>	<u>(305,225)</u>	<u>(621,185)</u>
Other Financing Sources (Uses)						
Transfers in	-	-	-	364,063	-	364,063
Total other financing sources (uses)	-	-	-	<u>364,063</u>	-	<u>364,063</u>
Net change in fund balances	6,693	16,049	19,806	5,555	(305,225)	(257,122)
Fund Balances, Beginning	<u>48,235</u>	<u>83,019</u>	<u>73,199</u>	<u>13,695</u>	<u>332,824</u>	<u>550,972</u>
Fund Balances, Ending	<u>\$ 54,928</u>	<u>\$ 99,068</u>	<u>\$ 93,005</u>	<u>\$ 19,250</u>	<u>\$ 27,599</u>	<u>\$ 293,850</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.	120
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.	125
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.	133
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.	138
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.	141

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, 2025

	<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>	<u>2025</u>
Governmental Activities										
Net investment in capital assets	\$ 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	\$ 197,430,906
Restricted	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	54,390,001
Unrestricted	<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>	<u>2,691,522</u>
Total governmental activities net position	<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>	<u>\$ 254,512,429</u>
Business-Type Activities										
Net investment in capital assets	\$ 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	\$ 37,292,438
Restricted	-	-	-	-	-	580,012	1,957,016	-	-	-
Unrestricted	<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>	<u>17,947,837</u>
Total business-type activities net position	<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>	<u>\$ 55,240,275</u>
Total Primary Government										
Net investment in capital assets	\$ 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	\$ 234,723,344
Restricted	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	54,390,001
Unrestricted	<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>	<u>20,639,359</u>
Total primary government net position	<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>	<u>\$ 309,752,704</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, 2025

	<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>	<u>2025</u>
Expenses										
Governmental Activities										
General government	\$ 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	\$ 16,096,226
Highway and streets	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	7,512,355
Sanitation	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	3,672,111
Culture and recreation	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	15,504,605
Public safety	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	22,279,519
Interest	1,293,742	1,559,100	1,271,181	1,231,944	1,115,802	920,485	871,548	477,955	829,125	745,127
Total governmental activities expenses	<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>	<u>65,809,943</u>
Business-Type Activities										
Waterworks and sewerage	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	9,948,784
Golf	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	2,368,364
Total business-type activities	<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>	<u>12,317,148</u>
Total primary government expenses	<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>	<u>\$ 78,127,091</u>
Program Revenues										
Governmental Activities										
Charges for services:										
General government	\$ 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	\$ 5,432,746
Highway and streets	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	4,049,619
Sanitation	697,435	734,111	721,276	749,620	1,040,121	1,053,692	1,040,338	1,053,425	1,062,504	1,058,094
Culture and recreation	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	4,002,290
Public safety	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	2,960,403
Operating grants and contributions	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	3,447,351
Capital grants and contributions	280,675	1,174,000	356,178	505,988	448,694	777,054	2,368,237	3,357,688	12,368,198	123,667
Total governmental activities program revenues	<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>	<u>21,074,170</u>
Business-Type Activities										
Charges for services:										
Waterworks and sewerage	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	9,020,277
Golf	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	2,248,235
Operating grants and contributions	-	-	-	228,332	-	-	-	138,517	-	20,826
Capital grants and contributions	-	-	-	-	-	-	554,466	-	184,270	-
Total business-type activities program revenues	<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>	<u>11,289,338</u>
Total government program revenues	<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>	<u>\$ 32,363,508</u>
Net (Expense)/Revenue										
Governmental Activities	<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>	<u>\$ (44,735,773)</u>
Business-Type Activities	<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>	<u>(1,027,810)</u>
Total primary government net expense	<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>	<u>\$(45,763,583)</u>

City of Lake Forest

Change in Net Position
 Last Ten Fiscal years
 Year Ended April 30, 2025

	<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>	<u>2025</u>
General Revenues and Other Changes in Net Position										
Governmental Activities										
Taxes:										
Property	\$ 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	\$ 36,326,854
Sales	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	2,714,081
Income and use	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	4,004,310
Telecommunications and utility	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	2,977,071
Real estate transfer tax	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	1,699,690
Other	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	6,714,214
Investment earnings	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	5,174,746
Gain on sale of assets	-	-	(3,874)	7,775	38,500	-	-	7,000	-	-
Transfers	(924,496)	(360,000)	(4,343,841)	786,850	(198,500)	(29,500)	(52,500)	(58,796)	(542,706)	(12,500)
Total governmental activities	<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>	<u>59,598,466</u>
Business-Type Activities										
Investment earnings	40,362	58,366	236,990	279,189	175,969	42,285	56,757	497,116	814,537	759,886
Other	6,033	2,450	61,835	299,176	309,870	290,648	374,139	261,369	201,297	356,745
Gain on sale of assets	-	-	-	-	-	-	-	-	-	1,922
Transfers	924,496	360,000	4,343,841	(786,850)	198,500	29,500	52,500	58,796	542,706	12,500
Total business-type activities	<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>	<u>1,131,053</u>
Total primary government	<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>	<u>\$ 60,729,519</u>
Changes in Net Position										
Governmental activities	\$ 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	\$ 14,862,693
Business-type activities	<u>1,100,426</u>	<u>(705,103)</u>	<u>4,479,579</u>	<u>(345,014)</u>	<u>(374,356)</u>	<u>267,431</u>	<u>2,955,283</u>	<u>880,865</u>	<u>2,289,171</u>	<u>103,243</u>
Total primary government change in net position	<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>	<u>\$ 14,965,936</u>

City of Lake Forest

Fund Balances of Governmental Funds
 Last Ten Fiscal Years
 April 30, 2025

	<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>	<u>2025</u>
General Fund										
Nonspendable	\$ 1,272,224	\$ 778,160	\$ 150,038	\$ 129,280	\$ 143,703	\$ 208,661	\$ 91,038	\$ 199,053	\$ 1,191,755	\$ 1,141,105
Assigned	-	-	-	-	-	-	-	-	-	3,360,000
Unassigned	<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>	<u>35,869,155</u>
Total general fund	<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>	<u>\$ 40,370,260</u>
All Other Governmental Funds										
Nonspendable	\$ 408,539	\$ 536,121	\$ 28,688	\$ 32,837	\$ 29,139	\$ 28,878	\$ -	\$ 292,047	\$ 38,047	\$ 40,874
Restricted	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	51,218,842
Assigned	1,456,053	-	-	-	-	-	-	-	6,018,542	4,806,601
Unassigned	-	-	-	(3,686)	(743,104)	(304,215)	-	-	-	-
Total all other governmental funds	<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>	<u>\$ 56,066,317</u>
Total governmental funds	<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>	<u>\$ 96,436,577</u>

City of Lake Forest

Changes in Fund Balances of Governmental Funds
 Last Ten Fiscal Years
 Year Ended April 30, 2025

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenues										
Property taxes	\$ 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	\$ 36,326,854
Other taxes	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	7,528,636
Intergovernmental revenues	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	9,842,542
Grants and contributions	1,056,523	1,419,736	997,289	2,220,550	1,082,083	1,959,289	803,304	3,495,343	785,592	4,308,453
Charges for services	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	10,953,813
Licenses and permits	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	4,971,912
Fines and forfeitures	260,407	321,168	345,438	355,304	271,985	260,726	256,681	252,955	249,043	217,796
Investment income (loss)	115,462	989,515	1,553,167	2,043,136	1,534,251	3,531,497	(919,400)	2,533,245	6,008,618	4,793,130
Miscellaneous revenue	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	1,440,977
Total revenues	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	80,384,113
Expenditures										
General government	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	13,706,510
Highways and streets	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	3,664,085
Sanitation	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	2,943,252
Culture and recreation	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	11,056,958
Public safety	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	21,350,264
Capital outlay	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	14,541,219
Debt service:										
Principal	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	2,395,000
Interest	1,293,634	1,639,191	1,277,596	1,242,498	1,202,730	1,026,472	957,831	925,090	991,914	1,083,502
Total expenditures	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	70,740,790
Excess (deficiency) of revenues over expenditures	(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)	9,643,323
Other Financing Sources (Uses)										
Transfers in	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	3,306,338
Transfers out	(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)	(3,321,838)
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	73,224	5,636,108	26,076	26,551	38,500	14,843	-	265,711	13,256	48,594
Total other financing sources (uses)	10,740,688	5,276,108	(2,224,670)	(337,449)	(57,234)	(15,157)	(702,244)	12,365,196	(399,519)	33,094
Net changes in fund balances	\$ 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)	\$ 9,676,417
Debt service as a percentage of noncapital expenditures	6.54%	17.36%	6.49%	5.42%	5.78%	5.76%	5.92%	5.58%	6.94%	6.03%

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
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%
2024	2,534,807,651	232,556,806	60,404	4,524,976	30,178,054	2,802,127,891	1.5035	8,406,383,673	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

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Bonds	0.067	0.059	0.060	0.066	0.074	0.077	0.077	0.076	0.110	0.113
Corporate	0.619	0.603	0.600	0.620	0.646	0.663	0.683	0.709	0.687	0.678
Firemen's Pension	0.053	0.050	0.061	0.065	0.077	0.093	0.098	0.099	0.095	0.086
IMRF	0.037	0.035	0.035	0.035	0.037	0.039	0.040	0.040	0.040	0.038
Library	0.153	0.146	0.145	0.149	0.157	0.166	0.170	0.176	0.177	0.169
Library Sites & Building	0.017	0.016	0.016	0.016	0.017	0.018	0.018	0.019	0.019	0.018
Parks/Park Maintenance	0.196	0.187	0.184	0.188	0.197	0.225	0.229	0.236	0.236	0.213
Police Pension	0.082	0.078	0.083	0.087	0.109	0.125	0.134	0.135	0.129	0.124
Ptab/CE Recapture	0.000	0.000	0.000	0.000	0.000	0.000	0.011	0.007	0.006	0.007
Recreation for Handicapped Rec.	0.018	0.018	0.018	0.019	0.020	0.021	0.021	0.022	0.022	0.021
Social Security	0.037	0.035	0.035	0.035	0.037	0.039	0.040	0.040	0.040	0.038
City Direct Rates *	1.279	1.227	1.237	1.280	1.371	1.464	1.522	1.559	1.562	1.504
Overlapping Rates										
College of Lake County	0.299	0.285	0.281	0.282	0.282	0.290	0.293	0.296	0.294	0.280
County of Lake	0.663	0.632	0.622	0.612	0.597	0.598	0.598	0.589	0.586	0.551
Lake County Forest Preserve	0.208	0.193	0.187	0.182	0.180	0.182	0.179	0.173	0.168	0.162
North Shore Water Reclamation Distr.	0.166	0.157	0.153	0.153	0.153	0.157	0.158	0.160	0.159	0.150
School District 67, Elem.	1.429	1.367	1.355	1.391	1.472	1.551	1.606	1.652	1.660	1.577
School District 115, High School	1.409	1.329	1.314	1.336	1.375	1.445	1.494	1.535	1.790	1.687
Township	0.038	0.036	0.035	0.035	0.036	0.037	0.037	0.048	0.075	0.070
Township Road and Bridge	0.032	0.031	0.030	0.031	0.032	0.033	0.034	0.026	0.000	0.000
Total tax rate	5.523	5.257	5.214	5.302	5.498	5.757	5.922	6.038	6.294	5.980
City's share of total tax rate	23%	23%	24%	24%	25%	25%	26%	26%	25%	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	2025			2016		
	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	\$ 17,498,965	1	0.62%			
Abbot Laboratories	13,866,784	2	0.49%			
Lake Forest Place LLC	11,284,128	3	0.40%			
Conway Gateway LLC	11,211,241	4	0.40%			
CAI Investment Lake Forest Global	10,196,130	5	0.36%			
Chicago Bears Football Club, Inc	9,426,868	6	0.34%			
Hospira Inc	8,964,096	7	0.32%	\$ 18,519,759	1	0.80%
Lake Forest Investment LLC	8,831,231	8	0.32%			
Chicago Title Land Trust Company	7,997,676	9	0.29%			
SOT North Field LP	6,767,821	10	0.24%			
Lake Products, Inc				14,112,229	2	0.61%
The Presbyterian Home				12,567,495	3	0.54%
CBIZ Property Tax Solutions				8,645,053	4	0.37%
Trustmark Insurance Co				7,646,395	5	0.33%
Northwestern Lake Forest Hospital				7,193,925	6	0.31%
Lake Forest Landmark Co. LLC				6,619,908	7	0.29%
Lake Forest Landmark II				5,637,202	8	0.24%
Riggs & Co.				5,288,629	9	0.23%
STRS L3 ACQ2 LLC				5,216,188	10	0.23%
	<u>\$ 106,044,940</u>		<u>3.78%</u>	<u>\$ 91,446,783</u>		<u>3.96%</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.

2025 Column is 2024 Assessed Valuation

2016 Column is 2015 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
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	39,718,081	39,687,202	99.92%	0	39,687,202	99.92%
2024	41,722,864	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

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General	0.619	0.603	0.600	0.617	0.646	0.663	0.683	0.709	0.693	0.685
IMRF/Social Security	0.074	0.070	0.070	0.071	0.074	0.078	0.079	0.081	0.080	0.075
Firefighter Pension	0.053	0.050	0.061	0.065	0.077	0.093	0.098	0.099	0.095	0.086
Police Pension	0.082	0.078	0.083	0.087	0.109	0.125	0.134	0.135	0.129	0.124
Parks and Recreation	0.196	0.187	0.184	0.188	0.196	0.224	0.229	0.236	0.236	0.213
Special Recreation	0.018	0.018	0.018	0.019	0.020	0.021	0.021	0.022	0.022	0.021
General Obligation Bond 2008	0.026	0.000	0.000	0.000	-	-	-	-	-	-
General Obligation Bond 2009	0.009	0.012	0.012	0.011	0.011	0.011	0.011	0.008	0.007	0.007
General Obligation Bond 2010	0.015	0.020	0.020	0.019	0.019	0.019	0.019	0.018	0.014	0.014
General Obligation Bond 2013	0.010	0.018	0.018	0.027	0.027	0.027	0.027	0.023	0.024	0.024
General Obligation Bond 2015	0.008	0.009	0.010	0.009	0.009	0.009	0.009	0.008	0.007	0.007
General Obligation Bond 2023	-	-	-	-	-	-	-	-	0.019	0.019
Total tax rate	1.102	1.110	1.065	1.076	1.113	1.188	1.269	1.311	1.326	1.274

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	2024
General Merchandise	\$ 7,471	\$ 5,072	\$ 4,358	\$ 4,215	\$ 5,854	\$ 4,980	\$ 2,427	\$ 6,183	\$ 5,196	\$ 13,185
Food	96,009	92,936	93,838	95,457	144,134	189,599	203,271	205,928	199,899	195,880
Drinking and Eating Places	163,447	173,473	182,278	177,620	261,770	216,636	290,619	411,141	552,491	594,278
Apparel	75,606	73,785	72,540	67,069	116,944	115,308	181,680	222,405	253,870	273,949
Furniture & H.H. & Radio	36,526	32,774	28,424	29,524	47,907	62,235	111,261	92,924	94,490	167,554
Lumber, Building, Hardware	-	7,537	8,238	9,633	17,362	27,244	30,082	34,466	46,613	24,529
Automobile and Filling Stations	28,267	26,735	30,895	35,146	48,650	45,234	65,741	77,445	72,226	70,291
Drugs and Miscellaneous Retail	118,740	117,224	102,558	103,843	154,528	179,191	551,958	636,194	674,093	729,888
Agriculture and All Others	129,721	116,945	105,670	66,743	146,885	148,739	217,430	289,167	389,921	367,345
Manufacturers	(3,818)	-	-	-	-	-	12,293	16,700	25,138	21,669
Censored categories	-	-	-	-	-	-	-	-	-	-
Total	\$ 651,969	\$ 646,481	\$ 628,799	\$ 589,250	\$ 944,034	\$ 989,166	\$ 1,666,760	\$ 1,992,553	\$ 2,313,937	\$ 2,458,568
Total Number of Payers	N/A	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%	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

	2015	2016	2017	2018	2019*	2020	2021	2022	2023	2024
General Merchandise	\$ 14,930	\$ 11,412	\$ 10,496	\$ 10,069	\$ 8,964	\$ 5,204	\$ 2,465	\$ 6,204	\$ 5,200	\$ 13,720
Food	591,893	564,049	550,591	535,167	528,469	615,073	594,801	614,841	601,617	593,755
Drinking and Eating Places	329,303	350,024	372,173	362,713	349,961	224,312	297,355	416,955	560,160	598,095
Apparel	151,212	147,576	145,141	134,201	146,455	115,423	182,571	222,670	254,048	274,141
Furniture & H.H. & Radio	73,061	65,571	56,848	59,046	66,569	62,239	111,580	93,634	94,684	167,894
Lumber, Building, Hardware	-	15,076	16,479	19,267	21,891	27,245	30,893	34,867	47,084	24,702
Automobile and Filling Stations	133,684	139,764	141,260	131,243	575,290	134,743	170,053	198,011	196,164	221,611
Drugs and Miscellaneous Retail	414,407	431,966	399,115	381,239	393,920	391,545	879,413	924,313	954,564	999,837
Agriculture and All Others	295,974	271,061	246,697	166,637	222,162	170,645	248,950	325,478	428,237	409,521
Manufacturers	(5,107)	-	-	-	-	-	13,645	23,220	26,452	17,906
Censored categories	-	-	-	-	-	-	-	-	-	-
Total	\$ 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	\$ 3,321,182
Total Number of Payers	673	687	687	604	578	510	2,897	4,030	5,004	6,182
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
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%
2025	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				
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
2025	29,645,573	-	8,285,215	-	37,930,788	1.37%	1.97%	1,958.53

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
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	0.58%	2,305.28
2024	41,156,135	147,160	44,646,410	0.61%	2,117.36
2025	37,930,788	-	37,930,788	0.45%	1,958.53

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, 2025

Governmental unit	Gross Debt	Percentage Debt Applicable to the City of Lake Forest*	City of Lake Forest Share of Debt
Lake County	\$ 130,535,000	8.33%	\$ 10,868,977
Lake County Community College #532	71,000,000	8.73%	6,198,791
Lake County Forest Preserve District	149,920,000	8.33%	12,483,066
School District #67	6,300,000	100.00%	6,300,000
School District #103	5,955,000	0.01%	596
High School District #115	108,340,000	79.76%	86,415,649
	<hr/>		<hr/>
Subtotal, overlapping debt	472,050,000		122,267,078
	<hr/>		<hr/>
City of Lake Forest direct debt	29,645,573	100.00%	29,645,573
	<hr/>		<hr/>
Total direct and overlapping debt	<u>\$ 501,695,573</u>		<u>\$ 151,912,651</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

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
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	Waterworks and Sewerage and Golf Course Bonds						Coverage
	Gross Revenue	Less: Operating Expenses	Net Available Revenue	Debt Service			
				Principal	Interest		
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	
2025	15,053,118	13,156,535	1,896,583	525,000	260,853	1.94	

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
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		1,928,139,786		99,558	3.7%
2024 *	19,367	(A)	2,538,383,223		131,067		1,928,139,786		99,558	4.4%
2025 *	19,367	(A)	2,775,045,473		143,287		1,928,139,786		99,558	4.3%

(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	2025			2016		
	Employees	Rank	% of Total City Population	Employees	Rank	% of Total City Population
Northwestern Medicine Lake Forest Hospital	1,565	1	8.08%	1,600	1	8.26%
Abbott	1,305	2	6.74%			
Hospira Inc.	900	3	4.65%	1,350	2	6.97%
Pfizer	551	4	2.85%			
Lake Forest College excludes student employees	496	6	2.56%	500	5	2.58%
Pactiv Corporation	494	5	2.55%	300	7	1.55%
Trustmark Insurance Company	385	7	1.99%	800	3	4.13%
Solo Cup Co.				600	4	3.10%
Lake Forest H.S. District 115 teacher, support staff	326	8	1.68%	350	6	1.81%
Consumer Credit Union	305	9	1.57%			
City of Lake Forest	217	10	1.12%	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	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Government										
Administration	25	25	23.5	23.8	23.8	24.8	24.75	25.75	26.75	27.75
Community Development	13.0	13.0	13.0	13.0	13.0	13.0	13.0	13.0	15.0	15.0
Public Safety										
Fire Protection										
Firefighters	33	33	32	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	8.0	9.0	7.0	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	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0
Sanitation	11	10.0	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/Horticulture	15.4	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	16.0
Recreation	15.4	16.0	16.0	16.0	16.0	16.0	16.0	16.0	15.0	15.0
Golf Course	2.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Cemetery	2	2	3	3	3	3	3	3	4	4
Senior Resources	3	3	3	3	3	3	3	3	3	3
Sub - total City	214	213.4	209.5	209.75	209.75	210.75	210.75	211.75	214.75	216.75
Library	29.2	30.5	30.5	31.0	30.0	31.0	30.0	26.0	29.0	31.5
Total all	243.2	243.9	240	240.75	239.75	241.75	240.75	237.75	243.75	248.20

Data Source

City Departments and employee totals as of April 30th

City of Lake Forest

Operating Indicators

Last Ten Fiscal Years

Function/Program	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Government										
City Clerk										
Real Estate Transfer Tax (1)										
Number of Transactions	355	361	425	418	369	663	637	427	384	335
Rebates Issued	44	37	40	45	33	63	67	45	25	22
Birth Certificates Issued	2,575	2,474	2,807	2,759	2,525	2,617	3,212	3,385	3,283	3,163
Community Development										
Building permits issued	3,855	3,632	3,753	4,275	3,716	3,847	4,446	4,612	4,918	4,139
Residential construction	27	21	9	13	18	29	32	33	37	16
Commercial construction	1	1	4	-	1	2	2	2	3	-
Building inspections conducted	11,009	11,707	10,798	11,214	10,586	10,466	10,065	10,065	12,721	12,102
Public Safety										
Fire protection										
I.S.O. rating	4	3	3	3	3	3	3	3	3	3
Number of calls answered										
EMS	1,712	1,923	1,909	1,839	2,232	1,868	2,159	2,344	2,575	2,609
Fire	1,367	1,385	1,448	1,450	1,448	1,127	1,403	1,436	1,467	1,495
Police (calendar year)										
Non traffic arrests	166	129	76	157	83	80	95	49	105	102
Parking violations	3,907	5,396	4,325	6,891	3,748	1,107	2,242	2,043	2,458	2,160
Traffic violations	1,985	1,718	949	1,909	1,583	1,487	1,336	1,518	1,447	1,145
Public Works										
Streets										
Street resurfacing (miles) (calendar year)	2.40	3.28	2.63	2.20	3.40	1.90	1.20	3.10	2.00	2.00
Number of snow events										
Salting	24	15	10	9	6	5	5	2	8	11
Plowing	10	5	10	9	10	14	13	11	5	8
Inches of snow	24	22	45	46	26	63	37	29	18	14
Sanitation										
Refuse collection customers	6,295	6,467	6,467	6,484	6,503	6,527	6,550	6,550	6,556	6,597
Parks and Recreation (2)										
Fitness										
Number of programs	346	215	200	257	246	682	70	159	120	94
Units of participation	1,271	1,473	1,430	1,446	1,442	2,079	1,502	1,635	1,658	1,656
Athletics										
Number of programs	168	275	237	466	460	792	213	411	265	281
Units of Participation	1,348	2,006	2,026	1,931	1,958	561	1,901	3,169	2,866	3,244
Lakefront, Early Childhood Education and Lifetime Activities										
Number of programs	130	176	161	228	223	298	124	136	155	145
Units of participation	1,393	1,221	1,385	1,679	1,685	443	1,233	977	1,365	1,250
Cultural Arts/Special Events										
Number of programs	147	286	246	310	312	550	259	591	367	261
Units of participation	1,579	4,133	4,743	5,064	5,078	1,698	5,269	6,688	5,672	5,747

City of Lake Forest

Operating Indicators (Continued)
Last Ten Fiscal Years

Function/Program	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Developed parks and recreation areas	11	11	11	10	11	11	11	11	11	11
Developed park acreage	405	405	405	344	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	7	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	4	4	4	4	4	4
Sites with tennis courts	6	6	6	6	6	6	6	6	5	5
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	29,445	27,101	24,631	26,184	24,666	24,508	26,293	26,799	27,810	29,897
Daily fee	20,478	19,755	18,660	21,172	20,089	20,380	22,112	20,831	21,860	21,852
Seasonal	8,967	7,346	5,971	5,012	4,577	4,128	4,181	5,968	5,950	8,045
Water										
New Connections (tap-ons)	66	30	23	29	21	27	15	12	18	15
Meters in operation	6,810	6,854	6,854	6,840	6,850	6,899	6,911	6,920	6,971	6,988
Meters connected to sewerage system	6,645	6,718	6,778	6,766	6,789	6,832	6,842	6,854	6,905	6,922
Average daily consumption (MGD)	3.162	3.499	3.550	3.430	3.132	3.400	3.804	3.324	3.681	3.451
Peak daily consumption (MGD)	8.268	8.315	8.926	7.247	7.916	8.180	8.482	8.579	8.242	7.441
Rated daily pumping capacity (MGD)	14	14	14	14	14	14	14	14	14	14
Total gallons pumped during fiscal year (in millions)	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	1,259.5
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)	146,153	221,568	248,598	147,024	149,026	350,692	366,063	411,037	455,385	114,543
Registered borrowers	15,460	15,518	13,588	13,946	7,908	9,408	9,377	6,180	7,282	7,623
Fiscal yearbooks, items or materials circulation	383,561	376,144	551,232	366,128	346,603	262,366	350,541	288,572	320,109	356,747

Data Source

City departments

(1) Collection of real estate transfer tax began in July 2006 (FY2007).

(2) 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	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Public Safety										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Vehicles	21	24	24	23	23	23	23	23	24	24
Fire protection										
Stations	2	2	2	2	2	2	2	2	2	2
Vehicles	17	17	15	18	18	19	23	23	22	22
Public Works										
Bridges										
Vehicle	14	14	14	14	14	14	14	14	15	15
Pedestrian	12	12	12	13	13	13	13	13	14	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)	219.43	219.43	219.46	219.54	219.54	219.54	219.54	220.12	220.84	220.93
Parks and Recreation										
Acreage	405	405	405	344	344	344	344	344	344	344
Water										
Water mains (miles)	166.44	166.89	167.68	167.68	167.73	167.84	167.84	168.08	169.24	169.62
Fire hydrants	1,511	1,511	1,519	1,374	1,400	1,400	1,400	1,416	1,416	1,413
Wastewater										
Sanitary sewers (miles)	139.43	139.43	140.25	140.25	140.25	140.25	140.25	140.41	140.41	140.41

Data Source

City departments

N/A = data not available

City of Lake Forest

Report on Federal Awards

April 30, 2025

City of Lake Forest

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

Independent Auditors' Report

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Lake Forest, Illinois (the City), as of and for the year ended April 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated October 16, 2025.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

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

Purpose of This Report

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

Oak Brook, Illinois
October 16, 2025

**Report on Compliance
for the Major Federal Program;
Report on Internal Control Over Compliance; and
Report on the Schedule of Expenditures of
Federal Awards Required by the Uniform Guidance**

Independent Auditors' Report

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

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited the City of Lake Forest, Illinois' (the City) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on the City's major federal program for the year ended April 30, 2025. The City's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended April 30, 2025.

Basis for Opinion on the Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for the major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the City's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of the major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, 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 City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City as of and for the year ended April 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated October 16, 2025, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the basic financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance 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 schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Oak Brook, Illinois
October 16, 2025

City of Lake Forest

Schedule of Expenditures of Federal Awards
Year Ended April 30, 2025

Federal Grantor/ Program Title	ALN Number	Pass-through Agency Grant Number	Federal Expenditures	Payments Made to Subrecipients
Federal Programs				
U.S. Department of Treasury				
Direct Program				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	\$ 2,334,377	\$ -
Total U.S. Department of Treasury			<u>2,334,377</u>	<u>-</u>
U.S. Department of Transportation				
Passed Through Illinois Department of Transportation				
Highway Planning and Construction	20.205	HX47(334)	22,234	-
Highway Planning and Construction	20.205	DY7W(618)	<u>1,929</u>	<u>-</u>
Total U.S. Department of Transportation			<u>24,163</u>	<u>-</u>
U.S. Department of Natural Resources				
Passed Through Illinois Department of Natural Resources				
Coastal Zone Management Administration Awards	11.419	422-30-0103	<u>117,123</u>	<u>-</u>
Total U.S. Department of Natural Resources			<u>117,123</u>	<u>-</u>
U.S. Environmental Protection Agency				
Passed Through Great Lakes Commission				
Soil and Water Conservation	10.902	NR223A750013C001	<u>45,000</u>	<u>-</u>
Total U.S. Environmental Protection Agency			<u>45,000</u>	<u>-</u>
Total expenditures of federal awards			<u>\$ 2,520,663</u>	<u>\$ -</u>

See notes to schedule of expenditures of federal awards

City of Lake Forest

Notes to the Schedule of Expenditures of Federal Awards
April 30, 2025

1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the City of Lake Forest under programs of the federal government for the year ended April 30, 2025. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City of Lake Forest, it is not intended to and does not present the financial position, changes in net position or cash flows of the City of Lake Forest.

2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual or modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

The underlying accounting records for some grant programs are maintained on the modified accrual basis of accounting. Under the modified accrual basis, revenues are recorded when susceptible to accrual, i.e., 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. Expenditures are recorded when the liability is incurred. The accounting records for other grant programs are maintained on the accrual basis, i.e., when the revenue has been earned and the liability is incurred.

3. Indirect Cost Rate

The City of Lake Forest has not elected to use the 10% de minimis indirect cost rate.

City of Lake Forest

Schedule of Findings and Questioned Costs
Year Ended April 30, 2025

Section I - Summary of Auditors' Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified
Internal control over financial reporting:
Material weakness(es) identified? yes X no
Significant deficiency(ies) identified? yes X none reported
Noncompliance material to financial statements noted? yes X no

Federal Awards

Internal control over major programs:
Material weakness(es) identified? yes X no
Significant deficiency(ies) identified? yes X none reported
Type of auditor's report issued on compliance for major programs: Unmodified
Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a)? yes X no
Auditee qualified as low-risk auditee? yes X no
Dollar threshold used to distinguish between type A and type B programs: \$750,000

Identification of major federal programs:

Table with 2 columns: Assistance Listing Number, Name of Federal Program or Cluster. Row 1: 21.027, Coronavirus State and Local Fiscal Recovery Funds

Section II - Financial Statement Findings

None noted.

Section III - Federal Awards Findings and Questioned Costs

None noted.

THE CITY OF LAKE FOREST

ORDINANCE NO. ~~2024~~2025-__

**AN ORDINANCE RESTATING AND REAFFIRMING
ORDINANCE NO. ~~2013-070~~2024-045**

WHEREAS, The City of Lake Forest (the "*City*") is a home rule, special charter municipal corporation; and

WHEREAS, prior to the approval of the City's home rule referendum, the then-sitting City Council of the City (the "*2004 Council*") adopted Ordinance No. 2004-47, which ordinance established the position of the 2004 Council on the use of home rule authority, and particularly pledged to abide by the "property tax cap" limitations of the Illinois Compiled Statutes as set forth in the Property Tax Extension Limitation Law (35 ILCS 200/18-185 et seq.)(the "*Tax Cap Law*"); and

WHEREAS, in evaluating the potential benefits of home rule, the 2004 Council recognized that flexibility in accessing the bond market was a significant advantage that home rule status provided over non-home rule status; and

WHEREAS, at the same time, the 2004 Council recognized that misuse of home rule powers could lead to greater annual debt service payments for City taxpayers in real dollars; and

WHEREAS, in order to take advantage of the benefits of home rule without exposing the taxpayers of the City to the risks of home rule, the 2004 Council adopted Ordinance No. 2004-47; and

WHEREAS, the voters of Lake Forest expressed their trust for its local governmental representatives and their preference for local control by approving a referendum granting the City home rule status in 2004; and

WHEREAS, in 2008, the City Council (the "*2008 Council*") adopted Ordinance No. 2008-

8, being "An Ordinance Restating And Reaffirming Ordinance No. 2004-47"; and

WHEREAS, in 2013, the City Council (the "**2013 Council**") adopted Ordinance No. 2013-070, being "An Ordinance Restating and Reaffirming Ordinance No. 2008-8"; and

WHEREAS, in 2024, the City Council (the "**2024 Council**") adopted Ordinance No. 2024-045, being "An Ordinance Restating and Reaffirming Ordinance No. 2013-070" (the limitations contained therein being referred to herein as the "*Policy*"); and

WHEREAS, the current City Council concurs with the 2004 Council, the 2008 Council the 2013 Council and the ~~2013~~2024 Council that, notwithstanding its home rule status, the City should:

- (i) with respect to its annual debt service and levies for capital improvements, not exceed in real dollars \$2,589,806, which was the tax extension in 2004 for debt service amounts, exclusive of changes in the Illinois Municipal Price Index (the "**CPI**") as calculated by the Illinois Institute of Rural Affairs and the Illinois Municipal League [or, if the Illinois Municipal Price Index is no longer published, then the "Consumer Price Index" as defined in the Tax Cap Law] (the "**2004 Debt Level**"); and
- (ii) with respect to its "aggregate levy," being all property taxes levied by the City except for debt service levies for general obligation unlimited tax bonds and capital improvement levies, abide by the limitations of the "property tax cap" law; and

WHEREAS, consistent with sound fiscal planning, and to demonstrate its concurrence with the 2004 Council, 2008 Council, the 2013 Council and the ~~2013~~2024 Council, and to express more clearly the commitment reflected in Ordinance No. 2004-47, Ordinance No. 2008-8, Ordinance No. 2013-070, and Ordinance No. ~~2013-070~~2024-045 with respect to the bonded indebtedness and changes in the CPI, the City Council desires to restate, reaffirm, and refine the intentions of the 2004 Council, 2008 Council ~~and~~, the 2013 Council and the 2024 Council to abide by the Tax Cap Law and to articulate affirmatively the intention to maintain the City's property tax

levy to pay debt service ~~levels~~ on the City's bonds consistent with the 2004 Debt Level in real dollars; and

~~WHEREAS, in recognition that the funding of capital improvements can often be accomplished more economically by direct levy rather than through the issuance of bonds (which involve both issuance costs and interest costs), and consistent with the intent of the 2004 Council, 2008 Council and the 2013 Council, the City Council desires to clarify that paying for capital improvements on a "pay as you go" basis while maintaining the 2004 Debt Level in real dollars is in the best interests of the City and its residents;~~ with respect to bonded indebtedness expected to be paid from sources other than general property taxes ("Self-Supported Debt"), consistent with historical City practice and in recognition that the strength of the City's full faith and credit allows the City to reduce its borrowing rates when pledged to the repayment of such Self-Supported Debt, the City seeks to memorialize the policy that Self-Supported Debt is not subject to the policy; and

WHEREAS, the Council recognizes that the City's ability to repay debt quickly is advantageous to the City and will reduce the City's interest cost;

WHEREAS, the City further recognizes that compliance with the Policy as currently constituted prevents the City from assuming growth in the 2004 Debt Level which causes the City to delay the payment of principal on its bonds despite growth in the 2004 Debt Level that will occur during the time such bonds are outstanding.

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF LAKE FOREST, LAKE COUNTY, ILLINOIS, as follows:

SECTION ONE: **Recitals.** The preceding recitals are incorporated into and made a part of this Ordinance.

SECTION TWO: Debt Limits and Property Tax Caps. Notwithstanding the City's

status as a home rule unit, the City Council shall:

- (i) not exceed the 2004 Debt Level (as adjusted by the CPI from 2004 to the present) (the "Adjusted 2004 Debt Level") for the City's annual debt service amount, provided that:
 - (a) bonds of the City expected to be paid from sources other than general property taxes shall be excluded from said limitation (said bonds including expressly the City's currently outstanding General Obligation Bonds, Series 2015, General Obligation Bonds, Series 2017, and General Obligation Refunding Bonds, Series 2019, as well as any bonds issued in the future which the Council denotes as expected to be paid from sources other than property taxes) and
 - (b) in connection with the issuance of any series of bonds, the City is authorized to assume annual growth of the Adjusted 2004 Debt Level of not to exceed 3% in each year in which said bonds are outstanding in determining whether the aggregate debt service due with respect to each series of bonds subject to this limitation exceeds such limitation in any levy year, provided, however, that, if the City shall certify at the time of the issuance of any such bonds that the issuance of such bonds complies with this limitation assuming such growth in the Adjusted 2004 Debt Level, the City is authorized to levy the amount sufficient to pay the principal of and interest on all bonds subject to this limitation even if the actual Adjusted 2004 Debt Level is less than the Adjusted 2004 Debt Level incorporating such assumed growth at any time, and
- (ii) except as provided in part (i) above, abide by the "property tax cap" for the City's aggregate levy in accordance with the Tax Cap Law; provided that the City Council may, in any year, increase its aggregate levy by more than the "property tax cap" (but not more than 5%) by a three-fourths vote of the City Council, but only if the moneys raised by such increase in property taxes in excess of the aggregate levy otherwise authorized under the Tax Cap Law is used either:
 - (a) for supplementing the Capital Improvement Fund of the City; or
 - (b) to replace revenues lost because of changes in the amount of the State Revenue Sharing Moneys paid to the City;

unless one of the following occurs:

- A. The City Council has determined that a bona fide emergency or legal requirement dictates said increase, or
- B. That an advisory referendum has determined support within the community for said increase.

SECTION THREE: Supersedence; Effect on Bond Levies. This Ordinance supersedes Ordinance No. 2004-47, Ordinance No. 2008-8, Ordinance No. 2013-070 and Ordinance No. ~~2013-070~~2024-045. Nothing in this Ordinance shall act as a limitation on the ability of the City to levy a direct annual ad valorem tax against all taxable property in the City without limitation as to rate or amount for the payment of any general obligation bonds of the City.

SECTION FOUR: Effective Date. This Ordinance shall be in full force and effect from and after its adoption.

PASSED this ~~_____3rd~~ day of ~~December~~November, ~~2024~~2025.

AYES:

NAYS:

ABSENT:

APPROVED this ~~_____3rd~~ day of ~~December~~November, ~~2024~~2025.

Mayor

ATTEST:

City Clerk

ORDINANCE NO. 2025-_____

AN ORDINANCE providing for the issuance of not to exceed \$20,350,000 General Obligation Bonds of the City of Lake Forest, Lake County, Illinois, for the purpose of financing capital improvements in and for the City including, but not limited to, renovation of a building for use as a public safety facility, including the site work, design and engineering related thereto, providing for the levy and collection of a direct annual tax sufficient to pay the principal and interest on said bonds, and authorizing the sale of said bonds to the purchaser thereof.

WHEREAS, the City of Lake Forest, Lake County, Illinois (the “*City*”), elected on November 2, 2004, pursuant to the provisions of the 1970 Constitution of the State of Illinois and particularly Article VII, Section 6(a) thereof, to become a home rule unit and as such may exercise any power or perform any function pertaining to its government and affairs, including, but not limited to, the power to tax and to incur debt; and

WHEREAS, pursuant to the provisions of said Section 6, the City has the power to incur debt payable from ad valorem property tax receipts or from any other lawful source and maturing within 40 years from the time it is incurred without prior referendum approval; and

WHEREAS, the City Council of the City (the “*Council*”) has considered the needs of the City and has determined and does hereby determine that it is necessary, desirable and in the best interests of the City to borrow at this time the sum of not to exceed \$20,350,000 to finance a portion of the construction of capital improvements in and for the City including, but not limited to, renovation of a building for use as a public safety facility, including the site work, design and engineering related thereto (the “*Project*”); and

WHEREAS, it is in the best interest of the City to issue bonds of the City (the “*Bonds*”) in the aggregate principal amount of not to exceed \$20,350,000 to evidence said borrowing and for the purpose of paying costs of the Project; and

WHEREAS, pursuant to Ordinance No. 2004-47 (as supplemented, amended and superseded, the “*Debt Limit Ordinance*”), and notwithstanding the City’s home rule status, the City has adopted a limit on the amount of property taxes it may levy on an annual basis to provide for debt service payments on its outstanding general obligation bonds to an amount not exceeding its 2004 debt service property tax levy (as adjusted for Municipal Price Index increases) plus levies for capital improvements (the “*City Debt Limit*”); and

WHEREAS, the City has four outstanding series of general obligation bonds that are subject to the City Debt Limit, namely, the portion of the General Obligation Bonds, Series 2015, that financed various capital expenditures in the City’s Five Year Capital Improvement Program, the portion of the General Obligation Refunding Bonds, Series 2019, that financed the construction of the Municipal Services building, the General Obligation Refunding Bonds, Series 2021, and the General Obligation Bonds, Series 2023 (collectively, the “*Outstanding Tax-Capped Bonds*”);and

WHEREAS, the City has three outstanding series of general obligation bonds that are not subject to the City Debt Limit because such bonds when issued were expected to be repaid from sources other than general property taxes, namely, the portion of the General Obligation Bonds, Series 2015, that financed tax increment financing projects, the General Obligation Bonds, Series 2017, and the portion of the General Obligation Refunding Bonds, Series 2019, that financed waterworks and golf course improvements; and

WHEREAS, the Council does hereby find and determine that upon the issuance of the Bonds, the aggregate outstanding unpaid bonded indebtedness of the City, including the Bonds, the Outstanding Tax-Capped Bonds and any separate property taxes levied for capital improvements, will not exceed the City Debt Limit (which finding will be confirmed by the Designated Representatives (as hereinafter defined) in the Bond Notification (as hereinafter defined)), and thus the County Clerk of The County of Lake, Illinois (the “*County Clerk*”), is authorized to extend

and collect direct annual ad valorem taxes so levied for the payment of the Bonds without limitation as to rate or amount:

NOW THEREFORE BE IT ORDAINED by the City Council of the City of Lake Forest, Lake County, Illinois, in the exercise of its home rule powers, as follows:

Section 1. Incorporation of Preambles. The Council hereby finds that all of the recitals contained in the preambles to this Ordinance are true, correct and complete and does incorporate them into this Ordinance by this reference.

Section 2. Authorization. It is hereby found and determined that pursuant to the provisions of the Illinois Municipal Code, as supplemented and amended, and the home rule powers of the City under Section 6 of Article VII of the Illinois Constitution of 1970 (in the event of conflict between the provisions of said code and home rule powers, the home rule powers shall be deemed to supersede the provisions of said code) (together, the “Act”), the Council has been authorized by law to borrow the sum of \$20,350,000 upon the credit of the City and as evidence of such indebtedness to issue bonds of the City in said amount, the proceeds of said bonds to be used for the Project, and that it is necessary to borrow not to exceed \$20,350,000 of said authorized sum and issue the Bonds in evidence thereof, and these findings and determinations, together with those set forth in the preambles to this Ordinance, shall be deemed conclusive.

Section 3. Bond Details. There be borrowed by for and on behalf of the City an amount not to exceed \$20,350,000 for the purpose aforesaid, and that bonds of the City shall be issued to said amount and shall be designated “General Obligation Bonds, Series 2025” with such alternative or additional designations necessary to properly identify the Bonds as shall be set forth in the Bond Notification. The Bonds may be issued in one or more series, and any series of the Bonds may be issued such that the interest on the Bonds is exempt from gross income of the owners thereof for federal income tax purposes or includible in gross income of the owners thereof for

federal income tax purposes, as set forth in the Bond Notification. The Bonds shall be dated such date as set forth in the Bond Notification, and shall also bear the date of authentication, shall be in fully registered form, shall be in denominations of \$5,000 each or authorized integral multiples thereof (but no single Bond shall represent installments of principal maturing on more than one date), or such other denominations as set forth in the Bond Notification and shall be numbered 1 and upward. The Bonds shall become due and payable serially or be subject to mandatory redemption (subject to prior redemption as hereinafter described) on December 15 of each of the years (not later than 2040), in the amounts (not exceeding \$2,450,000 per year) and bearing interest at the rates (not exceeding 5.00% per annum) as set forth in the Bond Notification. The Bonds shall bear interest from their date or from the most recent interest payment date to which interest has been paid or duly provided for, until the principal amount of the Bonds is paid, such interest (computed upon the basis of a 360-day year of twelve 30-day months) being payable semi-annually on June 15 and December 15 of each year thereafter (or such other dates as set forth in the Bond Notification), commencing on the date set forth in the Bond Notification.

Interest on each Bond shall be paid by check or draft of the bond registrar and paying agent, which shall be the Purchaser (as hereinafter defined), the Treasurer of the City (the “*City Treasurer*”) or a bank or trust company authorized to do business in the State of Illinois (as set forth in the Bond Notification) (the “*Bond Registrar*”), payable upon presentation thereof in lawful money of the United States of America, to the person in whose name such Bond is registered at the close of business on the 1st day of the month of the interest payment date. The principal of the Bonds shall be payable in lawful money of the United States of America upon presentation thereof at the principal corporate trust office of the Bond Registrar.

Section 4. Execution; Authentication. The Bonds shall be executed on behalf of the City by the manual or facsimile signature of its Mayor and attested by the manual or facsimile signature

of its City Clerk, as they shall determine, and shall have impressed or imprinted thereon the corporate seal or facsimile thereof of the City. In case any such officer whose signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery. All Bonds shall have thereon a certificate of authentication, substantially in the form hereinafter set forth, duly executed by the Bond Registrar as authenticating agent of the City and showing the date of authentication. No Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this Ordinance unless and until such certificate of authentication shall have been duly executed by the Bond Registrar by manual signature, and such certificate of authentication upon any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered under this Ordinance.

Section 5. Registration of Bonds; Persons Treated as Owners. (a) *General.* The City shall cause books (the “*Bond Register*”) for the registration and for the transfer of the Bonds as provided in this Ordinance to be kept at the principal corporate trust office of the Bond Registrar, which is hereby constituted and appointed the registrar of the City. The City is authorized to prepare, and the Bond Registrar shall keep custody of, multiple Bond blanks executed by the City for use in the transfer and exchange of Bonds.

Upon surrender for transfer of any Bond at the principal corporate trust office of the Bond Registrar, duly endorsed by, or accompanied by a written instrument or instruments of transfer in form satisfactory to the Bond Registrar and duly executed by, the registered owner or his or her attorney duly authorized in writing, the City shall execute and the Bond Registrar shall authenticate, date and deliver in the name of the transferee or transferees a new fully registered Bond or Bonds of the same maturity of authorized denominations, for a like aggregate principal amount. Any fully registered Bond or Bonds may be exchanged at said office of the Bond

Registrar for a like aggregate principal amount of Bond or Bonds of the same maturity of other authorized denominations. The execution by the City of any fully registered Bond shall constitute full and due authorization of such Bond and the Bond Registrar shall thereby be authorized to authenticate, date and deliver such Bond, *provided, however*, the principal amount of outstanding Bonds of each maturity authenticated by the Bond Registrar shall not exceed the authorized principal amount of Bonds for such maturity less previous retirements.

The Bond Registrar shall not be required to transfer or exchange any Bond during the period beginning at the close of business on the 1st day of the month of any interest payment date on such Bond and ending at the opening of business on such interest payment date, nor to transfer or exchange any Bond after notice calling such Bond for redemption has been mailed, nor during a period of fifteen (15) days next preceding mailing of a notice of redemption of any Bonds.

The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of the principal of or interest on any Bond shall be made only to or upon the order of the registered owner thereof or his or her legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

No service charge shall be made for any transfer or exchange of Bonds, but the City or the Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds, except in the case of the issuance of a Bond or Bonds for the unredeemed portion of a Bond surrendered for redemption.

(b) *Global Book-Entry System.* The Bonds shall be initially issued in the form of a separate single fully registered Bond for each of the maturities of the Bonds determined as described in Section 3 hereof. Upon initial issuance, the ownership of each such Bond shall be

registered in the Bond Register in the name of Cede & Co., or any successor thereto (“*Cede*”), as nominee of The Depository Trust Company, New York, New York, and its successors and assigns (“*DTC*”). All of the outstanding Bonds shall be registered in the Bond Register in the name of Cede, as nominee of DTC, except as hereinafter provided. Any officer of the City who is a signatory on the Bonds is authorized to execute and deliver, on behalf of the City, such letters to or agreements with DTC as shall be necessary to effectuate such book-entry system (any such letter or agreement being referred to herein as the “*Representation Letter*”), which Representation Letter may provide for the payment of principal of or interest on the Bonds by wire transfer.

With respect to Bonds registered in the Bond Register in the name of Cede, as nominee of DTC, the City and the Bond Registrar shall have no responsibility or obligation to any broker-dealer, bank or other financial institution for which DTC holds Bonds from time to time as securities depository (each such broker-dealer, bank or other financial institution being referred to herein as a “*DTC Participant*”) or to any person on behalf of whom such a DTC Participant holds an interest in the Bonds. Without limiting the immediately preceding sentence, the City and the Bond Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede or any DTC Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any DTC Participant or any other person, other than a registered owner of a Bond as shown in the Bond Register, of any notice with respect to the Bonds, including any notice of redemption, or (iii) the payment to any DTC Participant or any other person, other than a registered owner of a Bond as shown in the Bond Register, of any amount with respect to the principal of or interest on the Bonds. The City and the Bond Registrar may treat and consider the person in whose name each Bond is registered in the Bond Register as the holder and absolute owner of such Bond for the purpose of payment of principal and interest with respect to such Bond, for the purpose of giving notices of redemption and other matters with respect to such Bond, for

the purpose of registering transfers with respect to such Bond, and for all other purposes whatsoever. The Bond Registrar shall pay all principal of and interest on the Bonds only to or upon the order of the respective registered owners of the Bonds, as shown in the Bond Register, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to payment of the principal of and interest on the Bonds to the extent of the sum or sums so paid. No person other than a registered owner of a Bond as shown in the Bond Register, shall receive a Bond evidencing the obligation of the City to make payments of principal and interest with respect to any Bond. Upon delivery by DTC to the Bond Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede, and subject to the provisions in Section 3 hereof with respect to the payment of interest to the registered owners of Bonds at the close of business on the 1st day of the month of the applicable interest payment date, the name "Cede" in this Ordinance shall refer to such new nominee of DTC.

In the event that (i) the City determines that DTC is incapable of discharging its responsibilities described herein and in the Representation Letter, (ii) the agreement among the City, the Bond Registrar and DTC evidenced by the Representation Letter shall be terminated for any reason or (iii) the City determines that it is in the best interests of the beneficial owners of the Bonds that they be able to obtain certificated Bonds, the City shall notify DTC and DTC Participants of the availability through DTC of certificated Bonds and the Bonds shall no longer be restricted to being registered in the Bond Register in the name of Cede, as nominee of DTC. At that time, the City may determine that the Bonds shall be registered in the name of and deposited with such other depository operating a universal book-entry system, as may be acceptable to the City, or such depository's agent or designee, and if the City does not select such alternate universal book-entry system, then the Bonds may be registered in whatever name or names registered owners

of Bonds transferring or exchanging Bonds shall designate, in accordance with the provisions of Section 5(a) hereof.

Notwithstanding any other provisions of this Ordinance to the contrary, so long as any Bond is registered in the name of Cede, as nominee of DTC, all payments with respect to principal of and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, in the name provided in the Representation Letter.

Section 6. Redemption. (a) Optional Redemption. All or a portion of the Bonds, if any, due on and after the date, if any, specified in the Bond Notification shall be subject to redemption prior to maturity at the option of the City from any available funds, as a whole or in part, and if in part in integral multiples of \$5,000 in any order of their maturity as determined by the City (less than all of the Bonds of a single maturity to be selected by the Bond Registrar), on the date specified in the Bond Notification, if any, and on any date thereafter, at the redemption price of par plus accrued interest to the date fixed for redemption.

(b) *Mandatory Redemption.* The Bonds maturing on the date or dates, if any, indicated in the Bond Notification are subject to mandatory redemption, in integral multiples of \$5,000 selected by lot by the Bond Registrar, at a redemption price of par plus accrued interest to the redemption date for the Bonds, on the dates and in the principal amounts, if any, as indicated in the Bond Notification.

The principal amounts of Bonds to be mandatorily redeemed in each year may be reduced through the earlier optional redemption thereof, with any partial optional redemptions of such Bonds credited against future mandatory redemption requirements in such order of the mandatory redemption dates as the City may determine. In addition, on or prior to the 60th day preceding any mandatory redemption date, the Bond Registrar may, and if directed by the Council shall, purchase Bonds required to be retired on such mandatory redemption date. Any such Bonds so

purchased shall be cancelled and the principal amount thereof shall be credited against the mandatory redemption required on such next mandatory redemption date.

(c) *General.* The Bonds shall be redeemed only in the principal amount of \$5,000 and integral multiples thereof. The City shall, at least forty-five (45) days prior to any optional redemption date (unless a shorter time period shall be satisfactory to the Bond Registrar) notify the Bond Registrar of such redemption date and of the principal amount and maturity or maturities of Bonds to be redeemed. For purposes of any redemption of less than all of the outstanding Bonds of a single maturity, the particular Bonds or portions of Bonds to be redeemed shall be selected by lot by the Bond Registrar from the Bonds of such maturity by such method of lottery as the Bond Registrar shall deem fair and appropriate; *provided* that such lottery shall provide for the selection for redemption of Bonds or portions thereof so that any \$5,000 Bond or \$5,000 portion of a Bond shall be as likely to be called for redemption as any other such \$5,000 Bond or \$5,000 portion. The Bond Registrar shall make such selection upon the earlier of the irrevocable deposit of funds with an escrow agent sufficient to pay the redemption price of the Bonds to be redeemed or the time of the giving of official notice of redemption.

The Bond Registrar shall promptly notify the City in writing of the Bonds or portions of Bonds selected for redemption and, in the case of any Bond selected for partial redemption, the principal amount thereof to be redeemed.

Section 7. Redemption Procedure. Unless waived by any holder of Bonds to be redeemed, notice of the call for any such redemption shall be given by the Bond Registrar on behalf of the City by mailing the redemption notice by first class mail at least thirty (30) days and not more than sixty (60) days prior to the date fixed for redemption to the registered owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such registered owner to the Bond Registrar.

All notices of redemption shall state:

- (1) the redemption date,
- (2) the redemption price,
- (3) if less than all outstanding Bonds are to be redeemed, the identification (and, in the case of partial redemption, the respective principal amounts) of the Bonds to be redeemed,
- (4) that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date,
- (5) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the principal corporate trust office of the Bond Registrar, and
- (6) such other information then required by custom, practice or industry standard.

Unless moneys sufficient to pay the redemption price of the Bonds to be redeemed at the option of the City shall have been received by the Bond Registrar prior to the giving of such notice of redemption, such notice may, at the option of the City, state that said redemption shall be conditional upon the receipt of such moneys by the Bond Registrar on or prior to the date fixed for redemption. If such moneys are not received, such notice shall be of no force and effect, the City shall not redeem such Bonds, and the Bond Registrar shall give notice, in the same manner in which the notice of redemption shall have been given, that such moneys were not so received and that such Bonds will not be redeemed. Otherwise, prior to any redemption date, the City shall deposit with the Bond Registrar an amount of money sufficient to pay the redemption price of all the Bonds or portions of Bonds which are to be redeemed on that date.

Subject to the provisions for a conditional redemption described above, notice of redemption having been given as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the City shall default in the payment of the redemption price)

such Bonds or portions of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Bond Registrar at the redemption price. Installments of interest due on or prior to the redemption date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Bond, there shall be prepared for the registered holder a new Bond or Bonds of the same maturity in the amount of the unpaid principal.

If any Bond or portion of Bond called for redemption shall not be so paid upon surrender thereof for redemption, the principal shall, until paid, bear interest from the redemption date at the rate borne by the Bond or portion of Bond so called for redemption. All Bonds which have been redeemed shall be cancelled and destroyed by the Bond Registrar and shall not be reissued.

Section 8. Form of Bond. The Bonds shall be in substantially the following form; *provided, however,* that if the text of the Bond is to be printed in its entirety on the front side of the Bond, then paragraph [2] and the legend, “See Reverse Side for Additional Provisions”, shall be omitted and paragraphs [6] through [11] shall be inserted immediately after paragraph [1]:

[FORM OF BOND - FRONT SIDE]

REGISTERED
NO. _____

REGISTERED
\$ _____

**UNITED STATES OF AMERICA
STATE OF ILLINOIS
COUNTY OF LAKE
CITY OF LAKE FOREST
GENERAL OBLIGATION BOND, SERIES 20__**

See Reverse Side for
Additional Provisions

Interest Maturity Dated
Rate: ____% Date: December 15, 20__ Date: _____, 20__ CUSIP: 509696 ____

Registered Owner: CEDE & CO.

Principal Amount:

[1] KNOW ALL PERSONS BY THESE PRESENTS that the City of Lake Forest, Lake County, Illinois, a municipality, home rule unit, and political subdivision of the State of Illinois (the “City”), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on the Maturity Date identified above, the Principal Amount identified above and to pay interest (computed on the basis of a 360-day year of twelve 30-day months) on such Principal Amount from the later of the Dated Date of this Bond identified above or from the most recent interest payment date to which interest has been paid or duly provided for, at the Interest Rate per annum identified above, such interest to be payable on June 15 and December 15 of each year, commencing _____, 20__, until said Principal Amount is paid or duly provided for. The principal of this Bond is payable in lawful money of the United States of America upon presentation hereof at the principal corporate trust office _____, as bond registrar and paying agent (the “Bond Registrar”). Payment of interest shall be made to the Registered Owner hereof as shown on the registration books of the City maintained by the Bond Registrar, at the close of business on the 1st day of the month of the interest payment date. Interest shall be paid by check or draft of the

Bond Registrar, payable upon presentation in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books, or at such other address furnished in writing by such Registered Owner to the Bond Registrar. For the prompt payment of this Bond both principal and interest at maturity, the full faith, credit and resources of the City are hereby irrevocably pledged.

[2] Reference is hereby made to the further provisions of this Bond set forth on the reverse hereof, and such further provisions shall for all purposes have the same effect as if set forth at this place.

[3] It is hereby certified and recited that all conditions, acts and things required by the Constitution and Laws of the State of Illinois to exist or to be done precedent to and in the issuance of this Bond, including the hereinafter defined Act, have existed and have been properly done, happened and been performed in regular and due form and time as required by law; that the indebtedness of the City, represented by the Bonds, and including all other indebtedness of the City, howsoever evidenced or incurred, does not exceed any constitutional or statutory or other lawful limitation; and that provision has been made for the collection of a direct annual tax, in addition to all other taxes, on all of the taxable property in the City sufficient to pay the interest hereon as the same falls due and also to pay and discharge the principal hereof at maturity.

[4] This Bond shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Bond Registrar.

[5] IN WITNESS WHEREOF, the City of Lake Forest, Lake County, Illinois, by its City Council, has caused this Bond to be executed by the manual or duly authorized facsimile signature of its Mayor and attested by the manual or duly authorized facsimile signature of its City Clerk and its corporate seal or a facsimile thereof to be impressed or reproduced hereon, all as appearing hereon and as of the Dated Date identified above.

SPECIMEN

Mayor, City of Lake Forest,
Lake County, Illinois

ATTEST:

SPECIMEN

City Clerk, City of Lake Forest
Lake County, Illinois

[SEAL]

Date of Authentication: _____, 20__

CERTIFICATE
OF
AUTHENTICATION

Bond Registrar and Paying Agent:

This Bond is one of the Bonds described in the within mentioned ordinance and is one of the General Obligation Bonds, Series 20__, of the City of Lake Forest, Lake County, Illinois.

as Bond Registrar

By _____
SPECIMEN
Authorized Officer

[FORM OF BOND - REVERSE SIDE]

CITY OF LAKE FOREST, LAKE COUNTY, ILLINOIS

GENERAL OBLIGATION BOND, SERIES 20__

[6] This Bond is one of a series of bonds (the “*Bonds*”) issued by the City for the purpose of financing capital improvements in and for the City including, but not limited to, renovation of a building for use as a public safety facility, including the site work, design and engineering related thereto, and paying expenses incidental thereto, all as described and defined in the Ordinance of the City, passed by the City Council on the 20th day of October, 2025, authorizing the Bonds (the “*Ordinance*”), pursuant to and in all respects in compliance with the applicable provisions of the Illinois Municipal Code, as amended; as further supplemented and, where necessary, superseded, by the powers of the City as a home rule unit under the provisions of Section 6 of Article VII of the Illinois Constitution of 1970 (collectively, such Illinois Municipal Code and constitutional home rule powers, being the “*Act*”), and with the Ordinance, which has been duly approved by the Mayor, and published, in all respects as by law required.

[7] [Optional and Mandatory Redemption Provisions to be Inserted]

[8] Notice of any such redemption shall be sent by first class mail not less than thirty (30) days nor more than sixty (60) days prior to the date fixed for redemption to the registered owner of each Bond to be redeemed at the address shown on the registration books of the City maintained by the Bond Registrar or at such other address as is furnished in writing by such registered owner to the Bond Registrar. When so called for redemption, this Bond will cease to bear interest on the specified redemption date, provided funds for redemption are on deposit at the place of payment at that time, and shall not be deemed to be outstanding.

[9] This Bond is transferable by the Registered Owner hereof in person or by his or her attorney duly authorized in writing at the principal corporate trust office of the Bond Registrar in

Chicago, Illinois, but only in the manner, subject to the limitations and upon payment of the charges provided in the Ordinance, and upon surrender and cancellation of this Bond. Upon such transfer a new Bond or Bonds of authorized denominations of the same maturity and for the same aggregate principal amount will be issued to the transferee in exchange therefor.

[10] The Bonds are issued in fully registered form in the denomination of \$5,000 each or authorized integral multiples thereof. This Bond may be exchanged at the principal corporate trust office of the Bond Registrar for a like aggregate principal amount of Bonds of the same maturity of other authorized denominations, upon the terms set forth in the Ordinance. The Bond Registrar shall not be required to transfer or exchange any Bond during the period beginning at the close of business on the 1st day of the month of any interest payment date on such Bond and ending at the opening of business on such interest payment date, nor to transfer or exchange any Bond after notice calling such Bond for redemption has been mailed, nor during a period of fifteen (15) days next preceding mailing of a notice of redemption of any Bonds.

[11] The City and the Bond Registrar may deem and treat the Registered Owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and interest due hereon and for all other purposes, and neither the City nor the Bond Registrar shall be affected by any notice to the contrary.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assign, and transfers unto _____

Here insert Social Security Number,
Employer Identification Number or
other Identifying Number

(Name and Address of Assignee)

the within Bond and does hereby irrevocably constitute and appoint _____

as attorney to transfer the said Bond on the books kept for registration thereof with full power of substitution in the premises.

Dated: _____

Signature guaranteed: _____

NOTICE: The signature to this transfer and assignment must correspond with the name of the Registered Owner as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

Section 9. Sale of Bonds. The Mayor, City Manager and Finance Director (the “*Designated Representatives*”) are hereby authorized to proceed not later than May 20, 2026, without any further authorization or direction from the Council, to sell the Bonds upon the terms as prescribed in this Ordinance. The Bonds hereby authorized shall be executed as in this Ordinance provided as soon after the delivery of the Bond Notification as may be, and thereupon be deposited with the City Treasurer, and, after authentication thereof by the Bond Registrar, be by the City Treasurer delivered to the purchaser or purchasers thereof (the “*Purchaser*”) upon receipt of the purchase price therefor, the same being not less than 96.00% of the principal amount of the Bonds (exclusive of original issue discount), plus accrued interest to the date of delivery, if any.

Each Purchaser of the Bonds shall be: (a) pursuant to a competitive sale conducted by Speer Financial, Inc., Chicago, Illinois (“Speer”), the best bidder for the Bonds; (b) in a negotiated underwriting, a bank or financial institution listed in the Dealers & Underwriters or Municipal Derivatives sections of the most recent edition of *The Bond Buyer’s Municipal Marketplace*; or (c) in a private placement, (i) a bank or financial institution authorized to do business in the State of Illinois, (ii) a governmental unit as defined in the Debt Reform Act or (iii) an “accredited investor” as defined in Rule 501 of Regulation D as promulgated under the Securities Act of 1933, as amended; *provided, however*, that a Purchaser as set forth in either (b) or (c) shall be selected only upon the recommendation of Speer that the sale of such Bonds on a negotiated or private placement basis to such Purchaser is in the best interest of the City because of (i) the pricing of such Bonds by such Purchaser, (ii) then current market conditions or (iii) the timing of the sale of such Bonds; and further *provided*, that a Purchaser as set forth in (c) may be selected through the utilization of a placement agent selected by the Designated Representatives after consultation with Speer if the use of such placement agent is determined by the Designated Representatives to be in the best interest of the City.

Prior to the sale of the Bonds, each of the Designated Representatives is hereby authorized to approve and execute a commitment for the purchase of a Municipal Bond Insurance Policy (as hereinafter defined), to further secure the Bonds, as long as the present value of the fee to be paid for the Municipal Bond Insurance Policy (using as a discount rate the expected yield on the Bonds treating the fee paid as interest on the Bonds) is less than the present value of the interest reasonably expected to be saved on the Bonds over the term of the Bonds as a result of the Municipal Bond Insurance Policy.

Upon the sale of the Bonds, the Designated Representatives shall prepare a Notification of Sale, which shall include the pertinent details of sale as provided herein (the “*Bond Notification*”).

In the Bond Notification, the Designated Representatives shall find and determine that the Bonds have been sold at such price and bear interest at such rates that either the true interest cost (yield) or the net interest rate received upon the sale of such series of the Bonds does not exceed the maximum rate allowed by this Ordinance or otherwise authorized by applicable law. The Bond Notification shall be entered into the records of the City and made available to the Council at the next regular meeting thereof; but such action shall be for information purposes only, and the Council shall have no right or authority at such time to approve or reject such sale as evidenced in the Bond Notification.

Upon the sale of the Bonds as evidenced by the execution and delivery of the Bond Notification by the Designated Representatives, the Mayor, the City Manager, the Finance Director or any other officer of the City, as shall be appropriate, shall be and are hereby authorized and directed to approve or execute, or both, such documents of sale of such series of the Bonds as may be necessary, including, without limitation, the contract for the sale of the Bonds between the City and the Purchaser (which may be evidenced by an executed bid form) (the "*Purchase Contract*"). Prior to the execution and delivery of the Purchase Contract, the Designated Representatives shall find and determine that no person holding any office of the City, either by election or appointment, is in any manner financially interested either directly in his or her own name or indirectly in the name of any other person, association, trust or corporation, in the Purchase Contract. In making such determination, the Designated Representatives may rely on the representations of the Purchaser.

The Bonds before being issued shall be registered, numbered and countersigned by the City Treasurer, such registration being made in a book provided for that purpose, in which shall be entered the record of the ordinance authorizing the Council to borrow said money and a description

of the Bonds issued, including the number, date, to whom issued, amount, rate of interest and when due.

The use by the Purchaser of any Preliminary Official Statement and any final Official Statement relating to the Bonds (the “*Official Statement*”) and by the City of any term sheet with respect to the Bonds is hereby ratified, approved and authorized; the execution and delivery of the Official Statement and any term sheet is hereby authorized; and the officers of the City are hereby authorized to take any action as may be required on the part of the City to consummate the transactions contemplated by the Purchase Contract, this Ordinance, said Preliminary Official Statement, the Official Statement, any term sheet and the Bonds.

Section 10. Tax Levy; Abatement. For the purpose of providing funds required to pay the interest on the Bonds promptly when and as the same falls due, and to pay and discharge the principal thereof at maturity, there is hereby levied upon all of the taxable property within the City, in the years for which any of the Bonds are outstanding, a direct annual tax sufficient for that purpose; and there is hereby levied on all of the taxable property in the City, in addition to all other taxes, the following direct annual tax (the “*Pledged Taxes*”), to-wit:

FOR THE YEAR	A TAX SUFFICIENT TO PRODUCE THE SUM OF:	
2025	\$2,550,000.00	for interest and principal up to and including December 15, 2026
2026	\$2,550,000.00	for interest and principal
2027	\$2,550,000.00	for interest and principal
2028	\$2,550,000.00	for interest and principal
2029	\$2,550,000.00	for interest and principal
2030	\$2,550,000.00	for interest and principal
2031	\$2,550,000.00	for interest and principal
2032	\$2,550,000.00	for interest and principal
2033	\$2,550,000.00	for interest and principal
2034	\$2,550,000.00	for interest and principal
2035	\$2,550,000.00	for interest and principal
2036	\$2,550,000.00	for interest and principal
2037	\$2,550,000.00	for interest and principal
2038	\$2,550,000.00	for interest and principal

FOR THE YEAR

A TAX SUFFICIENT TO PRODUCE THE SUM OF:

2039

\$2,550,000.00 for interest and principal

Principal or interest maturing at any time when there are not sufficient funds on hand from the foregoing tax levy to pay the same shall be paid from the general funds of the City, and the fund from which such payment was made shall be reimbursed out of the taxes hereby levied when the same shall be collected.

To the extent that the taxes levied above exceed the amount necessary to pay debt service on the Bonds as set forth in the Bond Notification, the Designated Representatives are each hereby authorized to direct the abatement of such taxes to the extent of the excess of such levy in each year over the amount necessary to pay debt service on the Bonds in the following bond year. Proper notice of such abatement shall be filed with the County Clerk in a timely manner to effect such abatement.

The City covenants and agrees with the purchasers and the holders of the Bonds that so long as any of the Bonds remain outstanding, the City will take no action or fail to take any action which in any way would adversely affect the ability of the City to levy and collect the foregoing tax levy and the City and its officers will comply with all present and future applicable laws in order to assure that the foregoing taxes will be levied, extended and collected as provided herein and deposited in the fund established to pay the principal of and interest on the Bonds.

In the event that funds from any other lawful source are made available for the purpose of paying any principal of or interest on the Bonds so as to enable the abatement of the taxes levied herein for the payment of same, the Council shall, by proper proceedings, direct the transfer of such funds to the hereinafter defined Bond Fund, and shall then further direct the abatement of the taxes by the amount so deposited. The City covenants and agrees that it will not direct the abatement of taxes until money has been deposited into the Bond Fund in the amount of such

abatement. A certified copy or other notification of any such proceedings abating taxes may then be filed with the County Clerk in a timely manner to effect such abatement.

Section 11. Filing with County Clerk. Forthwith upon the passage of this Ordinance, the City Clerk of the City is hereby directed to file a certified copy of this Ordinance with the County Clerk; and the County Clerk shall in and for each of the years 2025 to 2039, inclusive, ascertain the rate necessary to produce the tax herein levied; and the County Clerk shall extend the same for collection on the tax books in connection with other taxes levied in said years in and by the City for general corporate purposes of the City; and, subject to abatement as stated hereinabove, in said years such annual tax shall be levied and collected by and for and on behalf of the City in like manner as taxes for general corporate purposes for said years are levied and collected, and in addition to and in excess of all other taxes, and when collected, the taxes hereby levied shall be placed to the credit of a special fund to be designated “Bond and Interest Fund Account of 2023” (the “*Bond Fund*”), which taxes are hereby irrevocably pledged to and shall be used only for the purpose of paying the principal of and interest on the Bonds.

Section 12. Use of Bond Proceeds. Accrued interest, if any, received on the delivery of the Bonds is hereby appropriated for the purpose of paying first interest due on the Bonds and is hereby ordered deposited into the Bond Fund. The principal proceeds of the Bonds and any premium received from the sale of the Bonds are hereby appropriated to pay the costs of issuance of the Bonds and for the purpose of paying the cost of the Project, and that portion thereof not needed to pay such costs of issuance is hereby ordered deposited into the Capital Improvement Account of the City (the “*Project Fund*”). At the time of the issuance of the Bonds, the costs of issuance of the Bonds may be paid by the Purchaser on behalf of the City from the proceeds of the Bonds.

Section 13. Non-Arbitrage and Tax-Exemption. The City hereby covenants that it will not take any action, omit to take any action or permit the taking or omission of any action within its control (including, without limitation, making or permitting any use of the proceeds of the Bonds) if taking, permitting or omitting to take such action would cause any of the Bonds to be an arbitrage bond or a private activity bond within the meaning of the Internal Revenue Code of 1986, as amended (the “Code”), or would otherwise cause the interest on the Bonds to be included in the gross income of the recipients thereof for federal income tax purposes. The City acknowledges that, in the event of an examination by the Internal Revenue Service (the “IRS”) of the exemption from Federal income taxation for interest paid on the Bonds, under present rules, the City may be treated as a “taxpayer” in such examination and agrees that it will respond in a commercially reasonable manner to any inquiries from the IRS in connection with such an examination.

The City also agrees and covenants with the purchasers and holders of the Bonds from time to time outstanding that, to the extent possible under Illinois law, it will comply with whatever federal tax law is adopted in the future which applies to the Bonds and affects the tax-exempt status of the Bonds.

The Council hereby authorizes the officials of the City responsible for issuing the Bonds, the same being the Mayor, City Clerk, City Treasurer, City Manager and Finance Director, to make such further covenants and certifications regarding the specific use of the proceeds of the Bonds as approved by the Council and as may be necessary to assure that the use thereof will not cause the Bonds to be arbitrage bonds and to assure that the interest on the Bonds will be exempt from federal income taxation. In connection therewith, the City and the Council further agree: (a) through their officers, to make such further specific covenants, representations as shall be truthful, and assurances as may be necessary or advisable; (b) to consult with counsel approving the Bonds and to comply with such advice as may be given; (c) to pay to the United States, as

necessary, such sums of money representing required rebates of excess arbitrage profits relating to the Bonds; (d) to file such forms, statements, and supporting documents as may be required and in a timely manner; and (e) if deemed necessary or advisable by their officers, to employ and pay fiscal agents, financial advisors, attorneys, and other persons to assist the City in such compliance.

Section 14. List of Bondholders. The Bond Registrar shall maintain a list of the names and addresses of the holders of all Bonds and upon any transfer shall add the name and address of the new Bondholder and eliminate the name and address of the transferor Bondholder.

Section 15. Reimbursement. None of the proceeds of the Bonds will be used to pay, directly or indirectly, in whole or in part, for an expenditure that has been paid by the City prior to the date hereof except architectural or engineering costs incurred prior to commencement of the Project or expenditures for which an intent to reimburse it as properly declared under the applicable U.S. Treasury Regulations. This Resolution is in itself a declaration of official intent thereunder as to all costs of the Project paid within 60 days prior to the date hereof or on any date after the date hereof and prior to issuance of the Bonds

Section 16. Designation of Issue. If so set forth in the Bond Notification, the City may designate any of the Bonds, to the extent permissible by law, as a “qualified tax-exempt obligation” for the purposes and within the meaning of Section 265(b)(3) of the Code.

Section 17. Duties of Bond Registrar. If requested by the Bond Registrar, the Mayor and City Clerk of the City are authorized to execute the Bond Registrar’s standard form of agreement between the City and the Bond Registrar with respect to the obligations and duties of the Bond Registrar hereunder which may include the following:

- (a) to act as bond registrar, authenticating agent, paying agent and transfer agent as provided herein;
- (b) to maintain a list of Bondholders as set forth herein and to furnish such list to the City upon request, but otherwise to keep such list confidential;

- (c) to give notice of redemption of the Bonds as provided herein;
- (d) to cancel and/or destroy Bonds which have been paid at maturity or upon redemption prior to maturity or submitted for exchange or transfer;
- (e) to furnish the City at least annually a certificate with respect to Bonds cancelled and/or destroyed; and
- (f) to furnish the City at least annually an audit confirmation of Bonds paid, Bonds outstanding and payments made with respect to interest on the Bonds.

Section 18. Continuing Disclosure Undertaking. The Mayor or City Treasurer is hereby authorized, empowered and directed to execute and deliver a Continuing Disclosure Undertaking (the “*Continuing Disclosure Undertaking*”) in connection with the issuance of the Bonds, with such provisions therein as he or she shall approve, his or her execution thereof to constitute conclusive evidence of his or her approval of such provisions. When the Continuing Disclosure Undertaking is executed and delivered on behalf of the City as herein provided, the Continuing Disclosure Undertaking will be binding on the City and the officers, employees and agents of the City, and the officers, employees and agents of the City are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Continuing Disclosure Undertaking as executed. Notwithstanding any other provision of this Ordinance, the sole remedies for failure to comply with the Continuing Disclosure Undertaking shall be the ability of the beneficial owner of any Bond to seek mandamus or specific performance by court order, to cause the City to comply with its obligations under the Continuing Disclosure Undertaking.

Section 19. Municipal Bond Insurance. In the event the payment of principal and interest on the Bonds is insured pursuant to a municipal bond insurance policy (the “*Municipal Bond Insurance Policy*”) issued by a bond insurer (the “*Bond Insurer*”), and as long as such Municipal Bond Insurance Policy shall be in full force and effect, the City and the Bond Registrar agree to comply with such usual and reasonable provisions regarding presentment and payment of the

Bonds, subrogation of the rights of the Bondholders to the Bond Insurer upon payment of the Bonds by the Bond Insurer, amendment hereof, or other terms, as approved by the Designated Representatives on advice of counsel, their approval to constitute full and complete acceptance by the City of such terms and provisions under authority of this Section.

Section 20. Record-Keeping Policy and Post-Issuance Compliance Matters. On August 3, 2015, the Council adopted a record-keeping policy (the “*Policy*”) in order to maintain sufficient records to demonstrate compliance with its covenants and expectations to ensure the appropriate federal tax status for the debt obligations of the City, the interest on which is excludable from “gross income” for federal income tax purposes or which enable the City or the holder to receive federal tax benefits, including, but not limited to, qualified tax credit bonds and other specified tax credit bonds. The Council and the City hereby reaffirm the Policy.

Section 21. Defeasance. Any Bond or Bonds which (a) are paid and cancelled, (b) which have matured and for which sufficient sums been deposited with the Bond Registrar to pay all principal and interest due thereon, or (c) for which sufficient (i) full faith and credit obligations of the United States, the timely payment of which are guaranteed by the United States Treasury, (ii) certificates of participation in a trust comprised solely of full faith and credit obligations of the United States, or (iii) cash, have been deposited with the Bond Registrar or similar institution to pay, taking into account investment earnings on such obligations, all principal of and interest on such Bond or Bonds when due at maturity or as called for redemption, pursuant to an irrevocable escrow or trust agreement, shall cease to have any lien on or right to receive or be paid from the Pledged Taxes and shall no longer have the benefits of any covenant for the registered owners of outstanding Bonds as set forth herein as such relates to lien and security of the outstanding Bonds. All covenants relative to the tax-exempt status of the Bonds; and payment, registration, transfer, and exchange; are expressly continued for all Bonds whether outstanding Bonds or not.

Section 22. Superseder and Effective Date. All ordinances, resolutions, and orders, or parts thereof, in conflict herewith, are to the extent of such conflict hereby superseded, including expressly the Debt Limit Ordinance to the extent necessary for the Bonds to be payable from a direct annual ad valorem tax levied against all taxable property in the City, without limitation as to rate or amount; and this Ordinance shall be in full force and effect immediately upon its passage and approval.

ADOPTED: October 20, 2025

AYES: _____

NAYS: _____

ABSTENTION: _____

ABSENT: _____

Approved: October 20, 2025

Mayor, City of Lake Forest,
Lake County, Illinois

ATTEST:

City Clerk, City of Lake Forest,
Lake County, Illinois

Recorded in the City Records on October 20, 2025.

The City of Lake Forest
CITY COUNCIL MEETING
Proceedings of Monday, October 20, 2025
City Council Meeting – City Council Chambers
220 E Deerpath, Lake Forest, IL 60045

CALL TO ORDER AND ROLL CALL: Mayor for a Day, Margot McCampbell, and Mayor Tack called the meeting to order at 7:03 p.m., and City Clerk Margaret Boyer called the roll of Council members.

Present: Mayor Tack, Alderman Novit, Alderman Clemens, Alderman Notz, Alderman Powers, Alderman LeVert, Alderman Bothfeld, Alderman Weber, and Alderman Walther.

Absent: None

PLEDGE OF ALLEGIANCE was recited by all those present.

REPORTS OF CITY OFFICERS

COMMENTS BY MAYOR

Mayor Tack read the resolution and presented it; photos were taken.

A. Resolution Honoring the 125th Anniversary of the First Baptist Church

COUNCIL ACTION: Approve the Resolution.

Alderman Bothfeld made a motion to approve the Resolution, seconded by Alderman LeVert. The motion passed unanimously by voice vote.

Mayor Tack read the resolution and presented it; photos were taken.

B. Resolution of Appreciation for Retired Deputy Fire Chief, Michael Gallo

COUNCIL ACTION: Approve the Resolution of Appreciation.

Alderman Weber made a motion to approve the Resolution, seconded by Alderman Powers. The motion passed unanimously by voice vote.

COMMENTS BY CITY MANAGER

City Manager Jason Wicha introduced the item, and Michael Thomas, Director of Public Works

A. Boil Order Response Summary

Mr. Thomas gave a detailed overview of what caused the boil order. The actual pipes were on display; he then shared the details of the subsequent main break and reduced water tower water levels. He detailed the rules that the IEPA sets out for boil orders. He stated that staff will continue working to understand the “why” of the break. He noted there are future projects coming in the spring with Lake Bluff, and the possibility of using new tech to identify areas of weakness.

Dana Olson, Communications Manager, gave a detailed overview of the communications shared in regard to the boil order. Analytics were shared showing there was an increase in sign-ups to reverse 911 in the City. She reviewed lessons learned and next steps to be prepared in the future.

The City Council discussed how to reach people, which included notifying the churches in town, messages on incoming calls to the City, educating businesses on what a boil order means, asking staff how many staff hours were spent on this project, and lining the water pipes in the same way we line the sewer pipes. City Manager Wicha stated that water mains will be on the Capital workshop agenda coming up in November.

B. Strategic Plan Update
- **Dana Olson, Director of Communications and Community Engagement**

City Manager Jason Wicha introduced the item and stated it has been 1 year since adoption, noting the Strategic Plan is one way Lake Forest demonstrates long-term planning and resource allocation across the City.

Dana Olson gave an overview of how we got to the Strategic Plan. Katie Skibbe shared initiatives that generated savings, showing Fiscal Stewardship at the core. Michael Thomas shared completed and upcoming work under the Infrastructure of City Facilities. Kevin Zelk shared several safety initiatives, and Andy Rick reported on a New Fire Facility coming under Public Safety. Mike Wick reported on many positive outcomes under Recreation and Community Well-being. Catherine Czerniak noted that all priorities of the Strategic Plan are intrinsically linked as she reported on Visual Character and Development and Business and Economic Vitality, while Dana Olson reported on Community Engagement initiatives.

The City Council had a discussion on the success of the Plan and Education & Communications. Mayor Tack paused and offered his appreciation to all the City Staff who worked to achieve this outcome. City Manager Wicha thanked the Council for its leadership.

C. Deerpath Streetscape Project- Final Monthly Update
- **Byron Kutz, Engineering Superintendent**

Byron Kutz, Engineering Superintendent, reported that this will be his last update to the City Council and shared a video and reviewed recent work that has been completed. A review of upcoming work was detailed, along with expectations that Deerpath will be open on October 31. He reported that the ribbon-cutting will take place on Saturday, November 8.

The City Council recognized Bernard Pondexter for his dedication to this project.

OPPORTUNITY FOR CITIZENS TO ADDRESS THE CITY COUNCIL

Diane offered the Council her appreciation of City staff.

COMMITTEE REPORTS

FINANCE COMMITTEE

1. GFOA Triple Crown Award Presentation and Distinguished Budget Presentation Award

Finance Committee Chair, Alderman Weber, noted the City has earned the GFOA Financial Reporting Award for 46 consecutive years, the GFOA Budget Presentation Award for 10 straight years, and the GFOA PAFR award for 4 consecutive years. And according to the US Census Bureau, there are more than 90,000 units of government in the US. Only 354 units of government in the United States currently hold "GFOA Triple Crown" recognition.

Members of the Finance Department were presented with the award, and photos were taken.

2. Acknowledge Receipt of the FY2025 Treasurer's Report

James Scott, Staff Accountant, reported that 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 23, 2025, edition of the Lake Forester.

COUNCIL ACTION: Acknowledge receipt of the FY2025 Treasurer's Report

Mayor Tack asked for a motion to acknowledge the FY2025 Treasurer's Report. Alderman Weber made a motion, seconded by Alderman Notz. Motion carried unanimously by voice vote.

3. Consideration of an Ordinance Restating and Reaffirming Ordinance No. 2024-045 (Self-Limiting Ordinance-First Reading)

Katie Skibbe, Finance Director, reported that this is the first reading of the ordinance. Proposed changes to the ordinance would allow the city to assume annual growth of up to 3% per year. If the assumed annual growth of 3% or less exceeds actual growth, the city would still be authorized to levy the amount necessary to pay the principal and interest on all bonds subject to the debt cap.

The City Council had a discussion on the estimate of inflation being at 3%.

Mayor Tack asked if there was anyone from the public who would like to comment. Seeing none, he asked for a motion.

COUNCIL ACTION: Approval of an Ordinance Restating and Reaffirming Ordinance No. 2024-045 (Self-Limiting Ordinance First Reading)

Alderman Weber made a motion to approve an Ordinance Restating and Reaffirming Ordinance No. 2024-045 (Self-Limiting Ordinance First Reading), seconded by Alderman Powers. The following voted "Aye": Aldermen Novit, Clemens, Notz, Powers, LeVert, Bothfeld, Weber, and Walther. The following voted "Nay": none. 8-Ayes, 0-Nays, motion carried.

ENVIRONMENTAL SUSTAINABILITY COMMITTEE

1. Consideration of a proposal to amend City Code Section 135.108(C) titled "Noise, Generally."

Keri Kaup, Assistant to the City Manager, reported that the Environmental Sustainability Committee is requesting City Council direction regarding a proposal to amend section 135.108(C) of the City Code to limit the allowable hours for lawn maintenance equipment noise. She reviewed the history of the ordinance related to lawn maintenance equipment.

Ms. Kaup researched comparable communities' landscaping noise hours both on weekdays and weekends. Start and end times vary among the ten comparable communities, with the majority being 7:00 am to 7:00 pm on weekdays, 9:00 am to 5:00 or 6:00 pm on Saturdays, and prohibited on Sundays and holidays. Based on the research, the Environmental Sustainability Committee unanimously agreed they would support shortening the hours for lawn maintenance equipment use by commercial contractors.

The City Council had a discussion that included the following topics: the length of time the ESC has been discussing this topic, compliments to the process, does this include snowblowers, communication strategy, including lawn mowers, robotic mower, who and what pieces of equipment are exempt.

Mayor Tack asked if there was anyone who would like to comment on this item. Seeing none, he noted that there is a consensus of the Council to move forward with the City Code amendment.

COUNCIL ACTION: Provide direction to the Environmental Sustainability Committee regarding a proposal to amend the City Code, Section 135.108(C), titled “Noise, Generally.”

The City Council arrived at a consensus to have a draft ordinance presented at a future meeting with the suggested changes as recommended by the ESC.

ITEMS FOR OMNIBUS VOTE CONSIDERATION

1. **Approval of Monday, October 6, 2025 City Council Meeting Minutes**
2. **Approval of the Purchase of a 2 Year Agreement for Additional Microsoft Entra Security Suite Licensing from Dell Marketing L.P. Based on State of Illinois Contract in the Amount of \$81,933.**
3. **Waive the Bidding Process and Authorize the Office of the City Manager to enter into a Contract for Tuckpointing Services on the Barrell Memorial Arch and Gate at the Lake Forest Cemetery to Berglund Construction in an amount not to exceed \$50,000.**
4. **Authorization to Dispose of City Property to the Highest Bidder, Dustin Spence, for the Sale of the 1998 Volvo / McNeilus Rear load packer in the Amount of \$4,100**

CITY COUNCIL ACTION Approve the four (4) omnibus items as presented.

Mayor Tack asked if anyone would like an item removed or taken separately. Seeing none, he asked for a motion.

Alderman Powers made a motion to approve the four (4) Omnibus items as presented, seconded by Alderman Clemens. The following voted “Aye”: Aldermen Novit, Clemens, Notz, Powers, LeVert, Bothfeld, 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

Mayor Tack noted that there will be no further business following the executive session.

Mayor Tack asked for a motion to adjourn into executive session pursuant to 5 ILCS 120/2 (c) (1), The City Council will be discussing specific personnel.

1. EXECUTIVE SESSION

Alderman Walther made a motion to adjourn into executive session pursuant to 5 ILCS 120/2 (c) (1). The City Council will be discussing specific personnel, seconded by Alderman Weber. The following voted “Aye”:

Aldermen Novit, Clemens, Notz, Powers, LeVert, Bothfeld, Weber, and Walther. The following voted "Nay": none. 8-Ayes, 0-Nays, motion carried.

Adjournment into Executive Session 8:57 p.m.

Reconvene into Regular Session 9:05 p.m.

ADJOURNMENT

There being no further business, Mayor Tack asked for a motion to adjourn. Alderman LeVert made a motion to adjourn, seconded by Alderman Powers. Motion carried unanimously by voice vote at 9:06 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.

October 20, 2025

MAYOR RANDY TACK

CITY OF LAKE FOREST
220 E. DEERPATH, LAKE FOREST, IL 60045

Dear Mayor Tack,

Thank you for your leadership in the City of Lake Forest.

The Women's Guild of St. Mary, Lake Forest, is asking for the City Council's consideration of a waiver for the requirements of the fidelity bond, with regards to our Christmas Boutique Raffle license application. Our Christmas Boutique Raffle consists of donated items from our 20 to 22 vendors into one basket with the approximate value of less than \$500. We anticipate approximately 300 tickets to be sold.

SINCERELY,

MADELEINE SLINGERLAND

GRANT OF EASEMENT

CITY OF LAKE FOREST ("Grantor") in consideration of the sum of One Dollar and other valuable consideration, receipt of which is hereby acknowledged, hereby grant(s) and conveys to **COMMONWEALTH EDISON COMPANY**, an Illinois Corporation, (together with its licensees, successors and assigns, collectively, "Grantee"), an easement to construct, operate, repair, maintain, modify, reconstruct, replace, supplement, relocate, support, upgrade and remove, from time to time, poles, guys, anchors, wires, cables, fiber, conduits, manholes, transformers, pedestals, splice boxes, structures, appurtenances, or other facilities used in connection with or in support of overhead and underground transmission and distribution of electricity, communications, sounds and signals (collectively, the "Facilities"), together with right of access to the same and the right, from time to time, to trim, destroy, cut down, or remove trees, bushes, roots, saplings and other vegetation and to clear obstructions from the surface and subsurface as may be reasonably required incident to the grant herein given, in, over, under, across, along and upon the surface of property situated in Section 6, Township 43 North, Range 12, East of the Third Principal Meridian in LAKE County, Illinois (the "Property"), further described below:

AN EASEMENT AS DEPICTED ON THE EXHIBIT "A" ATTACHED HERETO AND MADE APART HEREOF THE PROPERTY OF THE GRANTOR LEGALLY DESCRIBED AS FOLLOWS:

THAT PART OF THE WEST HALF OF LOT ONE (1) IN THE NORTH EAST QUARTER OF SECTION SIX (6), TOWNSHIP FORTY-THREE (43) NORTH, RANGE TWELVE (12) EAST OF THE THIRD P.M. LYING EAST OF THE CENTER LINE OF WAUKEGAN ROAD, IN LAKE COUNTY, ILLINOIS.

**PROPERTY ADDRESS: 1030 W WESTLEIGH ROAD, LAKE FOREST, ILLINOIS 60045
P.I.N.: 16-06-200-035**

Obstructions shall not be placed over the Facilities or in, upon or over the Easement Area without prior written consent of Grantee. After installation of any Facilities, the grade of the Property shall not be altered in a manner so as to interfere with the operation and maintenance thereof.

After Recording, Please Return To:

This instrument was prepared by Katie Bengson, 3 Lincoln Centre, 4th Floor, Oakbrook Terrace, Illinois 60181, on behalf of Commonwealth Edison Company.

The Grantor represents and warrants to the Grantees that Grantor is the true and lawful owner of the Property and has full right and power to grant and convey the rights conveyed herein.

The Easement is binding upon and shall inure to the benefits of the heirs, successors, assigns, and licensees of the parties hereto.

Signature:

IN WITNESS WHEREOF, the Grantor(s), set(s) _____ hand(s) and seal(s) hereto this _____ day of _____, 202__.

Grantor(s): **CITY OF LAKE FOREST**

By: _____

Name: _____

Title: _____

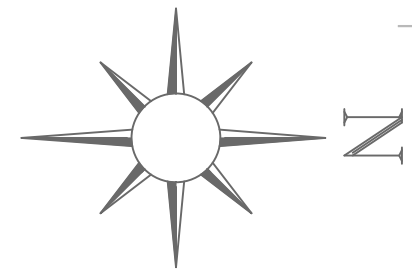
Notary Public:

State Of _____
County Of _____

I, _____ the undersigned, a Notary Public in and for the said County and State aforesaid, do hereby certify that _____ as _____ of **CITY OF LAKE FOREST**, personally known to me to be the same person(s) whose name(s) is/are subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he/she/they signed and delivered said instrument as his/hers/their own free and voluntary act and as the free and voluntary act of said corporation for the uses and purposes therein set forth.

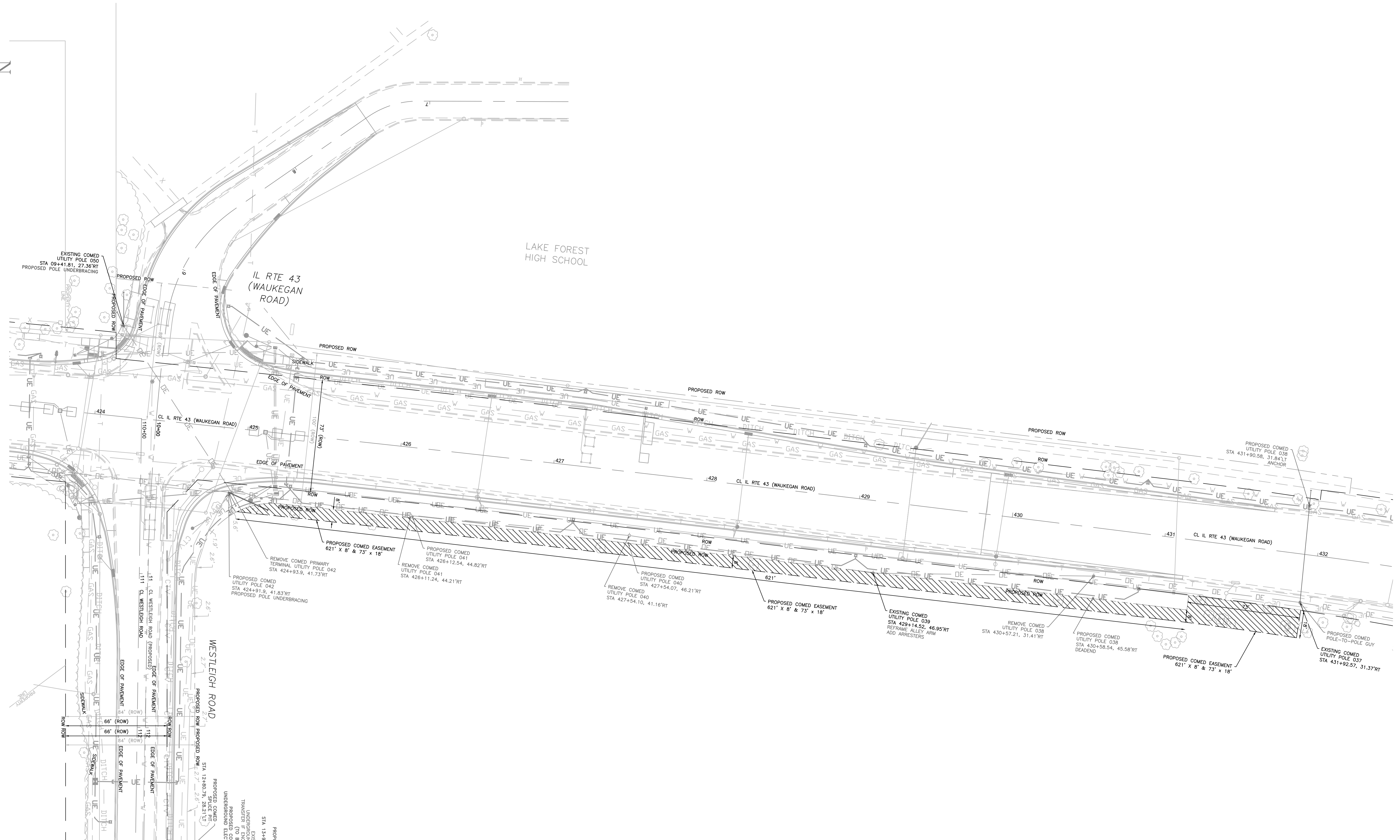
GIVEN under my hand and NOTARIAL SEAL this _____ day of _____, 202__.

Notary Public



PLAN

SCALE: 1"=30'



PREPARED BY:
ENEngineering
 3333 WARRENVILLE RD, STE 560,
 NAPERVILLE, IL, 60563
 630-353-4000
 WWW.ENENGINEERING.COM

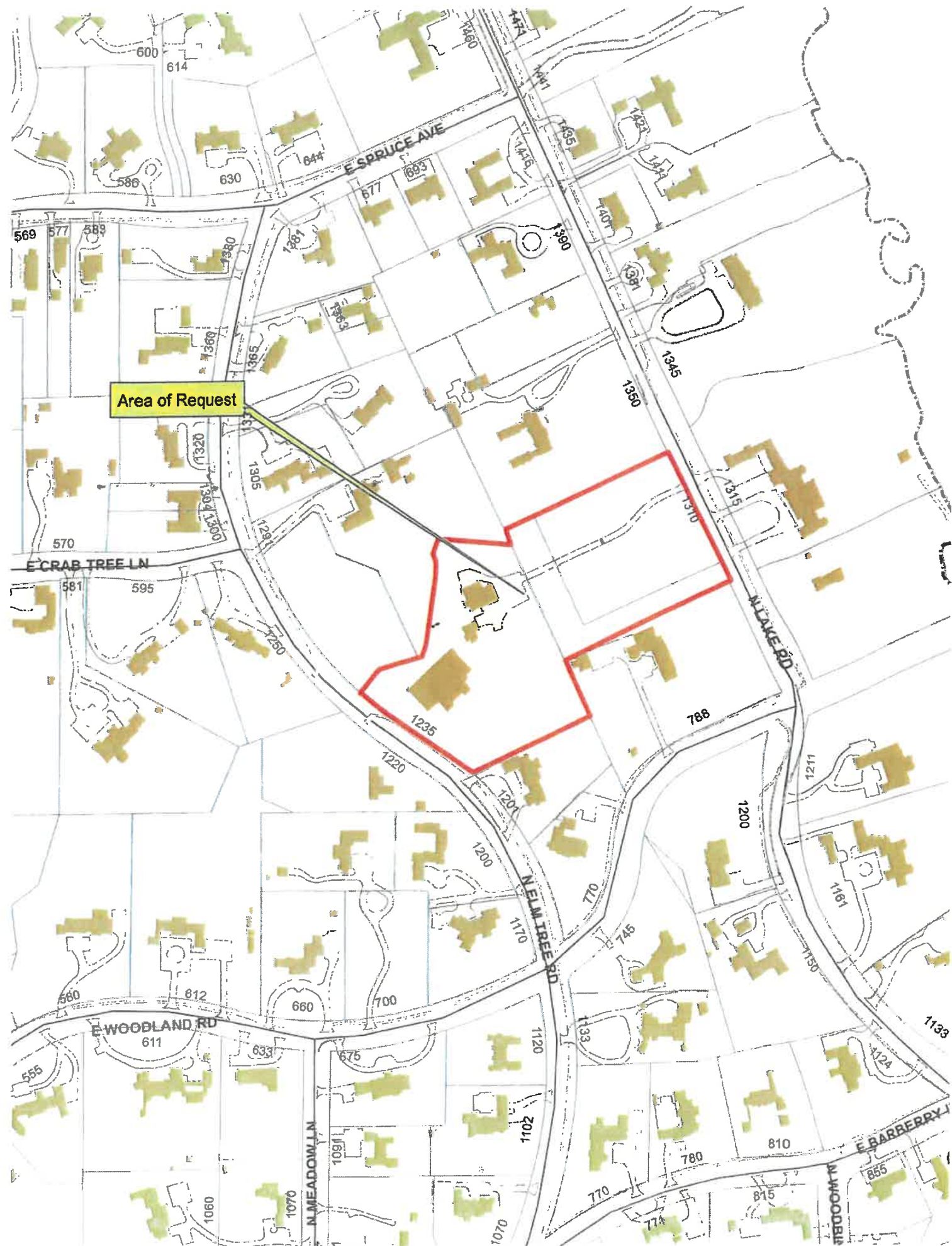
REV LEVEL	DATE	BY	DESCRIPTION	CK.	APP.
REVISIONS					

COMED

WO#19773784 PD#H21011LIB

IL RTE 43 (WAUKEGAN ROAD) (STA 423+00 TO STA 425+50) AND
 WESTLEIGH ROAD (STA 110+00 TO STA 112+00)

LAKE COUNTY ILLINOIS
 PLAN
 DATE: 10/23/25 SCALE: AS NOTED DRAWN BY: BR LOC. NO: X DRAWING NUMBER: P&P1 SHEET NO: 3 REV: N/A





**PLAN COMMISSION REPORT AND RECOMMENDATION
Elm Tree Road Subdivision**

TO: Honorable Mayor Tack and Members of the City Council
DATE: September 10, 2025
FROM: Chairman Pasquesi and Members of the Plan Commission
SUBJECT: **Request for Approval of the Elm Tree Road 2 – Lot Subdivision Through a Special Use Permit**

<u>OWNER</u>	<u>PROPERTY LOCATION</u>	<u>ZONING</u>
Elm Tree Road LLC 410 Hunt Club Way Lake Geneva, WI 53147 Winslow S. Bent Trust 50% Seth L. Bent Trust 50%	Extending between Lake Road and Elm Tree Road, north of Woodland Road. Commonly known as 1310 Lake Road and 1235 Elm Tree Road	R-4 Single Family Residential District, Historic Residential and Open Space Preservation Overlay District (HROSPD)

Commission Recommendation

Approve the tentative and final plat of subdivision for the Elm Tree Road two lot subdivision through a Special Use Permit as required by the HROSP Overlay District based on the findings detailed in the Ordinance included in the Council’s packet.

Summary of the Request

Approval of a two lot subdivision is requested to allow a 5.7 acre property located between Lake Road and Elm Tree Road to be passed down to family members. The property has been in the ownership of the same family for many decades, since the development of the original estate. The proposed subdivision will allow the property to remain in the family, held in separate ownerships by two different family members. No redevelopment of the site is planned. Minor modifications, upgrades, and investments in the property are planned over time to continue to preserve the property and to accommodate use by today’s families.

A single approval process for tentative and final approval of a plat is routinely used for minor subdivision requests that do not involve the installation of new public or private infrastructure. No new streets, sanitary sewers or water mains are proposed or required for this subdivision. Because the property in this request is in the HROSPD overlay district, the mechanism through which the subdivision must be approved is a Special Use Permit.

The Historic Residential and Open Space Preservation District – An Overlay District (HROSPD)

The subject property was developed as part of a larger estate prior to the adoption of the current zoning regulations and prior to the application of the R-4 zoning district and the overlay district to the property.

The HROSPD overlay provides flexibility and allows for non-conforming lots and structures as long as the underlying density is met. No increase in density is proposed on the site. The purpose of the

HROSPD overlay is to protect and preserve natural features and historic structures. The proposed subdivision is consistent with the stated purpose of the overlay district. The unique historic structures and features will be preserved.

As noted above, the Code requires approval of subdivisions in the HROSPD overlay district through a Special Use Permit. Findings in response to the applicable criteria for evaluating a request for a Special Use Permit are detailed in the Ordinance included in the Council packet.

Background

The property was originally part of a larger estate, the main house for the estate is located on the east side of Lake Road, at 1315 Lake Road and is a completely separate parcel, in separate ownership.

The current owners of the property proposed for subdivision are descendants of the original owner of the estate. The family over the course of many decades has been a remarkable steward of this unique property, the historic structures, and the garden. The new owners, all family members, intend to continue the stewardship of the property and as noted above, desire to make some minor modifications to accommodate their intended use of the property for their families.

Staff Review

The property today is a single zoning lot; the property is in a single ownership and is used and was developed as part of the original estate. The fact that the property is comprised of three separate tax lots does not override the definition of the property as single zoning lot. In order to establish the identified portions of the property into two separate ownerships, two separate lots must be created from the existing single zoning lot.

Facts and Observations

- The existing historic structures and gardens span the entire property. The property totals approximately 5.7 acres including the land area in the ravine. The property is large enough to subdivide based on the minimum lot size of 60,000 square feet in the R-4 zoning district.
- Existing conditions on the site are not in conformance with the steep slope setback. The structures predate the current requirements. No further encroachment into the steep slope setback is proposed. Any future proposed improvements would need to comply with any Code provisions in place at the time or the property owner would need to seek a variance through the established public process.
- The existing structures exceed the allowable building square footage because of the unique tennis house structure. The Historic Preservation Commission granted a variance from the building scale variance based on the construction prior to the limitation and based on the historic significance and uniqueness of the structures.
- Currently, there is a single driveway serving the entire property however, a driveway entrance historically extended from Elm Tree Road. This driveway is proposed to be re-established to provide access to the proposed east parcel.

- There are significant historic structures and landscape features on the property and the property is a Contributing Property to the Historic District.
- The Code requires a principal residential structure on a subdivided lot to support any improvements on a property. As proposed, there is a residential structure on each lot in the subdivision. The tennis house is comprised of living quarters and the tennis court. The interior of the living quarters will be updated for family living. There is a residential dwelling above the garage on the proposed east lot. This structure satisfies the requirement for a principal residential structure.
- Two lots are proposed from the single zoning lot. Lot 1 with frontage on Elm Tree Road is proposed at 2.39 acres and Lot 2 with frontage on Lake Road is proposed at 3.78 acres. The proposed lots are configured to preserve the garden and associated wall intact on the east lot. As noted above, the structure with the garage and living quarters also proposed to be part of the east parcel with access from the existing driveway from Lake Road. The tennis house and caretaker's cottage will be located on the proposed Lot 1. Both lots exceed the minimum lot size of 60,000 square feet.

Public Notice

Public notice of this hearing was provided in accordance with Code requirements and standard practices. Public notice was published in a newspaper of local circulation and was mailed to homes in the surrounding area. The Lake Forest Preservation Foundation testified in support of the subdivision and recognized the family for the decades of stewardship of the property.

THE CITY OF LAKE FOREST
ORDINANCE NO. 2025 - ____

AN ORDINANCE GRANTING TENTATIVE AND FINAL PLAT APPROVAL FOR A 2 – LOT
SUBDIVISION, THE ELM TREE ROAD SUBDIVISION, UNDER THE SPECIAL USE
PROVISIONS OF THE HISTORIC RESIDENTIAL OPEN SPACE PRESERVATION OVERLAY
DISTRICT AND THE R-4 SINGLE FAMILY RESIDENCE DISTRICT OF THE CITY OF LAKE
FOREST ZONING CODE FOR THE PROPERTIES ADDRESSED AS 1310 LAKE ROAD AND
1235 ELM TREE ROAD

WHEREAS, The City of Lake Forest ("**City**") is a special charter, home rule municipality existing in accordance with the Illinois Constitution of 1970; and

WHEREAS, pursuant to its home rule powers, Article 5, Section 4 of the City Charter, and various provisions of the Illinois Municipal Code, the City is empowered to formulate rules and regulations to protect the health, safety, and welfare of the City and its residents, including regulations regarding land uses and zoning; and

WHEREAS, pursuant to Section 159.045 (Special Uses) and Section 159.048 (Historic Residential and Open Space Preservation) of the Lake Forest Zoning Code ("**Zoning Code**"), the City has established provisions for Planned Preservation Subdivisions to "ensure and facilitate the preservation of sites, areas, buildings, structures, landscaping, woods and other natural terrain features, and the character of the surrounding areas which are individually and/or collectively of special historical, architectural, aesthetic, cultural and/or ecological significance...." Said provisions authorize parcels in the R-4 zoning district and in the Historic Residential and Open Space Preservation Overlay District meeting the established criteria to be developed as a Planned Preservation Subdivision, a type

of planned development that allows for adjustments in development standards typically applicable to a standard subdivision through a Special Use Permit, subject to a determination by the City that specific criteria are satisfied; and

WHEREAS, Elm Tree Road LLC (Winslow S. Bent Trust 50%, Seth L. Bent Trust (the "**Owner**") is the owner of certain real property commonly known as 1310 Lake Road and 1235 Elm Tree Road and the site of the proposed "Elm Tree Road Subdivision" and which property is legally described in **Exhibit A** attached to and, by this reference, made a part of this Ordinance (the "**Property**"); and

WHEREAS, the Owner has presented the plat of subdivision to the City as provided in the Special Use regulations pertaining to Planned Preservation Residential Subdivisions in the R-4 District; and

WHEREAS, the Plan Commission of the City (i) has determined that the subdivision satisfies the criteria for a Planned Preservation Residential Subdivision and has recommended for approval, with conditions, the Final Plat of Subdivision and the associated Special Use Permit and submitted to the City Council a report of its findings, a copy of which is attached as **Exhibit B**; and

WHEREAS, the Mayor and City Council of The City of Lake Forest have considered the Plan Commission's recommendations regarding the Elm Tree Road Subdivision and have determined that the best interest of the City and its residents will be served by approving this Ordinance granting final plat approval, subject to the terms and conditions hereinafter set forth; and

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 1. Recitals. The foregoing recitals are by this reference incorporated into and made a part of this Ordinance as if fully set forth and represent the findings of the City Council.

SECTION 2. Approval of Final Plat. The Final Plat for the Elm Tree Road Subdivision, a copy of which is attached as **Exhibit C**, is hereby approved pursuant to Section 159.048 of the Zoning Code, the Final Plat is hereby approved pursuant to Section 156.029 of the City's Subdivision Code, and a Special Use Permit for a Planned Preservation Subdivision is hereby approved pursuant to Section 159.045 of the Zoning Code; provided, however, that such approvals shall be subject to the terms and conditions in Section 3 of this Ordinance and such modifications thereto which are determined by the City to be in substantially the same form as attached.

SECTION 3. Conditions on Final Plat of Subdivision. The Final Plat approval granted pursuant to Section 2 of this Ordinance shall be subject to the following conditions, restrictions, and limitations, and Owner's failure to abide by the provisions of this Section shall be grounds for the City, without public notice or hearing, to adopt an ordinance repealing this Ordinance and the approvals granted pursuant to Section 159.048 of the Zoning Code and Section 156.029 of the Subdivision Code:

1. **No Authorization for Development Activity.** The granting of the Final subdivision plat approval through a Special Use Permit shall not be deemed an authorization for the Owner(s) to commence any development work on the Property, and no development work shall be permitted or otherwise authorized unless and until all necessary permits, authorizations, and approvals customarily required have been secured.

2. Recordation of the Final Plat. *Prior to the recording of the Final Plat, the plat shall meet the following conditions to the satisfaction of the City Engineer and Director of Community Development:*
- a. A note shall be added to the plat of subdivision acknowledging the existing conditions, structures, and garden on the site and existing nonconformities with respect to square footage and the steep slope setback. The note shall state that any future improvements on the site must comply with the Code requirements in effect at that time or will be subject to review and approval through the established public processes.
 - b. The final plat of the subdivision shall meet all applicable requirements to the satisfaction of the City Engineer and Director of Community Development.
 - c. All applicable fees must be paid prior to recording the plat of subdivision.
 - d. Any future improvements or variance requests will be subject to review and approval by the appropriate Board, Commission, and City Council.
 - e. All applicable fees shall be paid.

SECTION 4. Failure to Comply with Conditions. Upon the failure or refusal of the Owner to comply with any or all of the conditions, restrictions, or provisions of this Ordinance, the approvals granted in Section 2 of this Ordinance may, in the sole discretion of the City Council by ordinance duly adopted, without the need for a public notice or hearing, be revoked and become null and void; provided, however, that, except as otherwise provided in this Ordinance, no such revocation ordinance shall be considered unless (i) the City has first notified the Owner of the Property and (ii) the Owner has failed to cure any violative condition within 30 days (unless such violative condition requires more than 30 days and the Owner timely commences corrective action and continuously prosecute such corrective action without interruption until completion). In the event of revocation, the development and use of the Property shall be governed solely by the regulations of the R-4 District, as the same may, from time to time, be

amended. Further, in the event of such revocation, the City Manager and City Attorney are hereby authorized and directed to bring such zoning enforcement action as may be appropriate under the circumstances. The Owner acknowledges that public notices have been given and public hearings have been held with respect to the adoption of this Ordinance, has considered the possibility of the revocation provided for in this Section, and agrees not to challenge any such revocation on the grounds of any procedural infirmity or any denial of any procedural right provided that the terms of this Section are satisfied.

SECTION 5. Amendment to Ordinance. Except to the extent expressly provided in this Ordinance, any amendments to the terms, conditions, or provisions of this Ordinance that may be requested by the Owner of the Property after the effective date of this Ordinance may be granted only pursuant to the procedures, and subject to the standards and limitations, provided in Section 159.045 of the Zoning Code, or by an amendment to the special use permit itself in the manner provided in the Zoning Code and by applicable law.

SECTION 6. Binding Effect. Except as otherwise expressly provided in this Ordinance, the privileges, obligations, and provisions of each and every Section of this Ordinance are for the sole benefit of, and shall be binding on, the Owner or a subsequent purchaser. This Ordinance shall be in full force and effect from and after its passage and approval; provided, however, that this Ordinance shall be of no force or effect unless and until Owner files with the City its unconditional agreement and consent, in the form attached hereto as **Exhibit D** and by this reference incorporated herein and made a part hereof; provided further that, if Owner does not so file its unconditional agreement and consent within 60 days following the passage of this Ordinance, the City Council may, in its discretion and without public notice or hearing, repeal this Ordinance and thereby revoke the special use permit granted in this Ordinance.

SECTION 7. Effective Date. This Ordinance shall be in full force and effect upon its passage, approval, and publication in pamphlet form in the manner provided by law.

PASSED this ____ day of _____, 2025.

AYES:

NAYS:

ABSENT:

APPROVED this ____ day of _____, 2025.

Mayor

ATTEST:

City Clerk

EXHIBIT A

Property Legal Description 1310 Lake Road and 1235 Elm Tree Road

LOTS 27 AND 28 IN "LAKE FOREST", A SUBDIVISION IN THE S.E. 1/4 OF THE N.E. 1/4 OF SECTION 28, AND S.W. 1/4 OF THE N.W. 1/4 OF SECTION 27, TOWNSHIP 44 NORTH, RANGE 12 EAST OF THE 3RD P.M. AS RECORDED JULY 23, 1857, IN BOOK "D" OF PLATS, PAGES 72 & 73, IN LAKE COUNTY, ILLINOIS.

PIN: 12-28-207-010

12-28-207-017

12-28-207-018

EXHIBIT B

Findings of Fact

1. The proposed subdivision will not endanger public health, safety, or the general welfare of the community. The proposed subdivision of the property is intended to allow the east and west portions of the property to be held in separate ownerships for purposes of preserving the unique structures, gardens and features while allowing reasonable use into the future.
2. The proposed subdivision will not result in any perceived change to the property or the neighborhood. Any changes proposed on the newly established lots will require review and approval based on current Code requirements and through established public processes.
3. The subdivision will not diminish the quality or character of the surrounding neighborhood. In fact, continued preservation, protection, and investment in the structures, garden, and ravine are a benefit to the larger neighborhood and the Historic District.
4. The proposed subdivision is permitted under the provisions of the HROSPD and the R-4 zoning district. A Special Use Permit will serve as the authorizing document for the subdivision as required by the Code.
5. The proposed subdivision will not impede orderly development or redevelopment of surrounding properties. The surrounding properties are already developed with residential uses. No additional density is proposed as part of the proposed subdivision.
6. Adequate utilities and drainage facilities are available to serve the existing structures. No increased demand for City services will result from the subdivision.
7. The proposed subdivision will not result in a significant diminution of the value of surrounding properties and is instead expected to have a beneficial effect through providing some certainty around the future preservation and protection of the property, structures, garden, and ravine.

EXHIBIT C
PROPOSED PLAT OF SUBDIVISION

ELM TREE ROAD SUBDIVISION

BEING A RESUBDIVISION IN THE SOUTHEAST 1/4 OF THE NORTHEAST 1/4 OF FRACTIONAL SECTION 28, TOWNSHIP 44 NORTH, RANGE 12, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN LAKE COUNTY, ILLINOIS.
TOTAL AREA = 6.17 ACRES.

STATE OF ILLINOIS }
COUNTY OF LAKE } S.S.
This is to certify that the undersigned is (are) the sole owner(s) of the land described in the above plat herein that no other person has any right, title or interest in said land, and no owner, who has caused said property to be surveyed, subdivided, divided, and passed to a person named for the purposes of having this plat recorded as provided by law.

Dated at _____, Illinois, this _____ day of _____, 202__.

By: _____
OWNER

STATE OF ILLINOIS }
COUNTY OF LAKE } S.S.
I, _____, a Notary Public in and for the County of Lake in the State aforesaid, do hereby certify that I am personally known to me to be the same person(s) whose name is subscribed to the adjacent certificate of assent, appeared before me this day in person and individually acknowledged that they did sign and deliver the certificate contained in this law and voluntary act, and at the time and intention set forth for the purposes and use therein set forth.

Given under my hand and notarial seal this _____ day of _____, 202__.

Notary Public:
My notarial commission expires on _____, 202__.

STATE OF ILLINOIS }
COUNTY OF LAKE } S.S.
I, _____, a Notary Public in and for the County of Lake in the State aforesaid, do hereby certify that I am personally known to me to be the same person(s) whose name is subscribed to the adjacent certificate of assent, appeared before me this day in person and individually acknowledged that they did sign and deliver the certificate contained in this law and voluntary act, and at the time and intention set forth for the purposes and use therein set forth.

Given under my hand and notarial seal this _____ day of _____, 202__.

Notary Public:
My notarial commission expires on _____, 202__.

To the best of our knowledge and belief, the drainage of the surface waters will not be changed by the construction of this subdivision or any part thereof, or that if such surface waters drainage will be changed, reasonable provisions have been made for the collection and diversion of such surface waters into public streets or areas which the subdivision has a right to use, and that such surface waters will be allowed to flow in accordance with generally accepted engineering practices so as to maintain the flow thereof to the adjoining property because of the construction of the subdivision.

By: _____
OWNER or Representative

LOT 1
Gross Area = 2.28 Acres =
Dutable Area = 0.54 Acres =

LOT 2
Gross Area = 2.73 Acres =
Dutable Area = 1.10 Acres =

LOT 3
Gross Area = 1.16 Acres =
Dutable Area = 0.53 Acres =

STATE OF ILLINOIS }
COUNTY OF LAKE } S.S.
Approved by the Plan Commission of the City of Lake Forest, Lake County, Illinois
this _____ day of _____, A.D. 202__.

Signed: _____
Chairman of said Plan Commission

STATE OF ILLINOIS }
COUNTY OF LAKE } S.S.
I, _____, Marshal and Collector of the City of Lake Forest, Illinois, do hereby certify that I have examined the special assessment records of said City and that the total of estimated assessments, rate class, of outstanding special assessments relating to the property included in this plat of subdivision have been paid.

Dated at Lake Forest, Illinois, this _____ day of _____, A.D. 202__.

Signed: _____
Marshal of said City of Lake Forest

STATE OF ILLINOIS }
COUNTY OF LAKE } S.S.
Approved and accepted by the City Council of the City of Lake Forest, Lake County, Illinois, this _____ day of _____, A.D. 202__.

Signed: _____ Mayor
Attest: _____ City Clerk

STATE OF ILLINOIS }
COUNTY OF LAKE } S.S.
I, _____, County Clerk of Lake County, Illinois, do hereby certify that there are no delinquent general taxes, special charges, general taxes, delinquent special assessments or unpaid current special assessments against any of the land included in the described plat. I further certify that there is no delinquent property tax in connection with this plat.

Given under my hand and seal of the County Clerk of Lake County, Illinois, this _____ day of _____, A.D. 202__.

Signed: _____
County Clerk
Lake County, Illinois

STATE OF ILLINOIS }
COUNTY OF LAKE } S.S.
Approved by the City Surveyor and Engineer of the City of Lake Forest, Lake County, Illinois, this _____ day of _____, A.D. 202__.

Signed: _____
City Surveyor and Engineer

Job # 70402
Date: July 11, 2025

BLECK

engineers | surveyors

Bleck Engineering Company, Inc.
317 S. Birch Street, Suite 200
Lake Forest, Illinois 60045
847.298.5100 • 847.298.7081
www.bleck.com

EXHIBIT D
Unconditional Agreement and Consent

Pursuant to Section Six of The City of Lake Forest Ordinance No. 2025 - ____ ("**Ordinance**"), and to induce the City Council to grant the approvals provided for in such Ordinance, the undersigneds acknowledge for themselves and their successors and assigns in title to the Property that they

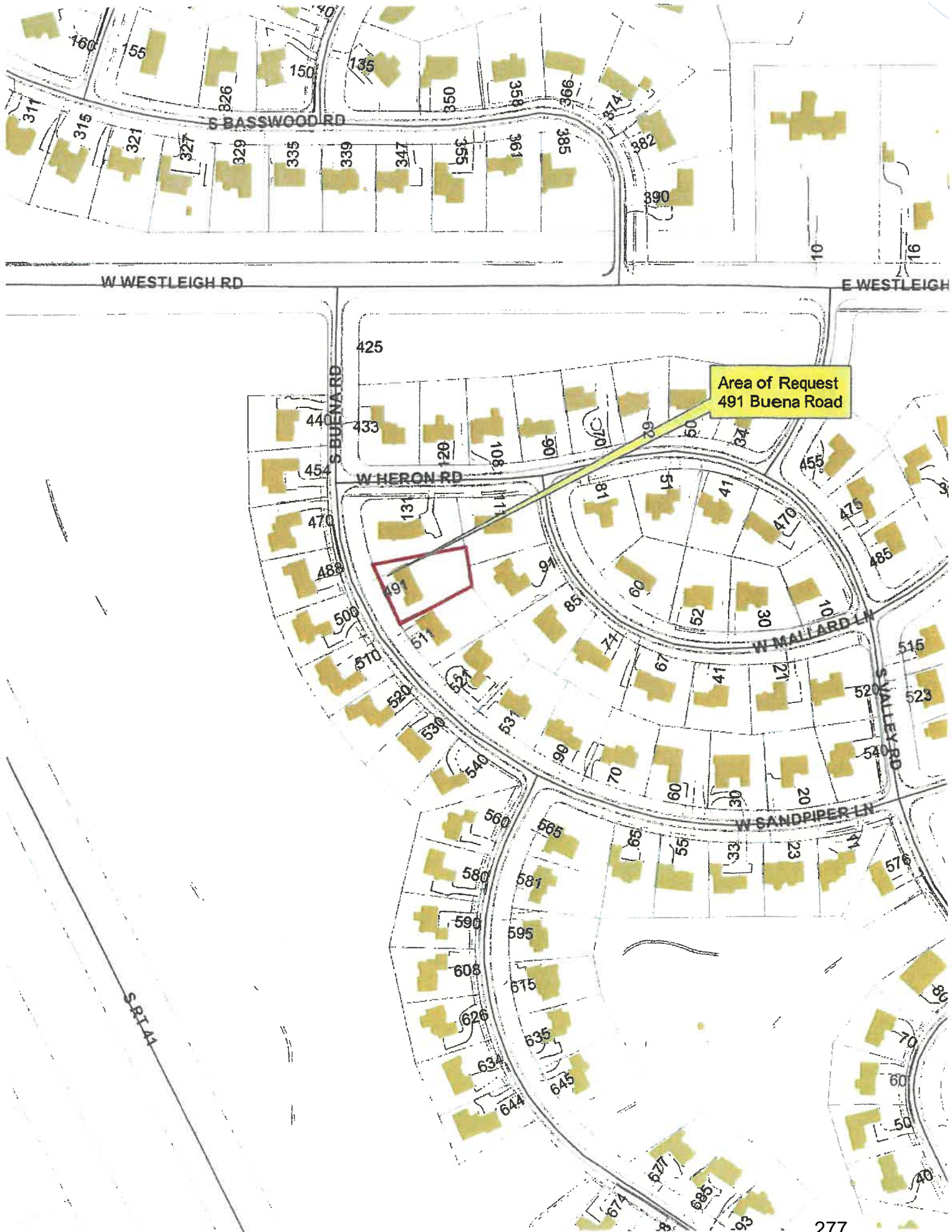
1. have read and understand all of the terms and provisions of Ordinance No. 2025 - ____;
2. hereby unconditionally agree to accept, consent to, and abide by all of the terms, conditions, restrictions, and provisions of this Ordinance, The City of Lake Forest City Code, and all other applicable codes, 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, except as may arise from the City's gross negligence or willful misconduct, and provided that the City shall assert its available immunities in connection with such claims; 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: _____

By: _____

Its _____

ATTEST:



Area of Request
491 Buena Road

THE CITY OF LAKE FOREST

ORDINANCE NO. 2025-___

AN ORDINANCE GRANTING A VARIANCE TO ALLOW A DRIVEWAY TO EXCEED THE PERMITTED WIDTH WITHIN THE SETBACKS FOR PROPERTY LOCATED AT 491 BUENA ROAD

WHEREAS, Christopher and Marianne Delhey ("**Owners**") are the owners of that certain real property commonly known as 491 Buena Road, 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 Owners desire to expand the driveway beyond the 16' limitation within the front and side yard setbacks ("**Improvements**") as depicted on the site plan attached hereto as **Exhibit B** ("**Plan**"); and

WHEREAS, the Owners submitted an application ("**Application**") requesting approval of a variance from Sections 150.487(H) Construction Standards – Driveways, 150.488(D), Location – Driveways, and 159.082, R-4, Single Family Residence District, of the City of Lake Forest Code to allow construction of the Improvements within the front and side yard setback areas; and

WHEREAS, pursuant to notice duly published, the ZBA reviewed and evaluated the Plans at a public hearing held on September 29, 2025; and

WHEREAS, the ZBA, 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 variance will not alter the essential character of the neighborhood. Similar conditions are found on nearby properties. There are properties with similar driveways in this neighborhood.
2. The conditions upon which the variance is requested are generally unique to this neighborhood and to this property and are not generally applicable to other properties in the same zoning district throughout the City.
3. This house is sited nearly at the front yard setback, in compliance with the setback in effect at the time of the construction limiting the available area to modify the driveway.
4. The hardship in conforming to the required setbacks is a result of a change in the width limitations within the front yard setback since the original construction and the siting of the house at the front yard setback.

5. The variance and the resulting driveway modification will not impair light or ventilation to adjacent properties, increase congestion, endanger public safety, or diminish property values. Screening is proposed along the expanded driveway, softening views of the expansion area from the street and from the neighboring property.

and recommended that the City Council approve the variance subject to the terms and conditions hereinafter set forth; and

WHEREAS, the Mayor and City Council, having considered Owners' Application to construct the Improvements on the Property and the findings and recommendations of the ZBA, have determined that it is in the best interests of the City and its residents to grant approval of the requested variance 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 159.042 of the City Code, and subject to the limitations therein and the conditions set forth in Section Four 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: Zoning Setback Variances Granted. Based on the findings presented above, the City Council does hereby grant approval of the requested variance to allow expansion of the driveway to a maximum of 31 feet in width as depicted on the proposed site plan.

SECTION FOUR: Conditions on Approval. The approval granted pursuant to Sections Two and Three 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 building 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 Owners will fully comply with Chapter 99 of the City Code, regarding trees, as it relates to the construction of the Improvements.
- D. Staging, Parking and Storage. Prior to the issuance of building permits, a plan for contractor parking and staging and storage of materials and equipment shall be submitted and will be subject to City review and approval.
- E. Compliance with the Plans. The Improvements must be developed on the Property in substantial compliance with the Plans as presented.
- F. Fees and Costs. The Owners 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 Owners 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.

SECTION FIVE: 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 Owners 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 C** 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 _____, 2025.

AYES: ()

NAYS: ()

ABSENT: ()

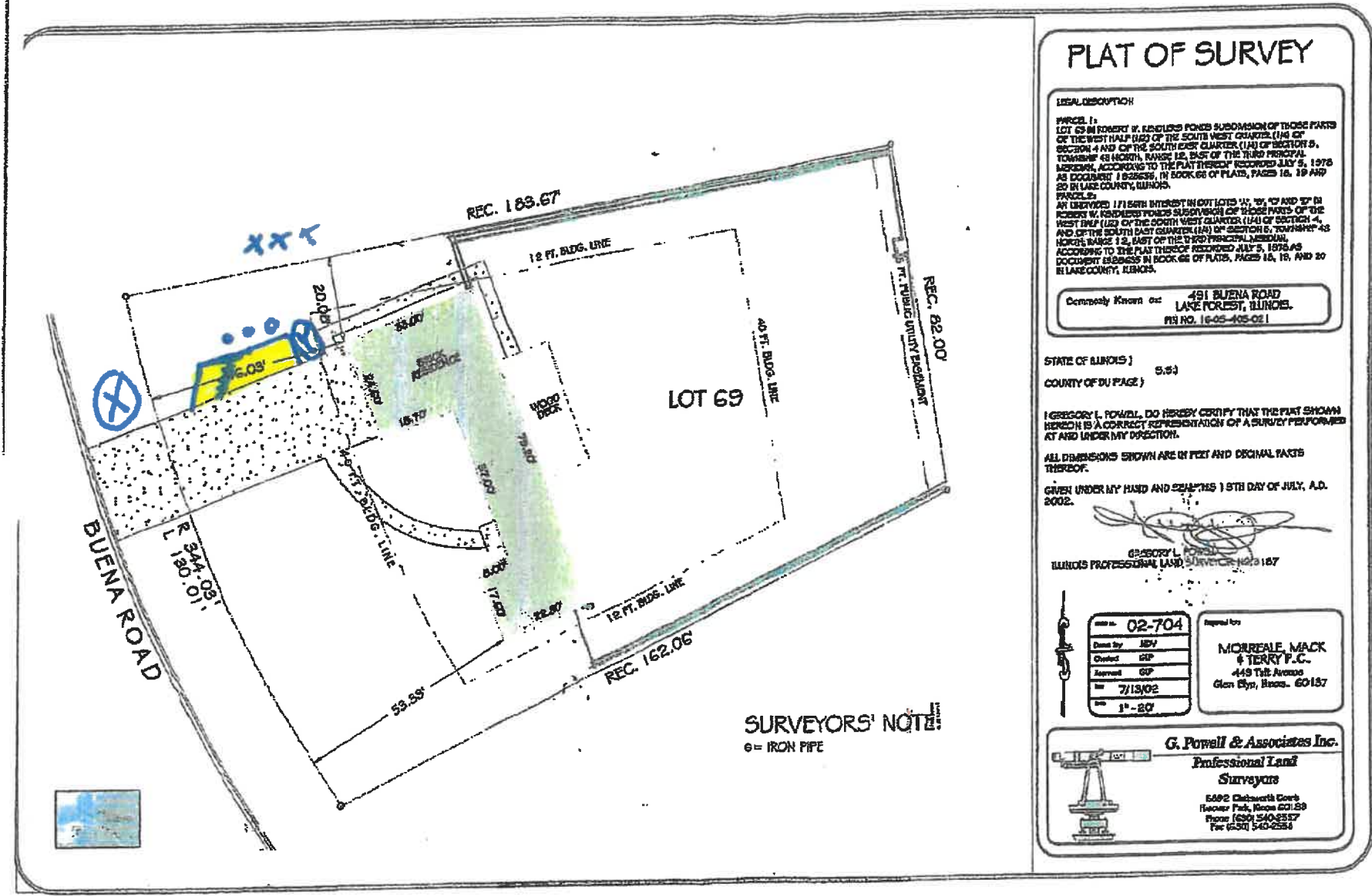
ABSTAIN: ()

PASSED THIS __ DAY OF _____, 2025.

Mayor

ATTEST:

City Clerk



⊗ = Large City Tree
 ⊙ = Delhey Tree
 ... = 3 Arborvitae's to be planted
 xxx = Neighbors existing arborvitae's to be matched