

**THE CITY OF LAKE FOREST  
CITY COUNCIL AGENDA**  
Monday, November 18, 2019 at 6:30 pm  
City Hall Council Chambers  
220 E. Deerpath, Lake Forest

Honorable Mayor, George Pandaleon

Prudence R. Beidler, Alderman First Ward	James Preschlack, Alderman Third Ward
James E. Morris, Alderman First Ward	Ara Goshgarian, Alderman Third Ward
Melanie Rummel, Alderman Second Ward	Michelle Moreno, Alderman Fourth Ward
Edward U. Notz, Jr. Alderman Second Ward	Raymond Buschmann, Alderman Fourth Ward

**CALL TO ORDER AND ROLL CALL** **6:30pm**

**PLEDGE OF ALLEGIANCE**

**REPORTS OF CITY OFFICERS**

**1. COMMENTS BY MAYOR**

**A. Children’s Grief Awareness Day, Thursday, November 21**

A copy of the proclamation can be found on **page 12**

**COUNCIL ACTION: Approval of the Proclamation**

**B. Lake Forest Garden Club Check Presentation**  
**- Loren Dixon, President, Lake Forest Garden Club**

**2. COMMENTS BY CITY MANAGER**

**A. Community Spotlight**  
**US CENSUS- Catherine Czerniak, Director of Community Development**

**3. COMMITTEE REPORTS**

**FINANCE COMMITTEE**

**1. Consideration of an Ordinance Establishing the 2019 Tax Levy (First Reading)**

*PRESENTED BY: Elizabeth Holleb, Finance Director (847-810-3612)*

**PURPOSE AND ACTION REQUESTED:** Staff requests approving the first reading of an Ordinance establishing the 2019 tax levy.

**BACKGROUND/DISCUSSION:** The annual tax levy must be filed with the County Clerk by the last Tuesday in December. The City has a significant reliance on property tax revenues, which represents more than 50% of the General Fund revenue.

Spreadsheets related to the proposed tax levy for 2019 are attached (**page 13**) for your consideration. These include: 1) the tax levy limitations under the tax cap; 2) the tax levy distributed by fund without new growth and allowances distributed; 3) the tax levy by fund with new growth and allowances distributed; and 4) an explanation of the tax increase to an average homeowner.

The tax levy to be approved includes the needs of all City departments, as well as for pensions and debt service requirements. A summary of the proposed levy is as follows:

<b>FUND</b>	<b>Proposed 2019 LEVY</b>	<b>2018 Extension</b>	<b>\$ CHANGE</b>	<b>% CHANGE</b>
City General	\$ 14,343,735	\$ 13,870,423	\$ 473,312	3.41%
Pension Funds	6,307,357	5,541,293	766,064	13.82%
Fire Pension PA 93-0689	103,759	91,348	12,411	13.59%
Recreation	1,460,324	1,433,095	27,229	1.90%
Parks	3,250,399	3,189,793	60,606	1.90%
Recreation & Parks/Specific Purpose	125,000	125,000	0	0.00%
Special Recreation	483,856	474,834	9,022	1.90%
Capital Improvements	1,538,000	1,730,225	(192,225)	-11.11%
Library	3,863,741	3,762,716	101,025	2.68%
Library sites	419,329	411,510	7,819	1.90%
Bond Funds	1,901,821	1,669,665	232,156	13.90%
<b>TOTAL TAX LEVY - CITY</b>	<b>\$ 33,797,321</b>	<b>\$ 32,299,902</b>	<b>\$ 1,497,419</b>	<b>4.64%</b>
School District 67- ESTIMATED	\$ -	-	\$ -	
<b>GRAND TOTAL</b>	<b>33,797,321</b>	<b>32,299,902</b>	<b>\$ 1,497,419</b>	<b>4.64%</b>

**Ordinance (exclude Bond Funds) \$31,895,500**

School District #67 levy amounts are not yet available and will be incorporated into the Levy Ordinance submitted for final approval on December 2, 2019.

**PROJECT REVIEW/RECOMMENDATIONS:**

Reviewed	Date	Comments
Finance Committee	11/12/19	Discussion of proposed 2019 tax levy
City Council	11/4/19	Determination of a preliminary non-binding estimate of the 2019 levy.
Finance Committee	10/21/19	Approval of 2019 Tax Levy Estimate
City Council Workshop	9/16/19	Preliminary discussion of 2019 tax levy and self-imposed limitations

**BUDGET/FISCAL IMPACT:** The proposed tax levy for 2019 reflects a 4.64% increase over the 2018 tax levy extensions for the City and Library operating funds and City pension and debt service funds. This increase is comprised of the 1.90% property tax cap increase on operating and IMRF pension levies; debt service bond levies as previously approved by City Council bond Ordinances, subject to abatement for debt paid by alternate revenue sources; increases attributable to new construction; and increases in police and fire pension costs as determined by an independent actuarial valuation. **The average increase to existing residents (\$800,000 home) is projected to be \$130 or 3.82%.**

**COUNCIL ACTION:** Grant first reading of an Ordinance Establishing the 2019 Tax Levy (page 17).

**2. Consideration of an Ordinance approving a Fee Schedule and Ordinances adopting new fees (First Reading)**

*PRESENTED BY: Elizabeth Holleb, Finance Director (847-810-3612)*

**PURPOSE AND ACTION REQUESTED:** Staff requests approving the first reading of the proposed Ordinances.

**BACKGROUND/DISCUSSION:** As part of the budget process, all departments are asked to review their user fees. A comprehensive fee schedule is provided as Exhibit A to the Ordinance approving a fee schedule, which clearly identifies the proposed fee increases highlighted in yellow and the proposed new fees highlighted in orange. Fees highlighted in green are not reflective of changes in existing fees; rather, they are clarifications due to a review of City Code and current practices or the addition of previously approved fees into the Fee Schedule.

Departments have provided supplemental memos justifying their proposed fee adjustments and new fees, which are included in the packet beginning on (page 25). New fees require a separate Ordinance to be submitted by the department proposing the new fee and accompany the Ordinance approving the fee schedule. The following Ordinances are submitted for City Council consideration at this time:

- Ordinance approving a fee schedule (page 25)
- Ordinance adopting new fees related to Development Activity (page 47)
- Ordinance adopting new fees related to Cemetery Sales and Services (page 50)
- Ordinance adopting new fees related to Parking (page 53)
- Ordinance adopting new fees related to Public Works (page 56)

**PROJECT REVIEW/RECOMMENDATIONS:**

Reviewed	Date	Comments
Finance Committee	11/12/19	Discussion of proposed ordinances

The fee revisions and proposed new fees were discussed by the Finance Committee at its November 12, 2019 meeting. Fees related to the Water Utility Fund are not yet incorporated

into the proposed fee schedule and will be considered by the City Council Finance Committee in January.

**BUDGET/FISCAL IMPACT:** Annual revenue for the new and increased fees is estimated to be immaterial in the General Fund, \$12,792 in the Parks and Recreation Fund, and \$45,686 in the Golf Course Fund.

**COUNCIL ACTION:** Grant first reading to the proposed ordinances.

3. Consideration of an Ordinance Providing for the issuance of not to exceed \$19,500,000 General Obligation Refunding Bonds, Series 2019, for the purpose of refunding certain outstanding general obligation bonds of the City, providing for the levy and collection of a direct annual tax sufficient to pay the principal of and interest on said bonds, authorizing and directing the execution of an escrow agreement in connection with the issuance of said bonds, and authorizing the sale of said bonds to the winning bidder thereof.

PRESENTED BY: *Elizabeth Holleb, Finance Director (847-810-3612)*

**PURPOSE AND ACTION REQUESTED:** Staff requests approving the first reading of an ordinance authorizing issuance of 2019 general obligation refunding bonds.

**BACKGROUND/DISCUSSION:** The City regularly monitors bond market conditions to assess opportunities to refund, or refinance, existing debt obligations and achieve a savings through lower interest rates. Staff is recommending that the City proceed with a refunding in December based on current bond market conditions.

Attached is the preliminary official statement (**page 70**) which has been submitted to Moody's Investors Service with a request for a rating. A rating review was conducted on November 11 and a decision is anticipated on or before November 22.

**PROJECT REVIEW/RECOMMENDATIONS:**

Reviewed	Date	Comments
Finance Committee	11/12/19	Discussion regarding proposed refunding issue, including schedule and projected savings.
Finance Committee	10/21/19	Approval for staff to proceed with preparations for a refunding issue.

**BUDGET/FISCAL IMPACT:** The interest rate on the refunding bond issue will be determined at the online bid auction scheduled for December 4. Debt service on the bond issue is scheduled through December 2032 and will be paid from a combination of property tax levy, home rule sales tax, water utility fees and golf course fees to match the funding source for the original bond issues. The bonds will be callable in whole or in part on or after December 15, 2027.

**COUNCIL ACTION:** Approval of first reading of the bond ordinance (page130). An online bid will occur on Wednesday, December 4. At the December 2 City Council meeting, a final

bond ordinance will be presented for City Council consideration that will set forth the parameters under which a bid received on December 4 would be approved allowing for the closing of the bond issue on December 19. If no bid submitted on December 4 meets the parameters of the bond ordinance approved on December 2, the bids would be rejected and the bond issue would not proceed.

**4. OPPORTUNITY FOR CITIZENS TO ADDRESS THE CITY COUNCIL ON NON-AGENDA ITEMS**

**5. ITEMS FOR OMNIBUS VOTE CONSIDERATION**

**1. Approval of the November 4, 2019 City Council Meeting Minutes**

A copy of the minutes can be found beginning on **page 172**.

COUNCIL ACTION: Approval of the November 4, 2019 City Council Meeting Minutes.

**2. Acceptance of a check in the amount of \$ 110,000 granting a Waiver of Procedures and Approval of All City Expenditures to Execute the Citywide Recycling Education Campaign Grant as Outlined in the Lake Forest Garden Club's Request for Proposal in the Amount of \$110,000.**

STAFF CONTACT: *Dan Martin, Superintendent of Public Works (810-3561)*

**PURPOSE AND ACTION REQUESTED:** City staff is requesting City Council waiver of procedures and approval of all City expenditures to execute the Citywide Recycling Education Campaign Grant as outlined in the Lake Forest Garden Club's Request for Proposal in the Amount of \$110,000.

**BACKGROUND/DISCUSSION:** In January, 2019, The Lake Forest Garden Club (LFGC hereafter) met with Public Works staff to discuss its interest in enhancing the City's recycling program. The meeting led to the City receiving an invitation from LFGC to submit a request a grant application to fully fund a City-wide Recycling Education Campaign. The campaign would focus on reducing recycling contamination and improving residents' overall recycling practices. Recycling contamination is an issue nationwide. The ultimate success of the two-year educational program would be to reduce the City's current recycling contamination level from approximately 25% to 10% or lower. The positive impact from a professional multi-approach educational campaign to educate residents on how to properly recycle will result in more waste material being diverted from landfills and lower recycling processing costs to the City and its taxpayers. The educational campaign would include the creation of strategic marketing plan by hiring Norman Design Co., a local independent branding design firm that is passionate about sustainability and enhancing local recycling efforts. To accomplish this, Norman Design Co. would develop a branded campaign message using a micro website, brochures, how-to guides, instructional videos, posters, and professionally posted social media materials. Norman Design Co. has reduced its consulting fees as an in-kind contribution. Additionally, the grant funding would be used to hire an advertising/marketing

intern to actively engage the community by presenting to schools, local clubs, create and run pop-up events, attend LF Day, Fourth of July, etc.

The following chart provides the LFGC grant cost breakdown:

Description	Cost
Educational Recycling Campaign Branding	\$7,000
Strategic Marketing Plan	\$2,000
Campaign Website	\$15,000
Two-Year Contract with Writer for Social Media	\$14,000
Two-Year Contract for Project Management	\$5,000
Tactic Development (Posters, Mailings, Etc.)	\$22,000
Printing & Postage	\$15,000
Advertising/Promotional Intern (two-years)	\$30,000
<b>TOTAL</b>	<b>\$110,000</b>

**BUDGET/FISCAL IMPACT:** The City has received LFGC’s check for the full amount of the grant.

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

Below is a summary of the project budget:

Citywide Recycling Education Campaign –Donor Full Payment

FY2020 Funding Source	Amount Budgeted	Amount Requested	Budgeted? Y/N
Capital Improvement Fund	\$0	\$110,000	N

**COUNCIL ACTION:** Waiver of Procedures and Approval of All City Expenditures to Execute the Citywide Recycling Education Campaign Grant as Outlined in the Lake Forest Garden Club’s Request for Proposal in the Amount of \$110,000.

**3. Award of Proposal to Midwest Power Industries, Inc. for a Three Year Generator Maintenance Contract in the amount of \$53,400.00.**

*STAFF CONTACT: Dan Martin, Superintendent of Public Works (810-3561)*

**PURPOSE AND ACTION REQUESTED:** Staff is requesting City Council’s approval to award the bid for a Generator Maintenance Contract to Midwest Power Industries, Inc., the lowest responsible bidder.

**BACKGROUND/DISCUSSION:** In 2016, the City entered into a three year contract with Steiner Electric Company along with seven other municipalities through the Municipal Partnering Incentive (MPI). In July, 2019 the generator maintenance was rebid. The City has twelve emergency generators located at eleven buildings around the City. The contract includes biannual maintenance and annual load bank testing for all units. Also included in the contract are set prices for repair work over the life of the contract.

**BUDGET/FISCAL IMPACT:** The Generator Maintenance Contract Proposal followed the public bid process. The City of Lake Forest participated in the MPI bid process led by the Village of Mount Prospect. The other participating municipalities were the Villages of Bannockburn, Buffalo Grove, Glenview, Kenilworth, Lincolnshire, and Wilmette. The invitation to bid was advertised in the newspaper; five contractors attended the pre bid-meeting and were allowed to tour of all the facilities as needed. Each bidder received a bid packet including specifications and specialized schedules for each location. Following the meeting, contractors were given two weeks to prepare their bids. Midwest Power Industries, Inc. met all of the requirements and was the lowest responsible bidder.

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

On July 8, 2019, staff received the following bids for this contract:

Company	FY2017	FY2018	FY2019	Total
<b>Midwest Power Industries, Inc.</b>	<b>\$17,800.00</b>	<b>\$17,800.00</b>	<b>\$17,800.00</b>	<b>\$53,400.00</b>
Steiner Electric Company	\$29,827.00	\$29,827.00	\$29,827.00	\$89,481.00
Patton Industries Inc.				No Bid
Illini Power Products				No Bid
Pure Power Generators				No Bid

FY2017 -19 Funding Source	Account Number	Account Requested	Budgeted? Y / N
Operating Budget	Multiple Accounts	\$53,400.00	Y

**COUNCIL ACTION:** Award of Proposal to Midwest Power Industries, Inc. for a Three Year Generator Maintenance Contract in the amount of \$53,400.00.

**4. Approval of a First Addendum to the License Agreement Between the City of Lake Forest and the Music Institute of Chicago to occupy a portion of Volwiler Hall at 40 E. Old Mill Road**

*STAFF CONTACT: Mike Strong, Assistant to the City Manager (810-3680)*

**PURPOSE AND ACTION REQUESTED:** Pursuant to a recommendation of the Property & Public Lands Committee, staff is requesting approval of a First Addendum to a License Agreement

between the City of Lake Forest and the Music Institute of Chicago ("MIC") to authorize an extension of the Agreement through January 15, 2021.

**BACKGROUND/DISCUSSION:** The MIC, a community music school, has occupied a portion of Volwiler Hall on Grove Campus since 2008 when it assumed a lease under the same terms and conditions from the Lake Forest Symphony. Between 2010 and 2014, the City and MIC entered into several lease extensions to work toward either a long-term license agreement or sale of the building to the MIC.

During this time, the City also embarked on a Comprehensive Master Plan for Grove Campus, which established a vision for the Campus *to provide education, exposure and experiences to the communities in the areas of art, music, humanities and society*. The Plan also affirmed the presence and occupancy of the MIC to offer high quality music education for all ages and levels of ability. In early 2015, the City Council approved a five-year License Agreement with the MIC to continue its occupancy at Grove Campus. The original License Agreement expires under its own terms on December 31, 2019.

Over the past several months, discussions concerning the Master Plan and potential redevelopment opportunities at Grove Campus have evolved. City staff believes it is in the best interest of the community to allow the MIC to continue operating in Volwiler Hall while those discussions continue. To this end, the City and MIC have mutually agreed in principle, contingent upon City Council approval, to engage in an approximate 18-month extension of the existing License Agreement.

Pursuant to the First Addendum, all other terms of the License Agreement would remain in effect. Included in this packet are copies of the First Addendum and existing License Agreement beginning on **page 176**.

**PROJECT REVIEW/RECOMMENDATIONS:**

Reviewed	Date	Comments
Property & Public Lands Committee	10/10/2019	Reviewed and Approved

**BUDGET/FISCAL IMPACT:** The existing license rate is a fixed fee of \$43,000 per year, or roughly \$3,583 per month. The proposed extension of the License Agreement would yield \$64,494, of revenue over the term period. Since the City did not budget any revenue beyond the termination of the existing License Agreement, the City would see an additional \$14,332 in unbudgeted revenue for FY2020.

**COUNCIL ACTION:** If determined to be appropriate by the City Council, grant final approval of a First Addendum to an existing License Agreement between the City of Lake Forest and the Music Institute of Chicago to occupy a portion of Volwiler Hall, located at 40 E. Old Mill Road.

5. **Consideration of an Ordinance Approving a Recommendation from the Historic Preservation Commission. (First Reading and if Desired by the City Council, Final Approval)**

STAFF CONTACT: Catherine Czerniak,



Director of Community Development (810-3504)

The following recommendation from the Historic Preservation Commission is presented to the City Council for consideration as part of the Omnibus Agenda.

680 N. Sheridan Road – The Historic Preservation Commission recommended approval of a request for various exterior modifications, the addition of a small covered front porch, removal of a larger existing front porch and alterations to the roof over an existing portion of the house. A building scale variance is also recommended however, no increase in the foot print of the existing house is proposed, only massing changes to the existing residence are proposed. A letter in support of the petition was submitted by the Lake Forest Preservation Foundation. (Approved 7 – 0)

The ordinance approving the petition, with key exhibits attached, is included in the Council's packet beginning on **page 210**. The Ordinance, with complete exhibits, is available for review in the Community Development Department.

COUNCIL ACTION: If determined to be appropriate by the City Council, waive first reading and grant final approval of the Ordinance approving the petition as recommended by the Historic Preservation Commission.

**COUNCIL ACTION: Approval of the five (5) Omnibus items as presented**

**6. ORDINANCES**

**7. NEW BUSINESS**

**8. ADDITIONAL ITEMS FOR DISCUSSION/ COMMENTS BY COUNCIL MEMBERS**

- 1. EXECUTIVE SESSION pursuant to 5ILCS 120/2 (c) (11), The City Council will be discussing threatened or pending litigation.  
Adjournment into Executive Session**

**Reconvene into Regular Session**

**9. ADJOURNMENT**

A copy of the Decision Making Parameters can be found beginning on **page 11** of this packet.

Office of the City Manager

November 13, 2019

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.*



## PROCLAMATION

### National Children's Grief Awareness Day

**WHEREAS**, Rainbows for All Children has spent the past 36 years advocating for and working to meet the need for community and support that children required when they are grieving a lost or missing family member, and currently supports children 3-18 years of age in 32 states; and

**WHEREAS**, Children's Grief Awareness Day was created in 2008, and is observed the Thursday before the Thanksgiving holiday to help children during a difficult holiday season; and

**WHEREAS**, Children's Grief Awareness Day is a day during which individuals and communities recognize the unique issues that children face when they grieve a lost or missing family member and where these children can be acknowledged and supported; and

**WHEREAS**, it is fitting and proper on Children's Grief Awareness Day and on every day to recognize the vast number of children dealing with grief and loss in The City of Lake Forest;

**NOW THEREFORE**, I, George A. Pandaleon, on behalf of the City Council and community, do hereby proclaim November 21, 2019, as Children's Grief Awareness Day in The City of Lake Forest and encourage all citizens to recognize and support these at-risk youth in every way possible.

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George A. Pandaleon, Mayor

Attachment 1

**ESTIMATING EQUALIZED ASSESSED VALUATION, TAX LEVY LIMITATIONS  
AND NEW GROWTH PROJECTIONS FOR 2019**

**PROJECTED 2019 EQUALIZED ASSESSED VALUATION**

Based on information from the County Clerk's Office the projected Equalized Assessed Valuation (EAV) of property in The City of Lake Forest for the tax year 2019 is as follows:

2018 EAV for The City of Lake Forest	2,531,126,514
Estimated average change to existing property	<u>-1.90%</u>
2019 EAV for existing property	<u>2,483,018,503</u>
Total Estimated New Construction Growth for 2019	\$ 19,396,097
Total Projected EAV for 2018 Tax Levy	<u>\$ 2,502,414,600</u>

**COMPUTATION OF MAXIMUM TAX EXTENSION FOR 2019 UNDER THE PROPERTY TAX  
EXTENSION LIMITATION ACT**

A.	Tax Levy Extensions for the 2018 Tax Year (Excluding Debt Service, Special Rec and partial Fire Pension Tax Levy Extension)	\$ 30,064,055
B.	Total Projected EAV for 2019 Tax Levy	\$ 2,502,414,600
C.	Total Estimated New Construction Growth for 2019	\$ 19,396,097
D.	CPI Increase for 2019 Levy	1.90%
Step 1	Numerator of Limiting Rate:	\$ 30,064,055 X 101.900% = <u>\$ 30,635,272</u>
Step 2	Denominator of Limiting Rate:	\$ 2,502,414,600 - 19,396,097 = <u>\$ 2,483,018,503</u>
Step 3	Limiting Rate (Per \$100 EAV):	\$ 30,635,272 / 2,483,018,503 = <u>\$ 0.01234</u>
Step 4	Maximum Tax Extension for 2019 Tax Year (Excluding Debt Service Tax Levy Extension):	\$ 2,502,414,600 X \$ 0.01234 = <u>\$ 30,874,579</u>
Step 5	Added Tax Levy Extension Based on New Growth (Step 4 minus Step 1)	= <u>\$ 239,307</u>
	Aggregate Levy - Truth in Taxation Estimate:	102.70%
	Tax Cap	1.90%
	TIF	0.00%
	New Construction	<u>0.80%</u>
		<u>2.70%</u>

# The City of Lake Forest Tax Levy 2019

## Attachment 2

FUND	2019 LEVY	2018 Extension	\$ CHANGE	% CHANGE
General	\$14,133,961	13,870,423	263,538	1.90%

### Pension Funds

IMRF/SS - <b>Funded Ratio 86.2%</b>	1,246,492	1,223,250	23,242	1.90%
Police Pension - <b>Funded Ratio 50.34%</b>	2,690,726	2,194,861	495,865	22.59%
Fire Pension - <b>Funded Ratio 68.51%</b>	1,791,412	1,555,246	236,166	15.19%
<b>Sub-Total Pension Funds</b>	<b>5,728,630</b>	<b>4,973,357</b>	<b>755,273</b>	<b>15.19%</b>

Public Safety  
pension fee

### Other Funds

Recreation and Parks	4,710,723	4,622,888	87,835	1.90%
Recreation and Parks-IMRF/SS	578,727	567,936	10,791	1.90%
Special Recreation			0	
Capital Improvements ( <b>Cap Applies</b> )	<b>1,538,000</b>	1,730,225	(192,225)	-11.11%
Recreation and Parks/Specific Purpose	125,000	125,000	0	0.00%
Library	3,834,208	3,762,716	71,492	1.90%
Library-sites	419,329	411,510	7,819	1.90%
<b>Sub-Total Other Funds</b>	<b>11,205,987</b>	<b>11,220,275</b>	<b>(14,288)</b>	<b>-0.13%</b>

### **TOTAL LEVY UNDER TAX CAP**

<b>31,068,578</b>	<b>30,064,055</b>	<b>1,004,523</b>	<b>3.34%</b>
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### Bond Funds (Cap Applies)

2010/2013 GO Bonds MS/CIP	1,393,963	1,147,307	246,656	21.50%
2009 GO Bonds Western	282,495	278,195	4,300	1.55%
Extension Adjustment		16,550	(16,550)	
2015 GO Bonds - CIP	225,363	227,613	(2,250)	-0.99%
<b>Sub-Total Bond Funds</b>	<b>1,901,821</b>	<b>1,669,665</b>	<b>232,156</b>	<b>13.90%</b>

Add Sequestration

### **TOTAL TAX LEVY BEFORE NEW GROWTH and ALLOWANCES**

<b>32,970,399</b>	<b>31,733,720</b>	<b>1,236,679</b>	<b>3.90%</b>
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Fire Pension PA 93-0689	103,759	91,348	12,411	13.59%
Special Recreation	483,856	474,834	9,022	1.90%
Plus New Growth	<b>239,307</b>		239,307	N/A
<b>GRAND TOTAL TAX LEVY</b>	<b>33,797,321</b>	<b>32,299,902</b>	<b>1,497,419</b>	<b>4.64%</b>

### **Ord 2013-70 Debt/Capital Cap Aggregate Levy (Truth in Taxation)**

3,439,821	3,399,890	39,931	1.17%
31,895,500	30,630,237	1,265,263	4.13%

**Cap \$3,525,580**

Public hearing if  
increase >5.0%

### DISTRIBUTION OF GROWTH

General Fund Levy -	\$ 209,774
Library Levy -	29,533
<b>TOTAL NEW GROWTH</b>	<b>\$ 239,307</b>

**The City of Lake Forest  
Tax Levy  
2019**

**Attachment 3**

<b>FUND</b>	<b>2019 LEVY</b>	<b>2018 Extension</b>	<b>\$ CHANGE</b>	<b>% CHANGE</b>
General	\$14,343,735	13,870,423	473,312	3.41%
<b><u>Pension Funds</u></b>				
IMRF/SS	1,246,492	1,223,250	23,242	1.90%
Police Pension	2,690,726	2,194,861	495,865	22.59%
Fire Pension	1,895,171	1,646,594	248,577	15.10%
<b>Sub-Total Pension Funds</b>	<b>5,832,389</b>	<b>5,064,705</b>	<b>767,684</b>	<b>15.16%</b>
<b><u>Agency Funds</u></b>				
Recreation and Parks	4,710,723	4,622,888	87,835	1.90%
Recreation and Parks-IMRF/SS	578,727	567,936	10,791	1.90%
Recreation and Parks-Specific Purpose	125,000	125,000	0	
Special Recreation	483,856	474,834	9,022	1.90%
Capital Improvements	1,538,000	1,730,225	(192,225)	
Library	3,863,741	3,762,716	101,025	2.68%
Library-sites	419,329	411,510	7,819	1.90%
<b>Sub-Total Agency Funds</b>	<b>11,719,376</b>	<b>11,695,109</b>	<b>24,267</b>	<b>0.21%</b>
	<b>31,895,500</b>	<b>30,630,237</b>	<b>1,265,263</b>	<b>4.13%</b>
<b><u>Bond Funds</u></b>				
2010 GO Bonds MS/CIP	1,393,963	1,147,307	246,656	21.50%
2009 GO Bonds Western	282,495	278,195	4,300	1.55%
Extension Adjustment		16,550	(16,550)	
2015 GO Bonds - CIP	225,363	227,613	(2,250)	
<b>Sub-Total Bond Funds</b>	<b>1,901,821</b>	<b>1,669,665</b>	<b>232,156</b>	<b>13.90%</b>
<b>GRAND TOTAL TAX LEVY</b>	<b>33,797,321</b>	<b>32,299,902</b>	<b>1,497,419</b>	<b>4.64%</b>

**The City of Lake Forest  
Tax Levy  
2019  
Explanation of Homeowner Increase**

**Attachment 4**

	<b>2019 LEVY</b>	<b>2018 Extension</b>	<b>\$ CHANGE</b>	<b>% CHANGE</b>
Levy before growth and exclusions	\$ 31,068,578	\$ 30,064,055	\$ 1,004,523	<b>3.34%</b>
Plus growth and exclusions	826,922	566,182	\$ 260,740	
<b>TOTAL LEVY UNDER TAX CAP</b>	<b>\$ 31,895,500</b>	<b>\$ 30,630,237</b>	<b>\$ 1,265,263</b>	<b>4.13%</b>
Bond Funds	1,901,821	1,669,665	\$ 232,156	13.90%
<b>TOTAL TAX LEVY</b>	<b>\$ 33,797,321</b>	<b>\$ 32,299,902</b>	<b>\$ 1,497,419</b>	<b>4.64%</b>
Increase excl new growth/exclusions	32,970,399	31,733,720		3.90%

	<b>2019 Forecast</b>	<b>2018 Actual</b>	
City Equalized Assessed Value ( EAV) 1/3 market value	2,502,414,600	2,531,126,514	
City Levy	33,797,321	32,299,902	
Tax Rate	1.3506	1.2761	levy divided by EAV X 100
Average Home Market Value	\$ 784,795	\$ 800,000	
EAV	261,598	266,667	
<b>EAV X Tax Rate/100</b>	<b>\$ 3,533</b>	<b>\$ 3,403</b>	<b>\$ 130 3.82%</b>

**This is the impact projected on an average existing home.**

**This represents 21% (City) and 3% (Library) of the entire tax bill.**

(Impacts on individual properties may differ.)



**TAX LEVY 2019-2020**

AN ORDINANCE PROVIDING FOR THE LEVY OF TAXES FOR ALL CORPORATE PURPOSES AND FOR THE PUBLIC SCHOOLS OF THE CITY OF LAKE FOREST, COUNTY OF LAKE AND STATE OF ILLINOIS, FOR THE FISCAL YEAR COMMENCING MAY 1, 2019 AND ENDING APRIL 30, 2020,

WHEREAS, because of legal requirements relating to pension funding, the City is required to increase its annual levy to responsibly meet these obligations; and

WHEREAS, because of uncertainties relating to actual and potential Statewide legislation affecting revenue and tax issues for all municipalities, the City is unable to plan with any levy of predictability, which creates a bona fide emergency beyond the City's control for purposes of fiscal planning; and

WHEREAS, due to these legal requirements and bona fide emergency, the City is required to increase its annual tax levy at levels exceeding the levels set forth in the "tax cap" law,

BE IT ENACTED BY THE CITY COUNCIL OF THE CITY OF LAKE FOREST, COUNTY OF LAKE AND STATE OF ILLINOIS:

SECTION 1: That the Annual Appropriation Bill, an ordinance making appropriation for the corporate purposes of The City of Lake Forest and the objects and purposes stated therein according to the departments, and other separate agencies, and for the Public Schools of The City of Lake Forest, County of Lake and State of Illinois, for the fiscal year commencing May 1, 2019 and ending April 30, 2020 was duly passed the 15th of July, 2019 and thereafter published in pamphlet form as provided by law, which ordinance by reference thereto is hereby made a part of hereof.

SECTION 2: That the sum of thirty-one million, eight hundred ninety-five thousand, five hundred dollars (\$31,895,500) having heretofore legally appropriated for all corporate purposes of The City of Lake Forest and for the Public Schools of The City of Lake Forest, County of Lake and State of Illinois, to be collected from the taxes levied for the fiscal year commencing May 1, 2019 and ending April 30, 2020 be and same hereby is levied against all property subject to taxation with The City of Lake Forest as the same is assessed and equalized for State and County purposes for the said fiscal year.

That the purposes for which the said amount of thirty-one million, eight hundred ninety-five thousand, five hundred dollars (\$31,895,500) hereto appropriated and hereby levied, respectively are as follows, to wit:

<u>GENERAL FUND</u>	<u>Appropriation</u>	<u>Tax Levy 2019-2020</u>
<u>General Government</u>		
Salaries and Benefits	\$ 2,545,945	\$ 1,644,710
Supplies/Other Services and Charges	5,225,290	\$ 3,375,597
Contingency - to meet expenses of emergencies and optional expenses not otherwise provided for	3,582,652	-
<b>TOTAL GENERAL GOVERNMENT</b>	<b>\$ 11,353,887</b>	<b>\$ 5,020,307</b>
<u>Legal</u>		
Contractual Services	\$ 450,000	\$ 286,875
<b>TOTAL LAW</b>	<b>\$ 450,000</b>	<b>\$ 286,875</b>

	<u>Appropriation</u>	<u>Tax Levy 2019-2020</u>
<b><u>Community Development</u></b>		
Salaries and Benefits	\$ 1,567,651	\$ -
Supplies/Other Services and Charges	241,328	-
Capital Equipment	-	-
<b>TOTAL COMMUNITY DEVELOPMENT</b>	<b><u>\$ 1,808,979</u></b>	<b><u>\$ -</u></b>
<b><u>Public Works Administration</u></b>		
Salaries and Benefits	\$ 382,346	347,762
Supplies/Other Services and Charges	90,759	82,550
	-	-
<b>TOTAL PUBLIC WORKS ADMINISTRATION</b>	<b><u>\$ 473,105</u></b>	<b><u>\$ 430,312</u></b>
<b><u>Public Buildings</u></b>		
Building Maintenance Administration		
Salaries and Benefits	\$ 796,657	342,096
Supplies/Other Services and Charges	873,495	375,091
<b>TOTAL PUBLIC BUILDINGS</b>	<b><u>\$ 1,670,152</u></b>	<b><u>\$ 717,187</u></b>
<b><u>Streets</u></b>		
Salaries and Benefits	\$ 973,064	\$ -
Supplies/ Other Service and Charges	700,593	-
<b>TOTAL STREETS</b>	<b><u>\$ 1,673,657</u></b>	<b><u>\$ -</u></b>
<b><u>Sanitation</u></b>		
Salaries and Benefits	\$ 1,223,391	\$ 759,596
Supplies/ Other Service and Charges	1,086,786	674,778
<b>TOTAL SANITATION</b>	<b><u>\$ 2,310,177</u></b>	<b><u>\$ 1,434,374</u></b>
<b><u>Storm Sewers</u></b>		
Salaries and Benefits	\$ 129,913	\$ 115,325
Supplies/ Other Service and Charges	31,668	28,112
<b>TOTAL STORM SEWERS</b>	<b><u>\$ 161,581</u></b>	<b><u>\$ 143,437</u></b>
<b><u>Engineering</u></b>		
Salaries and Benefits	\$ 528,014	\$ 168,634
Supplies/ Other Service and Charges	370,229	118,241
<b>TOTAL ENGINEERING</b>	<b><u>\$ 898,243</u></b>	<b><u>\$ 286,875</u></b>
<b><u>Fire</u></b>		
Fire Administration		
Salaries and Benefits	\$ 4,738,159	2,357,270
Supplies/ Other Service and Charges	317,141	157,780
Capital Equipment	-	-
Sub-Total	<b><u>\$ 5,055,300</u></b>	<b><u>\$ 2,515,050</u></b>

	<u>Appropriation</u>	<u>Tax Levy 2019-2020</u>
Emergency Medical Services		
Supplies/ Other Service and Charges	\$ 28,813	14,335
Sub-Total	<u>\$ 28,813</u>	<u>\$ 14,335</u>
Fire Suppression		
Supplies/ Other Service and Charges	\$ 105,500	52,487
Sub-Total	<u>\$ 105,500</u>	<u>\$ 52,487</u>
<b>TOTAL FIRE</b>	<b><u>\$ 5,189,613</u></b>	<b><u>\$ 2,581,872</u></b>
<b><u>Police</u></b>		
Salaries and Benefits	\$ 6,327,291	\$ 2,907,636
Supplies/ Other Service and Charges	1,163,906	534,860
<b>TOTAL POLICE</b>	<b><u>\$ 7,491,197</u></b>	<b><u>\$ 3,442,496</u></b>
<b>TOTAL AMOUNT APPROPRIATED FROM GENERAL FUND</b>	<b><u>\$ 33,480,591</u></b>	<b><u>\$ 14,343,735</u></b>
Less: Total amount appropriated from other sources other than Tax Levy	19,136,856	
Sub-Total		14,343,735
<b>TOTAL AMOUNT TO BE RAISED BY TAX LEVY FOR GENERAL FUND</b>		<b><u>\$ 14,343,735</u></b>

**ILLINOIS MUNICIPAL RETIREMENT AND SOCIAL SECURITY**

For ILLINOIS MUNICIPAL RETIREMENT and SOCIAL SECURITY  
(Excludes Water and Sewer Department, Fleet, Deerpath Golf Course,  
Cemetery Commission and School District 67)

General Fund - IMRF	\$ 884,120	\$ 623,246
General Fund - Social Security	671,917	623,246
Parks and Recreation Fund - IMRF	363,254	289,364
Parks and Recreation Fund - Social Security	340,403	289,363
	-	
<b>TOTAL AMOUNT APPROPRIATED FROM ILLINOIS MUNICIPAL RETIREMENT AND SOCIAL SECURITY</b>	<b><u>\$ 2,259,694</u></b>	<b><u>\$ 1,825,219</u></b>
Less: Total amount appropriated from other sources other than Tax Levy	434,475	
Sub-Total		1,825,219
<b>TOTAL AMOUNT TO BE RAISED BY TAX LEVY FOR ILLINOIS MUNICIPAL RETIREMENT AND SOCIAL SECURITY</b>		<b><u>\$ 1,825,219</u></b>

	<u>Appropriation</u>	<u>Tax Levy 2019-2020</u>
<b><u>FIREFIGHTERS'S PENSION FUND</u></b>		
Other Services and Charges	\$ 2,761,271	\$ 1,791,412
Contingency to meet expenses for emergencies and expenses not otherwise provided for	286,503	-
<b>TOTAL AMOUNT APPROPRIATED FOR PAYMENT TO THE FIREFIGHTERS'S PENSION FUND</b>	<b><u>\$ 3,047,774</u></b>	<b><u>\$ 1,791,412</u></b>
Less: Total amount appropriated from other sources other than Tax Levy	1,256,362	
Sub-Total		1,791,412
<b>TOTAL AMOUNT TO BE RAISED BY TAX LEVY FOR THE FIREFIGHTERS'S PENSION FUND</b>		<b><u>\$ 1,791,412</u></b>
Other Services and Charges	\$ 103,759	\$ 103,759
<b>TOTAL AMOUNT TO BE RAISED BY TAX LEVY FOR THE FIREFIGHTERS'S PENSION FUND LAW PA 93-0869</b>	<b><u>\$ 103,759</u></b>	<b><u>\$ 103,759</u></b>
<b><u>POLICE PENSION FUND</u></b>		
Other Services and Charges	\$ 3,330,030	\$ 2,690,726
Contingency to meet expenses for emergencies and expenses not otherwise provided for	333,003	-
<b>TOTAL AMOUNT APPROPRIATED FOR PAYMENT TO THE POLICE PENSION FUND</b>	<b><u>\$ 3,663,033</u></b>	<b><u>\$ 2,690,726</u></b>
Less: Total amount appropriated from other sources other than Tax Levy	972,307	
Sub-Total		2,690,726
<b>TOTAL AMOUNT TO BE RAISED BY TAX LEVY FOR THE POLICE PENSION FUND</b>		<b><u>\$ 2,690,726</u></b>
<b><u>PARKS AND RECREATION FUND</u></b>		
<b><u>Parks and Forestry</u></b>		
Administration		
Salaries and Benefits	\$ 2,256,824	\$ 2,013,219
Supplies/ Other Service and Charges	628,132	560,331
Capital Equipment	255,000	227,475
Sub-Total	<b><u>\$ 3,139,956</u></b>	<b><u>\$ 2,801,025</u></b>
Grounds Maintenance		
Supplies/ Other Service and Charges	\$ 312,500	\$ 278,768
Sub-Total	<b><u>\$ 312,500</u></b>	<b><u>\$ 278,768</u></b>

	<u>Appropriation</u>	<u>Tax Levy 2019-2020</u>
<u>Athletic Field Plg/Tennis</u>		
Supplies/ Other Service and Charges	\$ 72,500	\$ 64,674
Sub-Total	<u>\$ 72,500</u>	<u>\$ 64,674</u>
<u>Lake Front Facilities</u>		
Supplies/ Other Service and Charges	\$ 27,500	\$ 24,532
Sub-Total	<u>\$ 27,500</u>	<u>\$ 24,532</u>
<u>Tree Trimming</u>		
Supplies/ Other Service and Charges	\$ 41,250	\$ 36,797
Sub-Total	<u>\$ 41,250</u>	<u>\$ 36,797</u>
<u>Tree Removal</u>		
Supplies/ Other Service and Charges	\$ 18,500	\$ 16,503
Sub-Total	<u>\$ 18,500</u>	<u>\$ 16,503</u>
<u>Insect &amp; Disease</u>		
Supplies/ Other Service and Charges	\$ 19,000	\$ 16,949
Sub-Total	<u>\$ 19,000</u>	<u>\$ 16,949</u>
<u>Tree &amp; Shrub Planting/Care</u>		
Supplies/ Other Service and Charges	\$ 12,500	\$ 11,151
Sub-Total	<u>\$ 12,500</u>	<u>\$ 11,151</u>
<b>TOTAL PARKS AND FORESTRY SECTION</b>	<b><u>\$ 3,643,706</u></b>	<b><u>\$ 3,250,399</u></b>
<u>Recreation</u>		
<u>Recreation Programs</u>		
Salaries and Benefits	\$ 3,052,670	\$ 886,542
Supplies/ Other Service and Charges	1,720,729	\$ 499,726
Capital Equipment	-	\$ -
Sub-Total	<u>\$ 4,773,399</u>	<u>\$ 1,386,268</u>
Parks Equipment Reserve	255,000	\$ 74,056
Recreation and Parks Specific Purpose	125,000	\$ 125,000
Contingency to meet expenses of emergencies and expenses not otherwise provided for	950,076	-
<b>TOTAL RECREATION SECTION</b>	<b><u>\$ 6,103,475</u></b>	<b><u>\$ 1,585,324</u></b>
<b>TOTAL AMOUNT APPROPRIATED FROM THE PARKS AND RECREATION FUND</b>	<b>9,747,181</b>	
Less: Total amount appropriated from other sources other than Tax Levy	8,161,857	
Sub-Total		4,835,723
<b>TOTAL AMOUNT TO BE RAISED BY TAX LEVY FOR THE PARKS AND RECREATION FUND</b>		<b><u>\$ 4,835,723</u></b>

	<u>Appropriation</u>	<u>Tax Levy 2019-2020</u>
Special Recreation		
Salaries and Benefits	\$ 43,409	\$ 42,023
Supplies/Other Services and Charges	286,024	276,890
Capital Improvements	170,384	164,943
Contingency to meet expenses of emergencies and operational expenses not otherwise provided for	49,982	-
<b>TOTAL AMOUNT TO BE RAISED BY TAX LEVY FOR SPECIAL RECREATION</b>	<b><u>\$ 549,799</u></b>	<b><u>\$ 483,856</u></b>

**Capital Improvements Fund**

Supplies/Other Services and Charges	6,555	
Capital Equipment	481,000	
Capital Improvements	8,803,806	1,538,000
Contingency to meet expenses of emergencies and capital improvements not otherwise provided for	929,136	
<b>TOTAL AMOUNT TO BE RAISED BY TAX LEVY FOR CAPITAL IMPROVEMENTS</b>	<b><u>\$ 10,220,497</u></b>	<b><u>\$ 1,538,000</u></b>

**PUBLIC LIBRARY FUND**

**Library Services**

Salaries and Benefits	\$ 2,339,159	\$ 2,338,867
Supplies/Other Services and Charges	1,286,355	1,286,194
Contingency to meet expenses of emergencies and operational expenses not otherwise provided for	162,335	-
Total Lake Forest Public Library - General	<u>\$ 3,787,849</u>	<u>\$ 3,625,061</u>
Less: Total amount appropriated from other sources other than Tax Levy	162,788	
Sub-Total		3,625,061
<b>TOTAL AMOUNT TO BE RAISED BY TAX LEVY FOR THE LAKE FOREST PUBLIC LIBRARY - GENERAL</b>		<b><u>\$ 3,625,061</u></b>

**Social Security and IMRF**

Social Security	\$ 145,659	\$ 119,340
Illinois Municipal Retirement Fund (IMRF)	189,170	119,340
Total Lake Forest Public Library - Social Security and IMRF	<u>\$ 334,829</u>	<u>\$ 238,680</u>
Less: Total amount appropriated from other sources other than Tax Levy	96,149	
Sub-Total		238,680
<b>TOTAL AMOUNT TO BE RAISED BY TAX LEVY FOR THE LAKE FOREST PUBLIC LIBRARY - SOCIAL SECURITY AND IMRF</b>		<b><u>\$ 238,680</u></b>

	<u>Appropriation</u>	<u>Tax Levy 2019-2020</u>
<b><u>Library Building</u></b>		
Salaries and Benefits	\$ 159,209	\$ 101,924
Supplies/Other Services and Charges	245,800	157,358
Sub-Total	<u>\$ 405,009</u>	<u>259,282</u>
Capital Equipment	\$ 125,000	\$ 80,024
Capital Improvements	125,000	80,024
Sub-Total	<u>\$ 250,000</u>	<u>\$ 160,047</u>
Total Lake Forest Public Library		
Building Maintenance and Repair (Sites and Building)	<u>\$ 655,009</u>	<u>\$ 419,329</u>
Less: Total amount appropriated from other sources than Tax Levy	235,680	
Sub-Total		419,329
<b>TOTAL AMOUNT TO BE RAISED BY TAX LEVY FOR THE LAKE FOREST LIBRARY - BUILDING MAINTENANCE AND REPAIR</b>		<b><u>\$ 419,329</u></b>

**Public Schools THE CITY OF LAKE FOREST**  
**School District No. 67\*\***

From the Educational Fund	\$ 29,984,361	\$ -
From the Operations, Building and Maintenance Fund	4,407,512	-
From the Capital Projects Fund	2,594,228	-
From the Illinois Municipal Retirement Fund	391,420	-
From the Social Security Fund	391,419	-
From the Transportation Fund	1,028,090	-
<b>TOTAL AMOUNT APPROPRIATED FOR PUBLIC SCHOOLS OF THE CITY OF LAKE FOREST (School District No. 67)</b>	<b><u>\$ 38,797,030</u></b>	<b><u>\$ -</u></b>
<b>TOTAL AMOUNT TO BE RAISED BY TAX LEVY FOR PUBLIC SCHOOLS OF THE CITY OF LAKE FOREST (School District 67)</b>		<b><u>\$ -</u></b>

	<u>Appropriation</u>	<u>Tax Levy 2019-2020</u>
<b><u>Summary of the Amounts Appropriated From the Several Funds</u></b>		
General	\$ 33,480,591	\$ 14,343,735
Illinois Municipal Retirement Fund (IMRF)	1,247,374	912,610
Social Security	1,012,320	912,609
Firefighters's Pension	3,047,774	1,791,412
Firefighters's Pension law PA 93-0869	103,759	103,759
Police Pension	3,663,033	2,690,726
Sub-Total	<u>\$ 42,554,851</u>	<u>\$ 20,754,851</u>
Parks and Recreation	\$ 9,747,181	\$ 4,835,723
Special Recreation	549,799	483,856
Capital Improvements	10,220,497	1,538,000
Public Library	3,787,849	3,625,061
Public Library - Social Security	145,659	119,340
Public Library - IMRF	189,170	119,340
Public Library - Sites and Building	655,009	419,329
Sub-Total	<u>\$ 25,295,164</u>	<u>\$ 11,140,649</u>

	<u>Appropriation</u>	<u>Tax Levy 2019-2020</u>
<b><u>The City of Lake Forest School District No. 67 ***</u></b>		
Educational	\$ 29,984,361	\$ -
Operations, Building and Maintenance	\$ 4,407,512	\$ -
Capital Projects Fund	\$ 2,594,228	\$ -
Illinois Municipal Retirement Fund	\$ 391,420	\$ -
Social Security	\$ 391,419	\$ -
Transportation	\$ 1,028,090	\$ -
Sub-Total	<u>\$ 38,797,030</u>	<u>\$ -</u>
<b>GRAND TOTAL</b>	<b><u>\$ 106,647,045</u></b>	<b><u>\$ 31,895,500</u></b>

\*\*\* The City of Lake Forest School District No. 67 will be holding a special meeting and these tax levy numbers could change.

Section 3: Severability. If any provision of this Ordinance is declared unconstitutional, invalid, or otherwise unenforceable by a court of competent jurisdiction, then that provision shall be deemed severed from this Ordinance and the remainder of this Ordinance shall remain in full force and effect.

Section 4: The City Clerk of The City of Lake Forest is hereby directed to file a certified copy of this ordinance with the County Clerk of Lake County in the State of Illinois as required by law.

Section 5: This ordinance shall be in force and effect ten (10) days after its passage, approval and publication.

PASSED THIS \_\_\_ day of \_\_\_\_\_, 2019

\_\_\_\_\_  
City Clerk

APPROVED THIS \_\_\_ day of \_\_\_\_\_, 2019

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

That this ordinance be published in pamphlet form and be made available to the public at the City Hall service counter.



**THE CITY OF LAKE FOREST**

**ORDINANCE NO. 2019-\_\_\_\_\_**

**AN ORDINANCE APPROVING A  
FEE SCHEDULE FOR THE CITY OF LAKE FOREST**

**WHEREAS**, The City has established various fees and charges as part of its codes, ordinances, rules, regulations, and policies, which fees and charges are reviewed from time-to-time; and

**WHEREAS**, the City Council has reviewed such fees and charges, and hereby determines that it is necessary to adjust certain existing fees and charges, and/or to establish formally other fees and charges; and

**WHEREAS**, the City Council has determined that it is in the best interests of the City and its residents to adopt this Ordinance;

**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 incorporated as the findings of the City Council and are hereby incorporated into and made a part of this Ordinance.

**SECTION TWO: Approval of Fee Schedule.** The City Council hereby approves the fee schedule set forth in Exhibit A ("***Fee Schedule***"). To the extent any provision of any code, ordinance, regulation, rule, or policy of the City is

contrary to the Fee Schedule, such provision is hereby deemed amended so that the Fee Schedule shall control. Any fee or charge not otherwise listed on the Fee Schedule shall remain unchanged and in full force and effect.

**SECTION THREE: Effective Date of Fee Schedule.** The fees and charges set forth on the Fee Schedule shall take effect as of the date noted on the Fee Schedule.

**SECTION FOUR: 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 \_\_\_\_\_, 2019

AYES:

NAYS:

ABSENT:

ABSTAIN:

Approved this \_\_ day of \_\_\_\_\_, 2019

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

**Exhibit A**

**Schedule of Fees and Charges**

# Exhibit A

Add prior approved fees

New Fee

Change to fee

				PROPOSED		
				FEE	FY2021	Amount \$\$
				(n/c if blank)	%	Projected
					CHANGE	Revenue
	City Code Section	Fund	FY2020			
<b>1. Public Works</b>						
<b>Water Utility Fees/Charges</b>						
Turn Off Water Fee	51.064	Water	75			
Turn Off Water Fee After Hours	51.064	Water	100			
Turn On Water Fee	51.064	Water	75			
Turn On Water Fee After Hours	51.064	Water	100			
<b>Water Main Taps:</b>						
1 Inch	51.030(b)	Water	500			
1-1/2 Inch	51.030(b)	Water	1,000			
2 Inch	51.030(b)	Water	1,300			
3,4,6 and 8 inch taps	51.030(b)	Water	900			
<b>Water Meter Fees:</b>						
3/4 Inch	51.045(e)	Water	470			
1 Inch	51.045(e)	Water	540			
1-1/2 Inch	51.045(e)	Water	910			
2 Inch	51.045(e)	Water	1,165			
3 inch	51.045(e)	Water	2,615			
4 inch	51.045(e)	Water	3,950			
6 inch	51.045(e)	Water	6,840			
Water Meter Contractor Bond	51.015	Water	1,500			0
Plant Investment Fee - SF	52.15	Water	2,900			
Multi-Family Dwelling - new structure	52.15	Water	2,652			
Residential pools, sprinkler systems	52.15	Water	459			
Nonresidential buildings - new structures and additions	52.15	Water	1.02/sq ft of entire interior area of the building			
Institutional buildings - new structure and additions only if eligible for fed and state tax exempt status	52.15	Water	.94/sq ft of entire interior area of the building			
<b>General Fees</b>						
Sticker for Leaf/Grass Bags	50.016	General	1.00 per sticker			
<b>Sanitation</b>						
Special Pickup	50.039 ( c)	General	\$ 40 per cubic yard			
White Goods	50.015	General	65			
White Goods W/CFC	50.015	General	90			
Monthly refuse collection fee	50.021	General	12.00 Per Month			
55 Gallon Recycle Cart/Fee for extra cart only		General	75			

**Add prior approved fees**

**New Fee**

**Change to fee**

				PROPOSED		
				FY2021		
				FEE	%	Amount \$\$
				(n/c if		Projected
				blank)	CHANGE	Revenue
	City Code Section	Fund	FY2020			
<b>Licenses</b>						
Scavengers - collects and disposes of multi-family and commercial waste	50.055		1,500 per company			
Scavengers - collects and disposes of residential and commercial roll-offs	50.055		750 per company			
Scavengers - collection and cleaning of portable toilets	50.055		200 per company			
<b>2. Community Development</b>						
<b>Water Utility Fees/Charges</b>						
Water Service Inspection Fee	N/A	Water	50			
Home Inspection Fee	51.065	Water	150			
Home Inspection Fee - Re-Inspection	51.065	Water	50			
Home Inspection Waiver	51.065	Water	25			
<b>General Fees</b>						
Zoning Analysis	159.052	General	100			
<b>Building &amp; Development Fees:</b>						
<b>Service Contracts:</b>						
Lake Bluff	N/A	General	Per Agreement			
Bannockburn	N/A	General	\$5,000 min.			
	N/A		& 50% over that			
<b>Plan Review :</b>						
Remodeling up to \$12,000	150.145	General	55			
\$12,001 to \$48,000 Remodeling	150.145	General	82			
\$48,001 - \$120,000 Remodeling	150.145	General	138			
over \$120,000 Remodeling	150.145	General	230			
Additional fee for plan reviews that require more than 2 hours	150.145	General	\$55 per additional hour			
New Construction - SFD	150.145	General	400			
New Construction - 2FD	150.145	General	230/unit			
New Const. - Com. & Multi. Fam.	150.145		\$572+\$50/			
3 or more units	150.145		1,000 Sq. Ft.			
Plan Re-Submittal Fee	150.145	General	\$ 140 per re-submittal			
Alterations to Approved Plans	150.145	General	\$ 140 + \$55 per hour fee for reviews requiring more than 2 hours			

**Add prior approved fees**

**New Fee**

**Change to fee**

	City Code Section	Fund	FY2020	PROPOSED	
				FEE	FY2021
				(n/c if blank)	% CHANGE
<b>Building Scale Calculation Fees</b>					
Single Family residence - first review	N/A	General	400		
with completed Building Scale worksheet/detailed plans	N/A	General	200		
Two-family dwelling	N/A	General	\$ 189 per unit		
with completed Building Scale worksheet/detailed plans	N/A	General	120		
Additional reviews (for revised plans)	N/A	General	102		
On-site inspection for an existing dwelling	N/A	General	102		
Office meeting to discuss for building scale calculation	N/A	General	50		
Building Scale Waiver Request	N/A	General	100		
<b>Building Review Board Fees</b>					
Signs/Awnings/Landscaping/ Lighting/Fences	N/A	General	75		
Two or more of above	N/A	General	125		
Storefront Alterations	N/A	General	100		
New Commercial building, school, hospital or multi-family building per building	N/A	General	700		
Alterations or major additions to commercial buildings, schools, hospitals or multi-family buildings - per building	N/A	General	323		
New multi-building projects - per building	N/A	General	850 + 175 for more than 4 buildings (per building)		
Satellite Dish	N/A	General	100	0	100.00%
Changes to approved building materials	N/A	General	60		
Demolition with replacement structure	N/A	General	2,230		
Demolition partial and replacement addition	N/A	General	1,310		
Demolition w/o Replacement Structure	N/A	General	1,310		
New Residence on Vacant Property (building scale fee also)	155.07	General	1,050		
Additions & Alterations to Existing Residence (building scale fee also)	155.07	General	500		
Replacement/new single family home/duplex structure	N/A	General	1,310		
Variance from Building Scale Ordinance	N/A	General	367		
Revisions to Approved Plans	N/A	General	225		
<b>Historic Preservation Commission Fees</b>					
Demolition (complete) and replacement structure	155.07	General	2,450		
Demolition (partial) and replacement structure Removal of less than 50%	155.07	General	1,529		
Replacement Structure, prior demolition	N/A	General	1,310		
Demolition w/o Replacement Structure	N/A	General	1441		
Changes to approved building materials	39.140	General	60		
New Residence on Vacant Property (building scale fee also)	155.07	General	1,050		
Additions & Alterations to Existing Residence (building scale fee also)	155.07	General	500		
Revisions to Approved Plans	155.07	General	225		
Variance from Building Scale Ordinance	155.07	General	367		

**Add prior approved fees**

**New Fee**

**Change to fee**

	City Code Section	Fund	FY2020	PROPOSED		
				FEE	FY2021	Amount \$\$
				(n/c if blank)	% CHANGE	Projected Revenue
Rescission of local landmark designation, amendment of local landmark designation or historic map amendment	155.07	General	2,500			
Signs/Awnings/Landscaping/Lighting/Fences	N/A	General	75			
Two or more of above	N/A	General	125			
Storefront Alterations	N/A	General	100			
New Commercial building, school, hospital or multi-family building per building	N/A	General	700			
Alterations or major additions to commercial buildings, schools, hospitals or multi-family buildings - per building	N/A	General	323			
New multi-building projects - per building	N/A	General	850 + 175 for more than 4 buildings (per building)			
<b>Revisions to Approved Plans</b>	<b>39.140</b>	<b>General</b>	<b>225</b>			
<b>Project Fees</b>						
Red Tag , per violation, per day	150.005	General	300			
Stop Work Order	150.005	General	750			
Street Obstruction - first 30 lineal fee of public right-of-way	150.005	General	100			
Re-Inspection all permits (failed/no show)	150.005	General	175			
Additional Inspections	150.005	General	50			
Off Hour Inspections	150.005	General	\$50 administration fee plus per hour cost of inspector			
Tree fencing inspection fee	N/A		135			
Recording of Right-of-Way agreement for sprinkler system	150.145	General	70 (up to 4 pages, \$5 each addl page)			
Construction Trailer Permit (Commercial Construction Sites only)	150.145	General	\$100 per month			
Tree removal without permit	999.999	General	\$750 per inch			
Vegetation removal in protected area	999.999	General	\$750 per violation			
Recording of Plat of Subdivision		General		\$75 plus Lake County Fee	100.00%	150
<b>Const. Codes Comm. Fees:</b>						
Variances from Construction Code	150.110	General	250			
Administrative Appeals	150.110	General	150			
Material/Product Evaluation	150.110	General	350.00			
Demolition Tax	150.110	Cap Imp/ Afford Housing	12,000			
<b>Zoning Board of Appeals</b>						
Variations from Zoning Code	159.02	General	287			
Administrative Appeals	159.02	General	150			
Special Use Permit - Existing Developments	159.02	General	755			
Legal Ad Publication (as required)	159.02	General	65			

**Add prior approved fees**

**New Fee**

**Change to fee**

				PROPOSED		
					FY2021	
				FEE	%	Amount \$\$
				(n/c if		Projected
				blank)	CHANGE	Revenue
	City Code Section	Fund	FY2020			
<b>Plan Commission</b>						
Minor Subdivisions-Tentative Approval 2,3 or 4 lots payable at time of application	156.026(a)(3)	General	2,184			
Minor Subdivisions-Final Approval	156.026(a)(3)	General	250+35/lot plus engineering and recording fees			
Major Subdivisions-Tentative Approval 5 or more lots	156.026(a)(3)	General	\$3,822+35 for each lot over 5			
Major Subdivisions-Final approval paid prior to recording of plat	156.026(a)(3)	General	\$400+35/plus \$5/lot over 10: + engineering and recording fees			
Planned Preservation Subd Special Use Permit plus minor/major subd fee	156.026(a)(3)	General	2,500			
Zoning Change	156.026(a)(3)	General	3,328			
Filing fee for all other developments	156.026(a)(3)	General	788			
Code Amendment	156.026(a)(3)	General	3,328			
Extension of Tentative Subdivision Plat Approval	156.026(a)(3)	General	150			
Administrative Property Line shift	156.026(a)(3)	General	250			
Legal Ad Publication (as required)	156.026(a)(3)	General	65			
Special Use Permit	156.026(a)(3)	General	1,035			
Special Use Permit - Restaurant within 150' of Residential	156.026(a)(3)	General	600			
<b>Permits</b>						
Building Permits repair and maintenance under \$6,000	150.145	General	40			
Building Permits - \$100,000 or less	150.145	General	1.5% of total construction (50 min)			
Building Permits - over \$100,000						
\$100,001 - \$200,000	150.145	General	2% of total construction			
\$200,001 - \$500,000	150.145	General	\$4,000 + 1% of total cc in excess of \$200,000			
\$500,001 and above	150.145	General	\$7,000 + .5% of total cc in excess of \$500,000			
Underground storage tank removal (single family and duplex)	150.145	General	\$150 per tank			
All other properties	150.145	General	\$250 per tank			
Hot work	150.145	General	100			
Permit Extensions	150.145	General	\$150 administration fee plus 20% of the original permit fee - 6 month extension			
Sign	150.145	General	1.5% construction cost			
Administration Demolition Approval - Life Safety/Nuisance	150.145	General	50 min			
			500			



**Add prior approved fees**

**New Fee**

**Change to fee**

				PROPOSED		
				FY2021		
				FEE	%	Amount \$\$
				(n/c if		Projected
				blank)	CHANGE	Revenue
	City Code Section	Fund	FY2020			
<b>Driveway Permits:</b>						
Driveway Resurfacing Permit (not required for sealcoating)	150.145	General	50			
Driveway Bond	150.485	General	250			
<b>Satellite Permit</b>						
Satellite dish	150.145	General	1.5% of cost, 50 min			
<b>Plumbing /Electric/HVAC</b>						
Irrigation Systems	150.145	General	2.00 per head			
	150.145	General	\$ 60 min			
Plumbing - base charge	150.145	General	60+\$5.50/fix.			
Sanitary Sewer	150.145	General	\$50 min + 1.00/ft over 50 ft			
Storm Sewer	150.145	General	\$50 min + 1.00/ft over 50 ft			
Street Opening	98.056		50.00			
Electrical	150.145	General	\$100, plus \$1 per unit beyond 100 total units			
Electrical Service	150.145	General	75			
Electric - motors	150.145	General	\$75 + .50 per horsepower			
<b>HVAC</b>						
<b>Residential - New or replacement</b>						
1 or 2 units	150.145	General	52			
Each additional unit	150.145	General	45			
Duct work	150.145	General	52			
<b>Commercial New</b>						
	150.145	General	\$52 per 1,500 sq ft of floor area			
Commercial - replacement of existing units	150.145	General	same as residential			
<b>Purchase of Parking</b>						
Space per Zoning Code	150.145	General	to be set by City Council at the time of approval based on market costs			
	150.145					
<b>Elevators</b>						
Elevator Inspection Fee	150.145	General	Variable			
Elevator Permits - New elevators	150.145	General	65			
<b>Vending Licenses</b>						
Health -Restaurant (20 or Less)	113.03(d)(1)	General	250			
Health - Restaurant (21-99)	113.03(d)(2)	General	350			
Health - Restaurant (100 + Seats)	113.03(d)(3)	General	600			
Health - Itinerant Restaurant	113.03(d)(4)	General	250			
Health - Food Store	113.21(d)	General	100.00			
Health - Limited Food Store (selling candy)	113.21(d)	General	50.00			
Food Vendor (delivery)	113.21(d)	General	\$150/Veh.			
Milk Vendor (delivery)	113.21(d)	General	\$100/Veh.			
Health - Milk Store	113.21(d)	General	100			

**Add prior approved fees**

**New Fee**

**Change to fee**

	City Code Section	Fund	FY2020	PROPOSED		
				FEE	FY2021	Amount \$\$
				(n/c if blank)	% CHANGE	Projected Revenue
Ice Vending Machine per machine	95.061	General	110			
Food Vending Machine per machine	113.21(d)	General	55			
Candy Vending Machine per machine	113.21(d)	General	55			
Pop/Soft drink Vending Machine per machine	113.21(d)	General	55			
Milk Vending Machine per machine	113.21(d)	General	55			
Tobacco vending machine per machine	135.136	General	50			
Tobacco vending machine per machine	110.104	General	55			
Amusement Machine per machine	110.104	General	110			
HVAC Contractor	150.145	General	60			
Electrical Contractor	150.145	General	60			
Juke Box	110.083	General	25			
Pool Table	112.095(b)(1)	General	25			
DVD Vending Machine License	110.005	General	110			
<b>Tree and Vegetation Removal</b>						
Application Review Fee	99	General	\$40			
Removal of Heritage Tree	99	General	\$ 40 per tree			
Removal of tree 10" DBH or larger within the streetscape preservation area, the front yard or the corner side yard	99	General	\$ 40 per tree			
Removal of trees or vegetation from a Conservation Easement	99	General	\$ 35 per 1 1/2 acre site			
Removal of trees from a Tree Preservation or No Disturbance area	99	General	\$ 40 per tree			
Removal of trees or shrubs from any ravine or bluff	99	General	\$ 40 per 1 1/2 acre site			
Removal of trees or shrubs from a public right of way or other public property	99	General	\$ 40 per 1 1/2 acre site			
Ash tree removals, dead or hazardous trees	99	General	No Fee			
<b>Bonds</b>						
Permit Renewal - for projects with estimated construction costs of \$200,000 or less refundable upon completion of project within one year	150.145	General	19% of permit fee			
Permit Renewal - for projects with estimated construction costs of more than \$200,000 refundable upon completion of project within 18 months	150.145	General	21% of permit fee			
Street Opening Bond	98.058	General	500			
Public Sanitary/Storm Sewer or Water Main Bond		General		500	100.00%	0
New Curb Cut and Temporary Curb Crossing		General		500	100.00%	0
<b>Fire Protection Fees:</b>						
Life Safety Plan Review Fee - New Constr/Addition	150.145	General	\$ 500 min or .05 s.f.			
			includes all floors			
Life Safety Plan Review Fee - Remodel/Alteration	150.145	General	\$ 60 min or .05 sf			
			includes all areas			

**Add prior approved fees**

**New Fee**

**Change to fee**

				PROPOSED		
				FY2021		
				FEE	%	Amount \$\$
				(n/c if blank)	CHANGE	Projected Revenue
	City Code Section	Fund	FY2020			
<b>Fire Suppression Systems (Plan review and 2 inspections)</b>						
Single Family/Duplex Residential						
New	150.145	General	\$120 or .05 per s.f whichever is greater			
Addition/Alteration	150.145	General	\$60 or .05 per s.f for scope of work area			
	150.145		whichever is greater			
Commercial/Multi Family						
New	150.145	General	\$500 or .05 per s.f. whichever is greater			
Addition/Alteration	150.145	General	\$250 or .05 s.f. for scope of work area whichever is greater			
Specialized Suppression (FM 200, clean agent)	150.145	General	\$150 per system ( in addition to above fees for the overall system)			
Stand pipe riser	150.145	General	100			
Hood and Duct Extinguishing System - New	150.145	General	\$300 per system			
Hood and Duct Extinguishing System - Alteration	150.145	General	\$100 per system			
<b>Fire Alarms</b>						
Single Family/Duplex Residential	150.145	General	\$75 or .05 per s.f. whichever is greater			
Commercial/Multi Family - New		General	\$500 or .05 per s.f. whichever is greater			
Commercial/Multi Family - Addition/Alteration	150.145	General	\$75 or .05 per s.f. whichever is greater			
<b>Inspections/Tests</b>						
Annual & New Underground Flush test	150.145	Water	5 + cost per gallon of water, at current rate as established by the City Council, based on <b>pipe</b> size			
	150.145					
Annual & New Fire Pump Test	150.145	Water	75 + cost per gallon of water, at current rate as established by the City Council, based on <b>pump</b> size			
	150.145					
<b>Small Wireless Facilities</b>						
Application for Collocation - Installation of facility		General	\$650			
Application for Collocation - Installation of multiple facilities		General	\$350 per facility			
Application for installation of new utility pole or support structure		General	\$1,000			
Annual recurring rate for collocations on a City utility pole located in the right-of-way. (* Or the City's actual, direct, and reasonable costs related to the wireless provider's use of space on the City utility pole)		General	*\$200			
<b>Other</b>						
Alternative Letter of Credit Review	150.145	General	\$100 per review			

**Add prior approved fees**

**New Fee**

**Change to fee**

				PROPOSED		
				FY2021		
				FEE	%	Amount \$\$
				(n/c if blank)	CHANGE	Projected Revenue
	City Code Section	Fund	FY2020			
Conditional Certificate of Occupancy - Landscape only due to season (single family and duplex)	150.145	General	\$300 per unit			
Conditional Certificate of Occupancy (single family and duplex)	150.145	General	550			
Conditional Certificate of Occupancy (multi-family and commercial)	150.145	General	\$25 per square foot, whichever is greater, to a maximum of \$2,000			
<b>3. Finance</b>						
<b>Water Utility Fees/Charges</b>						
<b>Water Sales/1,000 Gallons</b>						
Effective with Water Bills mailed on or after May 1, 2021						
Lake Forest Residential - to 10,000 Gallons per Quarter	51.061(a)	Water	4.60	TBD		
Lake Forest Residential - 10,001 to 60,000 Gallons per Quarter	51.061(a)	Water	5.90	TBD		
Lake Forest Residential - over 60,000 Gallons per Quarter	51.061(a)	Water	6.30	TBD		
Lake Forest All Other Users	51.061(a)	Water	6.10	TBD		
Del Mar Woods	51.061(a)	Water	8.35	TBD		
Other Non resident users	51.061(a)	Water	8.35	TBD		
Sewer Charge/1,000 Gallons (winter usage)	51.061(a)	Water	1.16	TBD		
Customer Charge - Water (Inside)				TBD		
5/8" to 1.5" meter	51.061(b)	Water	\$43/quarter	TBD		
2" to 4" meter	51.061(b)	Water	\$170/quarter	TBD		
6" and above meter	51.061(b)	Water	\$800/quarter	TBD		
Benefit Access Program Discount - must renew annually	N/A	Water		TBD		
Customer Charge - Water (Outside)				TBD		
5/8" to 1.5" meter	51.062(b)	Water	\$55/quarter	TBD		
2" to 4" meter	51.062(b)	Water	\$190/quarter	TBD		
6" and above meter	51.062(b)	Water	\$850/quarter	TBD		
Customer Charge - Sewer				TBD		
5/8" to 1.5" meter	52.15€(1)	Water	\$5/quarter	TBD		
2" to 4" meter	52.15€(1)	Water	\$20/quarter	TBD		
6" and above meter	52.15€(1)	Water	\$100/quarter	TBD		
<b>Beach Parking Fee</b>						
<b>Beach Parking</b>						
Temporary (R)	73.45	General	85			
Temporary (NR)	73.45	General	910			
<b>Parking Permits</b>						
Resident-Full Year	73.27(c)(7)	Parking	313			
Resident-Monthly	73.27(c)(7)	Parking	30/Month			
Resident - Unlimited	73.27(c)(7)	Parking	1,000			

**Add prior approved fees**

**New Fee**

**Change to fee**

				PROPOSED		
					FY2021	
				FEE	%	Amount \$\$
				(n/c if blank)	CHANGE	Projected Revenue
	City Code Section	Fund	FY2020			
Employer Purchased-Full Yr.	73.27(c)(7)	Parking	180			
Employer Purchased-Monthly	73.27(c)(7)	Parking	20/Month			
Non-Resident-Full Year	73.27(c)(7)	Parking	700			
Non-Resident - Monthly	73.27(c)(7)	Parking	60/Monthly			
An envelope of 10 tokens	N/A	Parking	25			
Daily Parking Fee-Telegraph	73.27(c)(7)	Parking	3			
Daily Parking Fee-All Other	73.27(c)(7)	Parking	3			
State Excise Tax on Parking - effective January 1, 2020		Parking		Fees Paid by the Hour, Day or Week: 6% of the parking fee	100.00%	Pass-through
State Excise Tax on Parking - effective January 1, 2020		Parking		Fees Paid by the Month or Year: 9% of the parking fee	100.00%	Pass-through
<b>Licenses</b>						
Car and Lt Truck	74.179(b)	General	85			
Heavy Truck (8,000+ lbs.)	74.179(b)	General	110			
Motorcycles	74.179(b)	General	45			
Senior Citizen 65 and over	N/A	General	no discount			
Transfers	74.184 & 185	General	5			
Penalties	74.179(b)	General	50%			
Dog License	91.032	General	10			
Cat License	91.032	General	10			
Auto Dealer License	74.183	General	50+20/Veh			
Disabled vehicle sticker (Benefit Access Program)	N/A	General	45			
Real Estate Transfer Tax	39.155(b)	Cap Imp	\$4.00 per \$1,000			
Non-sufficient funds Fee	10.99	General	25			
<b>Credit Card Service Fees</b>						
Daily Parking	73.27(c)(7)	General	\$.25 per transaction			
Development Related Fees	N/A	General	2.95% (Minimum \$1.95)			
Cemetery Related Fees	N/A	Cemetery	2.95% (Minimum \$1.95)		100.00%	Pass-through
<b>Public Safety Pension Fee</b>						
Residential Utility Accounts	N/A	General	\$20 per Quarter			
All Other Utility Accounts (exclude irrigation only services)	N/A	General	\$70 per Quarter			

**Add prior approved fees**

**New Fee**

**Change to fee**

	City Code Section	Fund	FY2020	PROPOSED		
				FEE	FY2021	Amount \$\$
				(n/c if blank)	% CHANGE	Projected Revenue
<b>4. Parks and Recreation</b>						
<b>Golf Course Fees/Charges:</b>						
<b>Seasonal Fees-Resident: effective January 1, 2020</b>						
Class A -Adult Single	97.051	DPG	1475	1480	0.34%	2475
Class B -Adult Combo	97.051	DPG	2500			
Class D -Junior	97.051	DPG	675			
Class F - Senior Citizen	97.051	DPG	865	880	1.73%	2785
<b>Seasonal Fees (Non-Resident) effective January 1, 2020</b>						
Class A -Adult Single	97.051	DPG	1,850			
Class B -Adult Combo	97.051	DPG	2,500			
Class D -Junior	97.051	DPG	675			
Class F - Senior Citizen	97.051	DPG	1,100			
<b>Daily Fees-Resident: effective January 1, 2020</b>						
Weekday-9	97.051	DPG	35	36	2.86%	15268
Weekday-18	97.051	DPG	48	49	2.08%	2601
Weekend 9	97.051	DPG	40	41	2.50%	7813
Weekend -18	97.051	DPG	61	62	1.64%	1784
<b>Electric Golf Carts: effective January 1, 2020</b>						
9 Holes Single Rider	97.052	DPG	13	14	7.69%	11000
18 Holes Single Rider	97.052	DPG	20			
Range Balls						
Small Bucket	97.051	DPG	6			
Medium Bucket	97.051	DPG	8			
Large Bucket	97.051	DPG	15	16	6.67%	1120
Pull cart - 9 holes	97.051	DPG	6			
Pull cart - 18 hoes	97.051	DPG	8			
USGA Handicap Fees - Members	97.051	DPG	40			
Permanent Tee Time - Weekend	97.051	DPG	300			
Locker - 18 inch	97.051	DPG	135	140	3.70%	600
Locker - 12 inch	97.051	DPG	120	125	4.17%	240
<b>Park Fees</b>						
Park Picnic Permits						
0 - 149 People	N/A	Parks/Rec	100			
150 or more People	N/A	Parks/Rec	150			
Picnic Tables		Parks/Rec	25 per table			
Grills		Parks/Rec	85 per grill			

Add prior approved fees

New Fee

Change to fee

	City Code Section	Fund	FY2020	PROPOSED	
				FEE	FY2021
				(n/c if blank)	% CHANGE
<b>Cemetery Fees</b>					
Issuance of Deeds	93.45	Cemetery	.50 per deed		
<b>Boating and Beach Fees - effective February 1, 2020</b>					
Watercraft Ramp/Sailboat Permits-Recreation					
Watercraft Ramp (R)	97.066	Parks/Rec	517		
Watercraft Ramp 2nd boat/ half season	97.066	Parks/Rec	259		
Watercraft Ramp (R) (Sen.)	97.066	Parks/Rec	413		
Watercraft Ramp (R) (Sen) 2nd boat/ half season	97.066	Parks/Rec	208		
Watercraft Ramp (NR)	97.066	Parks/Rec	1034		
Year round compound storage Resident	97.066	Parks/Rec	2291		
Year round compound storage Resident senior	97.066	Parks/Rec	1832		
Year round compound storage non-resident	97.066	Parks/Rec	3437		
Seasonal compound storage Resident	97.066	Parks/Rec	1551		
Seasonal compound storage Resident Senior	97.066	Parks/Rec	1241		
Seasonal compound storage Non-resident	97.066	Parks/Rec	2324		
Year round watercraft rack storage resident	97.066	Parks/Rec	626		
Year round watercraft rack storage resident senior	97.066	Parks/Rec	502		
Year round watercraft rack storage non-resident	97.066	Parks/Rec	626		
Seasonal watercraft rack storage resident	97.066	Parks/Rec	366		
Seasonal watercraft rack storage resident senior	97.066	Parks/Rec	292		
Seasonal watercraft rack storage non-resident	97.066	Parks/Rec	366		
Year round watercraft sand storage resident	97.066	Parks/Rec	775		
Year round watercraft sand storage resident senior	97.066	Parks/Rec	620		
Year round watercraft sand storage non-resident	97.066	Parks/Rec	1162		
Seasonal watercraft sand storage resident	97.066	Parks/Rec	475		
Seasonal watercraft sand storage resident senior	97.066	Parks/Rec	380		
Seasonal watercraft sand storage non-resident	97.066	Parks/Rec	713		
South Beach Parking Permit (R)	97.066	Parks/Rec	151		
South Beach Parking Permit (R) (Sen.)	97.066	Parks/Rec	119		
South Beach Parking Permit (NR)	97.066	Parks/Rec	910		
South Beach Parking Permit Employee/Retiree	97.066	Parks/Rec	100		
Extra vehicle decal resident - center isle	97.066	Parks/Rec	138		
Extra vehicle decal senior - center isle	97.066	Parks/Rec	110		
Extra vehicle decal nonresident - center isle	97.066	Parks/Rec	208		
Daily Boat Launch resident	97.066	Parks/Rec	40		
Daily Boat Launch nonresident	97.066	Parks/Rec	65		
Resident Guest Daily Parking Pass, limit 5 per season	97.066	Parks/Rec	10		
Nanny Parking Pass	97.066	Parks/Rec	85		
Senior Caregiver Parking Pass	97.066	Parks/Rec	85		
Non resident beach fee, weekends and holidays	97.069	Parks/Rec	15		
<b>Fitness Center Fees - effective May 1, 2020</b>					

**Add prior approved fees**

**New Fee**

**Change to fee**

	City Code Section	Fund	FY2020	PROPOSED		
				FEE	FY2021	Amount \$\$
				(n/c if blank)	%	Projected
				CHANGE	Revenue	
Fitness Center Membership Fees						
Individual resident rate	N/A	Parks/Rec	420	444	5.71%	4,416
Individual resident rate - 1 months	N/A	Parks/Rec	42	45	7.14%	51
Individual non-resident rate	N/A	Parks/Rec	528	552	4.55%	24
Individual non-resident rate - 1 months	N/A	Parks/Rec	53	55	3.77%	0
Couple resident rate	N/A	Parks/Rec	744	780	4.84%	2,520
Couple resident rate - 1 month	N/A	Parks/Rec	74	78	5.41%	20
Couple non-resident rate	N/A	Parks/Rec	888	936	5.41%	48
Couple non-resident rate - 1 months	N/A	Parks/Rec	89	93	4.49%	0
Family resident rate	N/A	Parks/Rec	972	1020	4.94%	1,536
Family resident rate - 1 months	N/A	Parks/Rec	97	102	5.15%	20
Family non-resident rate	N/A	Parks/Rec	1164	1224	5.15%	0
Family non-resident rate - 1 months	N/A	Parks/Rec	116	123	6.03%	0
Senior resident rate	N/A	Parks/Rec	324	336	3.70%	996
Senior resident rate - 1 months	N/A	Parks/Rec	32	34	6.25%	18
Senior non-resident rate	N/A	Parks/Rec	384	408	6.25%	24
Senior non-resident rate - 1 months	N/A	Parks/Rec	38	41	7.89%	0
Senior couple resident rate	N/A	Parks/Rec	540	564	4.44%	888
Senior couple resident rate - 1 months	N/A	Parks/Rec	54	57	5.56%	12
Senior couple non-resident rate	N/A	Parks/Rec	660	684	3.64%	48
Senior couple non-resident rate - 1 months	N/A	Parks/Rec	66	68	3.03%	0
Student resident rate	N/A	Parks/Rec	324	336	3.70%	216
Student resident rate - 1 month	N/A	Parks/Rec	32	34	6.25%	18
Student non-resident rate	N/A	Parks/Rec	384	408	6.25%	0
Student non-resident rate - 1 month	N/A	Parks/Rec	38	41	7.89%	0
Matinee resident rate	N/A	Parks/Rec	228	240	5.26%	1,056
Matinee resident rate - 1 month	N/A	Parks/Rec	23	24	4.35%	2
Matinee non-resident rate	N/A	Parks/Rec	276	288	4.35%	60
Matinee non-resident rate - 1 month	N/A	Parks/Rec	28		0.00%	
All-inclusive - member - effective December 6, 2012	N/A	Parks/Rec	324	337	4.01%	819
All-inclusive - non-member - effective December 6, 2012	N/A	Parks/Rec	720	749	4.03%	0
<b>5. OCM</b>						
<b>General Fees &amp; Charges:</b>						
Birth certificates (January 1, 2010)	5.36	General	\$10 first/\$4 additional			
Death certificates (January 1, 2013)	5.36	General	\$14 first/\$6 additional			
On-line data entry fee by city staff ( January 1, 2010)	N/A	General	10			
Solicitor/Peddler Permit Original Application	117.01(b)	General	\$40	55	37.50%	500
Solicitor/Peddler Permit Renewal	117.40	General	\$30	40	33.33%	300
Electric Car	N/A	General	\$1 per Hour			
<b>Special Event Fees</b>						



**Add prior approved fees**

**New Fee**

**Change to fee**

	City Code Section	Fund	FY2020	PROPOSED		
				FEE	FY2021	Amount \$\$
				(n/c if blank)	% CHANGE	Projected Revenue
Application Fee	10.13	General	\$50			
Application Fee - Late Fee	10.13	General	50% of fee per 30 days			
Escrow Deposit - Special Events	10.13	General	\$500			
Police Officer hourly rate	10.13	General	86	88	2.33%	460
Firefighter/Paramedic hourly rate	10.13	General	85			
Police and Fire Vehicle	10.13	General	\$110			
Public Works hourly rate	10.13	General	67	69	2.99%	120
Parks hourly rate	10.13	Parks/Rec.	67	69	2.99%	120
A-Frame Barricades	98.011	General	\$5			
Barricades 1 - 10	98.011	General	\$40			
Parking Cones	98.011	General	\$1			
Bleacher keep in park	10.13	General	50			
Bleacher move to another location	10.13	General	195			
Litter Barrels 1 - 6	10.13	General	16	14	-12.50%	-150
Picnic Tables 1 - 6	10.13	General	32			
Grills	10.13	General	195			
<b>Licenses</b>						
Raffle License	110.150	General	25	40	60.00%	60
Tobacco License	135.138(f)	General	500			
Landscape License (March 1 to Feb 28)	110.217	General	100			
Penalties - Landscape License Applications after June 1	110.217	General	25			
Auctioneers License	110.026	General	\$5 Daily & \$1.00 per employee			
Factories and Slaughterhouses	110.047	General	\$500			
Mobile Auto Service	110.200	General	\$50 per unit			
Athletic Contests	112.0029B)	General	\$50 per day			
Bowling Alley	112.025	General	\$10 per lane per year			
Circuses	112.041	General	\$100 per day circus conducted			
Circuses - Side Show	112.042	General	\$50 per day circus conducted			
Motion Pictures - Establishment capacity 500 or more persons	112.075	General	.50 per seat			
Public Dances	112.112	General	\$500			
Theatrical Performances - less than 500 persons	112.126	General	\$100			
Theatrical Performances - more than 500 persons	112.126	General	\$150			
Theatrical Performance not covered by 112.126	112.127	General	\$25 per day			
Junk Yard or Junk Shop	114.22	General	\$75			
Junk Dealer collected by vehicle	114.23	General	\$20 per vehicle			
Pawnbroker	116.03	General	100			
Expressmen and Draymen	118.156	General	25			
<b>Alcoholic and Beverages:</b>						
Class A-1	111.036	General	2,700			
Class A-2	111.036	General	1,500			
Class A-3	111.036	General	275			
Class A-4	111.036	General	500			

**Add prior approved fees**

**New Fee**

**Change to fee**

				PROPOSED		
					FY2021	
				FEE	%	Amount \$\$
				(n/c if		Projected
				blank)	CHANGE	Revenue
	City Code Section	Fund	FY2020			
Class B-1	111.036	General	2,500			
Class C-1	111.036	General	2,600			
Class C-2	111.036	General	3,000			
Class C-3	111.036	General	800			
Class D-1	111.036	General	2,500			
Class E-1	111.036	General	3,000			
Class F-1	111.036	General	100			
Class F-2	111.036	General	100 for each 24 hour period or any part thereof: \$50 not for profit with proof of 501 ( c)3 status			
Class F-3	111.036	General	75 for each 24 hour period or any part thereof: \$50 not for profit with proof of 501 ( c)3 status			
Class F-4	111.036	General	500 per vendor for the duration of the sporting event			
Class F-5	111.036	General	1,100			
Class F-6	111.036	General	600			
Class G-1	111.036	General	200			
Class G-2	111.036	General	600			
Class H-1	111.036	General	600			
Class H-2	111.036	General	1,100			
Class I-1	111.036	General	None			
Class I-2	111.036	General	1,500			
Class I-3	111.036	General	100			
Class J	111.036	General	500			
Class K	111.036	General	\$40/each 7 day license period			
Annual Renewal	111.036	General	150 renewal existing or change in owners or officers			
Application Fee	111.043	General	300 new license			
Application for Change in Owners or Officers	111.043	General	100			
Liquor License Penalty Fee	111.036	General	25			
<b>Impact Fees</b>						
Library	150.023	Library	see ordinance			
Fire and Emergency Services	150.023	General	see ordinance			
Park Site	150.023	PPL	see ordinance			
Park Development	150.023	PPL	see ordinance			
Police	150.023	General	see ordinance			
Public Works	150.023	General	see ordinance			
School District 67 (information only)	150.023	pay School	see ordinance			
High School District 115 (information only)	150.023	pay School	see ordinance			
<b>6. Police</b>						

**Add prior approved fees**

**New Fee**

**Change to fee**

				PROPOSED		
				FY2021		
				FEE	%	Amount \$\$
				(n/c if	CHANGE	Projected
				blank)		Revenue
	City Code Section	Fund	FY2020			
<b>Fines &amp; Penalties:</b>						
Overtime Parking - Lot	73.99	General	25/75/125			
Improper Parking - Lot	73.99	General	25/75/125			
Parking in Prohibited Area- Lot	73.99	General	25/75/125			
Overtime Parking - Other	73.99	General	25/75/125			
Improper Parking - Other	73.99	General	25/75/125			
Parking in Prohibited Area- Other	73.99	General	25/75/125			
Parking at Boat Ramp	73.46	General	125/250/350			
No Vehicle License	74.179	General	75/100/125			
No parking east of Sheridan Road	73.99	General	125/250/350			
No Animal License	91.032	General	15/25/50			
Dog-At-Large	91.050	General	40/55/70			
Code Violations	Variable	General	variable			
Motor Code Violations	Variable	General	variable			
Dog Barking	91.004	General	15/25/50			
Dog Impound	91.014	General	15			
Leaf Burning	94.2	General	100			
Handicapped Parking	73.21	General	250			
Dog Public Nuisance	91.053	General	100/500/750			
Burglar Alarm Fees	110.125	General	0/50/100/250			
Vehicle Immobilization fee	73.50	General	100			
E-911 Surcharge	39.181	E911 Fund	0.65			
Copies of Accident Reports	71.032	General	5			
FOIA copy fees >50 pages	33.3	General	.15 per page			
Transient Merchant License	117.20(f)	General	100.00			
<b>7. Fire</b>						
<b>General Fees &amp; Charges:</b>						
Ambulance-Resident ALS transport	94.51	General	812.10			
Ambulance-Resident ALS2 transport	94.52	General	919.98			
Ambulance-Resident BLS transport	94.53	General	704.07			
Ambulance-Non Resident ALS transport	94.54	General	987.48			
Ambulance- Non Resident ALS2 transport	94.55	General	1,088.92			
Ambulance-Non Resident BLS transport	94.56	General	854.08			
Ambulance - Mileage	94.58	General	7.27 per mile			
Fireworks Permit	94.5	General	200			
Open Burn Permit	94.5	General	75			
Bonfire Permit	94.5	General	100			
Special Event Inspection	94.5	General	100			

**Add prior approved fees**

**New Fee**

**Change to fee**

				PROPOSED		
				FY2021		
				FEE	%	Amount \$\$
				(n/c if blank)	CHANGE	Projected Revenue
	City Code Section	Fund	FY2020			
Tent Permit	94.5	General	\$100 or .05 per sq ft			
Fire Watch	94.5	General	Overtime hourly Rate			
Annual Fire Pump Test	94.5	General/Water	10.00 Admin Fee + Water Usage			
Annual Inspections - 4th re-inspection	94.5	General	100			
Annual Inspections - 5th re-inspection	94.5	General	200			
Annual Inspections - 6th re-inspection	94.5	General	400			
Inflatable amusement inspection	94.5	General	100			
Carnival rides	94.5	General	200			
Fire Alarm Fees	110.125	General	0/50/100/250			
Hazardous Substance Incident						
Level I Hazardous Substance Incident	41.01	General	\$250 per day during hazard substance incident occurs or removal activities			
Level II Hazardous Substance incident	41.01	General	\$500 per day during hazard substance incident occurs or removal activities			
Level III Hazardous Substance incident	41.01	General	\$1,000 per day during hazard substance incident occurs or removal activities			
Miscellaneous Materials Cost - Level I incident	41.01	General	50			
Miscellaneous Materials Cost - Level II incident	41.01	General	100			
Miscellaneous Materials Cost - Level III incident	41.01	General	500			
Reimbursable Costs	41.01	General	100% of cost incurred			
<b>8. Engineering</b>						
<b>Sewer System Connection Fee</b>						
Single Family Dwelling	N/A		825			
Two - family Dwelling	N/A		825 per unit			
Multi-family Dwelling	N/A		165 per population equiv			
			1,650 min			
Non-Residential Buildings	N/A		165 per population equiv			
			1,650 min			
Institutional buildings with Fed and State tax exempt status	N/A		825/connection			
<b>Site Grading</b>						
Site Grading - New construction	N/A		640			
If no grading, request may be submitted for a waiver of the requirement of grading plan	N/A		240			
Resubmittal	N/A		165			
Revisions to approved grading plans	N/A		125			
<b>Erosion and sediment control measures</b>	<b>N/A</b>			<b>240</b>	<b>100.00%</b>	<b>7200</b>

**Add prior approved fees**

**New Fee**

**Change to fee**

	City Code Section	Fund	FY2020	PROPOSED	
				FEE	FY2021
				(n/c if blank)	% CHANGE
Site grading security (financial guarantee - refundable)	N/A		3,000 per acre of development		
<b>Floodplain Development Permit</b>					
1 & 2 FAMILY				355	100.00% 1065
ALL OTHERS				530	100.00% 0
<b>Water Shed Development Fee: Revised Fee Schedule</b>					
<b>General Fees</b>					
Sediment and Erosion Control Only					
Single Family Residential Lot (See site grading ordinance)	151.05		see ordinance		
Single Family Residential Lot (within regulatory floodplain)	151.05		1040		
Development (<10 acres)	151.05		2400		
Development (≥ 10 acres)	151.05		3560		
Minor Development					
Without detention	151.05		2120		
With detention or Fee - in - lieu	151.05		3120		
Major Development					
With detention or Fee-in-lieu	151.05		5400		
Within regulatory floodplain (< 10 acres)	151.05		3280		
Within regulatory floodplain (≥ 10 acres)	151.05		8640		
<b>Wetland Fees</b>					
Category I Wetland impacts less than or equal to 1 acre	N/A		880		
Category II Wetland impacts greater than 1 acre and less than 2 acres	N/A		3640		
Category III Wetland impacts greater or equal to 2 acres or impacts a HQAR	N/A		4400		
Category IV Wetland impacts involving either restoration, creation	N/A		1440		
or enhancement	N/A		2760		
Resubmittal fee	N/A		347-2880		
Earth Change Approval	N/A		1720		
Securities - financial guarantee refundable	N/A		3,000 per acre of development		
Variances	N/A		4240		
Appeals	N/A		1920		
Flood Plain Analysis and Report	N/A		35		
Construction Engineering Standards Manual	N/A		35		
<b>9. Senior Resources</b>					
<b>Membership Dues</b>					
Residents of Lake Forest, Lake Bluff and unincorporated					
Lake Forest and Lake Bluff	97.087	Senior Resources	\$35 per person		
	97.087		\$55 per family		
Outside of Lake Forest and Lake Bluff	97.087	Senior Resources	\$45 per person		
	97.087		\$75 per family		
Circuit Breaker participants Lake Forest and Lake Bluff	97.087	Senior Resources	\$10 per person		

Add prior approved fees  
 New Fee  
 Change to fee

				PROPOSED		
				FY2021		
				FEE	%	Amount \$\$
				(n/c if		Projected
				blank)	CHANGE	Revenue
	<u>City Code Section</u>	<u>Fund</u>	<u>FY2020</u>			
residents only	97.087		\$15 per family			
Car and Bus rides	97.087	Senior Resources	\$3/fee each direction			
	97.087		\$6 round trip			
Taxi subsidy- Lake Forest and Lake Bluff residents	97.087	Senior Resources	16 coupons/month			
living within the Lake Forest High School District			for a value of \$3/each			

**THE CITY OF LAKE FOREST**

**ORDINANCE NO. 2019 - \_\_\_\_\_**

**AN ORDINANCE ADOPTING NEW FEES  
RELATED DEVELOPMENT ACTIVITY**

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

**WHEREAS**, the City Council, on an annual basis reviews fees and charges related to development activity and having done so, hereby determines that it is necessary to establish new fees and charges to cover the cost of services provided; and

**WHEREAS**, the City Council has determined that it is in the best interest of the City and its residents to adopt this Ordinance;

**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 incorporated as the findings of the City Council and are hereby incorporated into and made a part of this Ordinance.

**SECTION TWO.**     **Approval of New Fees Related to Development Activity.**  
The City Council hereby approves the fees as set forth in Exhibit A, New Fees Related to Development Activity, and directs that said fees shall be incorporated into the Supplemental Fee Schedule for the City of Lake Forest and reviewed and adjusted on an annual basis as part of the Supplemental Fee Schedule as determined to be necessary by the City Council.

**SECTION THREE:** **Effective Date of the New Fees Related to Development Activity.** The fees and charges set forth in Exhibit A shall take effect as of May 1, 2020,

consistent with the date of the Supplemental Fee Schedule for FY 2021 as adopted by the City Council.

**SECTION FOUR: 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 \_\_\_\_\_, 2019

AYES:

NAYS:

ABSENT:

ABSTAIN:

Approved this \_\_\_\_\_ day of \_\_\_\_\_, 2019

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk



**FOR INCORPORATION INTO THE SUPPLEMENTAL FEE SCHEDULE FOR  
THE CITY OF LAKE FOREST**

**EXHIBIT A**

**New Fees Related to Development Activity**

- ❖ Bond - \$500.00 (Refundable if no damage to public sewers/water main)
- ❖ Bond - \$500.00 (Refundable if no damage to curbs/public streets)
- ❖ Recording of plats of subdivisions - \$75.00 (plus Lake County fees)

**THE CITY OF LAKE FOREST**

**ORDINANCE NO. 2019 - \_\_\_\_\_**

**AN ORDINANCE ADOPTING NEW FEES  
RELATED CEMETERY SALES AND SERVICES**

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

**WHEREAS**, the City Council, on an annual basis reviews fees and charges related to Cemetery Sales and Services and having done so, hereby determines that it is necessary to establish new fees and charges to cover the cost of services provided; and

**WHEREAS**, the City Council has determined that it is in the best interest of the City and its residents to adopt this Ordinance;

**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 incorporated as the findings of the City Council and are hereby incorporated into and made a part of this Ordinance.

**SECTION TWO.**     **Approval of New Fees Related to Cemetery Sales and Services.** The City Council hereby approves the fees as set forth in Exhibit A, New Fees Related to Cemetery Sales and Services, and directs that said fees shall be incorporated into the Supplemental Fee Schedule for the City of Lake Forest and reviewed and adjusted on an annual basis as part of the Supplemental Fee Schedule as determined to be necessary by the City Council.

**SECTION THREE:** **Effective Date of the New Fees Related to Cemetery Sales and Services.** The fees and charges set forth in Exhibit A shall take effect as of

May 1, 2020, consistent with the date of the Supplemental Fee Schedule for FY 2021 as adopted by the City Council.

**SECTION FOUR: 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 \_\_\_\_\_, 2019

AYES:

NAYS:

ABSENT:

ABSTAIN:

Approved this \_\_\_\_\_ day of \_\_\_\_\_, 2019

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

**FOR INCORPORATION INTO THE SUPPLEMENTAL FEE SCHEDULE FOR  
THE CITY OF LAKE FOREST**

**EXHIBIT A**

**New Fees Related to Cemetery Sales and Services**

- ❖ **Fees paid by Credit Card: 2.95% of the amount charged or a minimum of \$1.95**

**THE CITY OF LAKE FOREST**

**ORDINANCE NO. 2019 - \_\_\_\_\_**

**AN ORDINANCE ADOPTING NEW FEES  
RELATED PARKING**

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

**WHEREAS**, the City Council, on an annual basis reviews fees and charges related to parking activity and having done so, hereby determines that it is necessary to establish new fees and charges to cover the cost of services provided; and

**WHEREAS**, the City Council has determined that it is in the best interest of the City and its residents to adopt this Ordinance;

**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 incorporated as the findings of the City Council and are hereby incorporated into and made a part of this Ordinance.

**SECTION TWO.**     **Approval of New Fees Related to Parking.** The City Council hereby approves the fees as set forth in Exhibit A, New Fees Related to Parking, and directs that said fees shall be incorporated into the Supplemental Fee Schedule for the City of Lake Forest and reviewed and adjusted on an annual basis as part of the Supplemental Fee Schedule as determined to be necessary by the City Council.

**SECTION THREE: Effective Date of the New Fees Related to Development Activity.** The fees and charges set forth in Exhibit A shall take effect as of January 1,

2020, consistent with the date of the Supplemental Fee Schedule for FY 2021 as adopted by the City Council.

**SECTION FOUR: 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 \_\_\_\_\_, 2019

AYES:

NAYS:

ABSENT:

ABSTAIN:

Approved this \_\_\_\_\_ day of \_\_\_\_\_, 2019

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

**FOR INCORPORATION INTO THE SUPPLEMENTAL FEE SCHEDULE FOR  
THE CITY OF LAKE FOREST**

**EXHIBIT A**

**New Fees Related to Parking**

- ❖ Fees paid by the Hour, Day or Week; 6% of the parking fee
- ❖ Fees paid by the Month or Year: 9% of the parking fee

**THE CITY OF LAKE FOREST**

**ORDINANCE NO. 2019 - \_\_\_\_\_**

**AN ORDINANCE ADOPTING NEW FEES RELATED TO PUBLIC WORKS FOR INCORPORATION INTO THE SUPPLEMENTAL FEE SCHEDULE FOR THE CITY OF LAKE FOREST**

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

**WHEREAS**, the City Council, on an annual basis reviews fees and charges related to Public Works and having done so, hereby determines that it is necessary to establish new fees and charges to cover the cost of services provided; and

**WHEREAS**, the City Council has determined that it is in the best interest of the City and its residents to adopt this Ordinance;

**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 incorporated as the findings of the City Council and are hereby incorporated into and made a part of this Ordinance.

**SECTION TWO.**     **Approval of New Fees Related to Public Works.** The City Council hereby approves the fees as set forth in Exhibit A, New Fees Related to Public Works, and directs that said fees shall be incorporated into the Supplemental Fee Schedule for the City of Lake Forest and reviewed and adjusted on an annual basis as part of the Supplemental Fee Schedule as determined to be necessary by the City Council.

**SECTION THREE:**   **Effective Date of the New Fees Related to Public Works.**  
The fees and charges set forth in Exhibit A shall take effect as of May 1, 2020, consistent



with the date of the Supplemental Fee Schedule for FY 2021 as adopted by the City Council.

**SECTION FOUR: 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 \_\_\_\_\_, 2019

AYES:

NAYS:

ABSENT:

ABSTAIN:

Approved this \_\_\_\_\_ day of \_\_\_\_\_, 2019

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

## **EXHIBIT A**

### **New Fees Related to Public Works**

- ❖ Erosion and sediment control measures - \$240
- ❖ Floodplain Development Permit
  - 1 & 2 Family - \$355
  - All others - \$530

# Supplemental Memos Regarding Proposed Fee Adjustments

## MEMORANDUM

**TO:** Diane Hall, Assistant Director of Finance  
Elizabeth Holleb, Director of Finance

**FROM:** Catherine J. Czerniak, Director of Community Development

**DATE:** October 19, 2019

**SUBJECT: Recommended Fee Adjustments and Clarifications for Fiscal Year 2020**

No significant changes are proposed for development related fees. Development related fees have remained constant for the last several years. A few minor fee updates, corrections and clarifications are proposed as described below.

### Add Prior Approved Fees

- ❖ Historic Preservation Commission: The following fees were previously approved for Building Review Board petitions. The also apply to the Historic Preservation Commission but are not accurately reflected in the Fee Schedule. (39.140)
  - Changes to approved building materials - \$60.00
  - Revisions to approved plans - \$225.00
- ❖ Project Fees: Previously approved fee not reflected in Fees Schedule. (999.999)
  - Tree removal without permit - \$750.00 per inch
  - Vegetation removal in protected areas - \$750 per violation

### New Fees

- ❖ Bonds: Add a refundable bond in the amount of \$500.00 for projects that involve public sanitary/storm sewers or water mains.
- ❖ Bonds: Add a refundable bond in the amount of \$500.00 for projects that involve new curb cuts and temporary curb crossings.
- ❖ Project Fees: Recording of plat of subdivision - \$75.00 plus Lake County Fees

Please do not hesitate to contact me if you need further clarifications, have any questions or have suggestions for changes.

## MEMORANDUM

**TO:** Diane Hall, Assistant Director of Finance  
Elizabeth Holleb, Director of Finance

**FROM:** Catherine J. Czerniak, Director of Community Development

**DATE:** October 19, 2019

**SUBJECT: Recommended Fee Sheet Clarifications - Fiscal Year  
2020**

The recommendations offered below are intended to better align fees with the proper categories and titles.

### Corrections/Clarifications

- ❖ BRB Satellite dish review - Delete  
This is an outdated fee. The Building Review Board does not review satellite dishes.
- ❖ Move Hood and Duct fees from “Other” to “Fire Suppression Systems”. No change to fee.
- ❖ Under Historic Preservation Commission Fees – “Demolition partial and replacement addition” is not titled correctly, should be, “Replacement Structure, prior demolition”. No change to fee.
- ❖ Delete Elevator Inspection Fee listed under the Vendor Licenses. This is a duplicate of the fee already listed under Elevators. No change to fee.
- ❖ Change the Plumbing category title to Plumbing/Electric/HVAC. No change to fee.
- ❖ Move “Signs” out of the Plumbing category and put it under “Building Permits”. No change to fee.
- ❖ Move “Tree Protection Fencing” from General Fee category to Project Fee category. No change to fee.
- ❖ Move “Recording of Public Right-of-way Agreements” from Plumbing category to Project Fees category and clarify to read, “Recording of Agreements/Ordinances” No change to fee.
- ❖ Move “Construction Trailer Permit” from Plumbing Category to Project Fees category. No change to fee.

Please do not hesitate to contact me if you need further clarifications, have any questions or have suggestions for changes.

# MEMORANDUM

To: Elizabeth Holleb, Director of Finance and IT; and Diane Hall, Assistant Finance Director

From: Phil Alderks, Cemetery Sexton

Date: October 23, 2019

Re: Cemetery Credit Card Processing

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Over the past number of years we have numerous requests from families to pay for Cemetery purchases and services by credit card. As we are becoming a more ‘cashless’ and ‘check-less’ society these requests have been steadily increasing. In order to better serve our families and residents of the City we are requesting to have the ability to process credit cards. Funeral expenses can be high and often occur on short notice so assets are not always liquid. A family’s ability to use a credit card eases the burden of converting assets on a short notice in order to pay fees and guarantees the Cemetery would get paid at the time of service. Because the ability to process credit cards ease that burden of payment, it also helps our bottom line as people can no longer ‘forget’ to write the check at the time of service or say, “I left my checkbook at home in Timbuktu so I’ll drop a check in the mail when I get back home.”

A secondary benefit would be the possibility of increasing sales of services like flower planting, memorial cleaning, winter grave decorations, etc. by making it easier for families to make those purchases especially if they could places orders by credit card online.

We’re requesting the help of the Finance Department to set up the ability to process credit cards so that we may offer this option for families to pay by credit card and also place online orders by credit card. I have attached the proposed ordinance and the proposed fee schedule. We would be passing the credit card processing fee on to the customer for the option of using their card since some purchases, such as lot sales, can be quite large.

If you have any questions regarding this situation or need more information, please contact me.



**MEMORANDUM**  
**THE CITY OF LAKE FOREST**  
**OFFICE OF THE CITY MANAGER**

**TO:** Elizabeth Holleb, Finance Director  
**CC:** Jason C. Wicha, City Manager  
**FROM:** Mike Strong, Assistant to the City Manager  
**DATE:** October 17, 2019  
**SUBJECT:** Proposed OCM Fee Adjustments for FY2021

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**Purpose and Action Requested**

The purpose of this memorandum is to present a request to amend certain fees administered through the Office of the City Manager for FY2021. City staff is seeking City Council approval of fee adjustments proposed in this memorandum for general license and special event fees.

**Background**

The City of Lake Forest processes and issues several different types of permits and licenses through the Office of the City Manager. These include, among others, special event permits, filming permits, birth/death certificates, liquor licenses, raffle licenses, etc. City staff regularly reviews these processes and their associated fees in an effort to ensure they remain compliant with both local and statutory regulations, consistent with internal administrative directives and policies, align with the City's costs to provide services and promote customer-friendly business practices.

Each year, City staff reviews each of these processes along with their associated applications, and evaluates fees to ensure that charges are in line with the costs to provide each service. Proposed fee changes for FY2021 have been broken down into general licenses and permits and special events.

***General Licenses and Permit Fees***

City staff reviewed its general licenses and permit fees for FY2021, and is proposing to adjust fees associated with solicitor permits and raffle licenses. The proposed fees are included in the table below. The fee adjustments requested capture the processing time for administrative staff, background investigation services provided by Police records staff, along with administrative overhead and materials required to review and produce each permit.

<b>Personnel Classification</b>	<b>Current City Expense</b>	<b>Current Rate</b>	<b>Proposed Rate</b>	<b>% Change</b>	<b>Projected Additional Revenue</b>
Solicitor/Peddler Permit (New)	\$56.76	\$40.00	\$55.00	37.50%	\$500.00
Solicitor/Peddler Permit (Renewal)	\$40.76	\$30.00	\$40.00	33.33%	\$300.00
Raffle License	\$40.76	\$25.00	\$40.00	60%	\$60.00

**Special Event Fees**

The Office of the City Manager also manages the special event permit process. From time-to-time, community organizations seek to utilize City-owned property or request special city services (e.g. equipment rentals/delivery) and City employees (e.g. general event support, security, or emergency medical services) to support their event. Pursuant to the City Code (§10.13), fees for these City services may be imposed in connection with recovering costs related to the personnel time associated with this support.

Rates for City employees are set based on an average total compensation (includes salaries and benefits) for employees in the workgroup. Traditionally, the City has adjusted these rates to reflect changes in union contracts and special contractual rates for special time worked or overtime. Rates proposed for FY2021 reflect approved changes to salaries and benefits as outlined in the City’s official Pay Plan and bargaining unit contract, if applicable. Accordingly, City staff is requesting to adjust rates to reflect these contract amounts, as follows:

<b>Personnel Classification</b>	<b>Current City Expense</b>	<b>Current Rate</b>	<b>Proposed Rate</b>	<b>% Change</b>	<b>Projected Revenue</b>
Police Officer Hourly Rate	\$87.48	\$86.00	\$88.00	2.33%	\$460.0
Public Works Hourly Rate	\$68.66	\$67.00	\$69.00	2.99%	\$120.00
Parks Hourly Rate	\$66.99	\$67.00	\$69.00	2.99%	\$120.00

In addition to personnel costs provided by the City’s Parks Department, event organizers frequently request the delivery and use of equipment including bleachers, litter barrels, picnic tables, and grills. In evaluating the current rates for these services and updated personnel costs incurred (Per the above), the City has opted to modify its procedures for litter barrel requests.

Prior to 2019, the Parks Section staff would have to relocate steel litter barrels from adjacent parks and facilities. This became problematic for several of the older barrels, which began to deteriorate more quickly from their relocation between events. Instead, staff has started to purchase and deliver disposable cardboard bins directly to the event site. Due to less staff time needed to both deliver and dispose of these litter barrels, staff requests a reduction in the fee to reflect savings in both materials and personnel costs. This adjustment more equitably assesses fees for this service based on these changes.



<b>Service</b>	<b>Current City Expense</b>	<b>Current Rate</b>	<b>Proposed Rate</b>	<b>% Change</b>	<b>Projected Revenue</b>
Provide Litter Barrels	\$13.20/can	\$16/can	\$14/can	-12.50%	-\$150.00

Please do not hesitate to contact me directly if you have questions concerning these proposed fee changes for FY2021.

**MEMORANDUM**

**TO:** Elizabeth Holleb, Director of Finance  
**FROM:** Diane Hall, Assistant Finance Director  
**DATE:** October 22, 2019  
**SUBJECT:** **Addition of State excise tax for parking.**

On June 28, 2019 Governor JB Pritzker signed SB 690 establishing the Parking Excise Tax Act. The Act imposes a state tax on those paying to use a parking space beginning January 1, 2020. The tax is to be collected by the operator of the parking facility and remitted to the State on a monthly basis.

The rates established by the state are:

- Fees paid by the Hour, Day or Week: 6% of the parking fee
- Fees paid by the Month or Year: 9% of the parking fee

The Illinois Municipal League (IML) believes this new legislation will apply to cities who own a parking a facility and charge fees to park in said facility. IML is seeking clarification with Illinois Department of Revenue (IDOR) to determine if municipal-owned facilities are subject to the parking excise tax. IML will pursue at the 2019 Veto Session a request to exempt local governments from this new tax prior to the effective date of January 1, 2020.

The tax is imposed on the customer in the form of an extra line-item cost on each parking transaction.

Staff is seeking to add the additional fees imposed by the State to the fee schedule to be effective January 1, 2020 in the event local municipalities are not found to be exempt from the tax.

# M E M O R A N D O M

To: Diane Hall, Assistant Finance Director

From: Vince Juarez, Golf Course General Manager  
Chuck Myers, Superintendent of Parks, Forestry and Special Facilities

Date: October 17, 2019

Subject: Deerpath Golf Course 2020 Proposed Fee Changes

**PURPOSE AND ACTION REQUESTED:** City Staff and KemperSports Management Staff are bringing forward the Deerpath Golf Course fees for FY21. The Park and Recreation Board has approved the fee schedule on October 15, 2019 and request that the proposed FY21 Deerpath Golf Course fee structure be forward to City Council for approval as presented.

**BACKGROUND/DISCUSSION:** Attached is the proposed fee structure for Deerpath Golf Course for FY21. We analyzed several factors including utilization and surrounding facilities fees while putting together the fees schedule. KemperSports Management and City Staff are recommending the following:

- **Membership Fees:** Increase resident Single and Senior Annual Pass fee to allow for estimated revenue increase in both classifications of 3% for FY21.
- **Greens Fees:** Increase the rate for weekday and weekend fees. The rate for weekday's would be capped \$67 (green fee / cart fee) while weekend cap would be \$81 (green fee / cart fee) . Allow the dynamic pricing model to set prices based off of the utilization of the course. This will allow the green fee prices to fluctuate and take advantage of times of increased demand. Golf rates will be adjusted during the season based on marketplace demands.
- **Other Fees:** Increase the 9 -hole weekday cart fee from \$13 to \$14 while leaving the 18-hole cart fee at \$20 per player. In addition, raise the large range bucket to \$16 while keeping the medium and small at current rates. I also propose with lockers being fully rented in the open-air facility to increase locker rental prices by an average of 3.5%.

**BUDGET/FISCAL IMPACT:** Projected revenue impact on fees collected will be an additional \$45,686 from FY20 projections. The additional revenue impact is assuming the Route 41 project does not move forward. Anticipated revenue impact depending on when the Route 41 project starts would be at least 12% off proposed FY21 budget revenue or 6% unfavorable to current FY20 projections.

City Staff and Kemper Sports Management are requesting the approval of the proposed FY21 Deerpath Golf Course fee structure.

The City of Lake Forest

**MEMORANDUM**

TO: Mike Thomas, Director of Public Works  
Robert Ells, Superintendent of Engineering

FROM: Brian Joyce, Engineering Supervisor

DATE: October 21, 2019

SUBJECT: **Fees**

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Attached are the proposed fee changes from Engineering related to the existing fee schedule. These changes involve the following areas.

1. Site Grading Fee: The proposed fees reflect the fees currently being charged by the Lake County Planning, Building and Development Department.
2. Floodplain Development Permit: The proposed fees reflect the fees currently being charged by the Lake County Planning, Building and Development Department for development on a floodplain property.

# MEMORANDUM

To: Diane Hall, Assistant Finance Director

From: Jason Busdeker, Program Manager  
Joe Mobile, Superintendent of Recreation

Date: October 17, 2019

Subject: Lake Forest Fitness Center FY 21 Proposed Fee Changes

**PURPOSE AND ACTION REQUESTED:** City Staff are bringing forward the Lake Forest Fitness Center fees for fiscal year 2021. The Park and Recreation Board has approved the fee schedule on October 15, 2019 and request that the proposed FY2021 Fitness Center fee structure be forwarded to City Council for approval as presented.

**BACKGROUND/DISCUSSION:** Attached is the proposed fee structure for fitness center fees for FY2021. Staff have analyzed several factors including membership trends, and surrounding facilities fees while putting together the fees schedule. The Fitness Center's memberships fluctuate considerably throughout the year. As a result, staff takes a conservative approach for revenue growth by assuming membership levels will remain the same throughout the year based on membership totals in September. City Staff are recommending the following:

- **Membership Fees:** Increase all membership fees by an adjusted 4% for FY21. The 4% increase was taken over FY20 fees and then adjusted to be divisible by 12 months so that our registration software system can use the automatic monthly billing for all annual memberships. This adjustment to the increase will provide a consistent amount to be drawn each month providing our members a smooth and understandable transaction.
- **Monthly Memberships:** Continue to offer the month to month membership option. In FY17, Staff had eliminated the 6 month and 3 month membership options and began offering the Month to Month membership options which allows perspective members the flexibility to cancel their membership with 30 days written notice. The month to month membership is also a good alternative for those looking for a short term option. This option has proved successful as memberships have increased in several categories.

**BUDGET/FISCAL IMPACT:** Staff anticipates a positive revenue differential of \$12,792 over FY20.

City Staff are requesting the approval of the proposed FY2021 Lake Forest Fitness Center fee structure as presented.

New Issue  
Date of Sale: Wednesday, December 4, 2019  
10:15 – 10:30 A.M., C.S.T. (Open Speer Auction)

**DRAFT 11/8/19**

Investment Rating:  
Moody's Investors Service ...  
(Rating Requested)

**Official Statement**

Subject to compliance by the City with certain covenants, in the opinion of Chapman and Cutler LLP, Chicago, Illinois ("Bond Counsel"), under present law, interest on the Bonds is excludable from gross income of the owners thereof for federal income tax purposes and is not included as an item of tax preference in computing the federal alternative minimum tax for individuals. Interest on the Bonds is not exempt from present State of Illinois income taxes. See "TAX EXEMPTION" herein for a more complete discussion.



**\$17,500,000\***  
**CITY OF LAKE FOREST**  
**Lake County, Illinois**  
**General Obligation Refunding Bonds, Series 2019**

**Dated Date of Delivery**

**Book-Entry**

**Due Serially December 15, 2020-2032**

The \$17,500,000\* General Obligation Refunding Bonds, Series 2019 (the "Bonds"), are being issued by the City of Lake Forest, Lake County, Illinois (the "City"). Interest is payable semiannually on June 15 and December 15 of each year, commencing June 15, 2020. The Bonds will be issued using a book-entry system. The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Bonds. The ownership of one fully registered Bond for each maturity will be registered in the name of Cede & Co., as nominee for DTC and no physical delivery of Bonds will be made to purchasers. The Bonds will mature on December 15, in the following years and amounts. Interest is calculated based on a 360-day year of twelve 30-day months.

**AMOUNTS\*, MATURITIES, INTEREST RATES, PRICES OR YIELDS AND CUSIP NUMBERS<sup>(1)</sup>**

Principal Amount*	Due Dec. 15	Interest Rate	Yield or Price	CUSIP Number (1)	Principal Amount*	Due Dec. 15	Interest Rate	Yield or Price	CUSIP Number (1)
\$2,870,000	2020	—%	—%	—	\$695,000	2027	—%	—%	—
2,975,000	2021	—%	—%	—	710,000	2028	—%	—%	—
3,105,000	2022	—%	—%	—	640,000	2029	—%	—%	—
2,415,000	2023	—%	—%	—	675,000	2030	—%	—%	—
620,000	2024	—%	—%	—	715,000	2031	—%	—%	—
650,000	2025	—%	—%	—	755,000	2032	—%	—%	—
675,000	2026	—%	—%	—					

*Any consecutive maturities may be aggregated into term bonds at the option of the bidder, in which case the mandatory redemption provisions shall be on the same schedule as above.*

**OPTIONAL REDEMPTION**

The Bonds maturing on or after December 15, 2028, are callable at the option of the City in whole or in part on any date on or after December 15, 2027, at a price of par and accrued interest. See "OPTIONAL REDEMPTION" herein.

**PURPOSE, LEGALITY AND SECURITY**

The proceeds of the Bonds will be used: (i) to refund certain of the City's outstanding General Obligation Bonds, Series 2009; Taxable General Obligation Bonds, Series 2010B (Recovery Zone Economic Development Bonds – Direct Payment); Taxable General Obligation Bonds, Series 2010C (Build America Bonds – Direct Payment); and General Obligation Refunding Bonds, Series 2011B, and (ii) to pay the costs of issuance of the Bonds. See "PLAN OF FINANCING" herein.

In the opinion of Bond Counsel, the Bonds are valid and legally binding upon the City and are payable from any funds of the City legally available for such purpose, and all taxable property in the City is subject to the levy of taxes to pay the same without limitation as to rate or amount, except that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion.

This Official Statement is dated November \_\_, 2019, and has been prepared under the authority of the City. An electronic copy of this Official Statement is available from the [www.speerfinancial.com](http://www.speerfinancial.com) web site under "Debt Auction Center/Official Statements Sales Calendars/Competitive". Additional copies may be obtained from Ms. Elizabeth Holleb, Director of Finance, City of Lake Forest, 800 North Field Drive, Lake Forest, Illinois 60045, or from the Municipal Advisor to the City:



(1) CUSIP numbers appearing in this Official Statement have been provided by the CUSIP Service Bureau, which is managed on behalf of the American Bankers Association by S&P Capital IQ, a part of McGraw Hill Financial Inc. The City is not responsible for the selection of CUSIP numbers and makes no representation as to their correctness on the Bonds or as set forth on the cover of this Official Statement.

\*Subject to change.

This Preliminary Official Statement and the information contained herein are subject to completion and amendment. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds, in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. As of this date, this Preliminary Official Statement has been deemed "final" by the City for purposes of SEC Rule 15c2-12(b)(1) except for the omission of certain information permitted by SEC Rule 15c2-12(b)(1).

For purposes of compliance with Rule 15c2-12 of the Securities and Exchange Commission, this document, as the same may be supplemented or corrected by the City from time to time (collectively, the “Official Statement”), may be treated as an Official Statement with respect to the Bonds described herein that is deemed near final as of the date hereof (or the date of any such supplement or correction) by the City.

The Official Statement, when further supplemented by an addendum or addenda specifying the maturity dates, principal amounts and interest rates of the Bonds, together with any other information required by law or deemed appropriate by the City, shall constitute a “Final Official Statement” of the City with respect to the Bonds, as that term is defined in Rule 15c2-12. Any such addendum or addenda shall, on and after the date thereof, be fully incorporated herein and made a part hereof by reference.

No dealer, broker, salesman or other person has been authorized by the City to give any information or to make any representations with respect to the Bonds other than as contained in the Official Statement or the Final Official Statement and, if given or made, such other information or representations must not be relied upon as having been authorized by the City. Certain information contained in the Official Statement and the Final Official Statement may have been obtained from sources other than records of the City and, while believed to be reliable, is not guaranteed as to completeness. THE INFORMATION AND EXPRESSIONS OF OPINION IN THE OFFICIAL STATEMENT AND THE FINAL OFFICIAL STATEMENT ARE SUBJECT TO CHANGE, AND NEITHER THE DELIVERY OF THE OFFICIAL STATEMENT OR THE FINAL OFFICIAL STATEMENT NOR ANY SALE MADE UNDER EITHER SUCH DOCUMENT SHALL CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE CITY SINCE THE RESPECTIVE DATES THEREOF.

References herein to laws, rules, regulations, ordinances, resolutions, agreements, reports and other documents do not purport to be comprehensive or definitive. All references to such documents are qualified in their entirety by reference to the particular document, the full text of which may contain qualifications of and exceptions to statements made herein. This Official Statement does not constitute an offer to sell, or solicitation of an offer to buy, any securities to any person in any jurisdiction where such offer or solicitation of such offer would be unlawful.

Unless otherwise indicated, the City is the source of all tables and statistical and financial information contained in this Official Statement. The information contained in this Official Statement concerning DTC has been obtained from DTC. The other information set forth herein has been furnished by the City or from other sources believed to be reliable. The information and opinions expressed herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the City since the date of this Official Statement.

This Official Statement should be considered in its entirety and no one factor considered less important than any other by reason of its position in this Official Statement. Where statutes, ordinances, reports or other documents are referred to herein, reference should be made to such statutes, ordinances, reports or other documents for more complete information regarding the rights and obligations of parties thereto, facts and opinions contained therein and the subject matter thereof.

Any statements made in this Official Statement, including the Appendices, involving matters of opinion or estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of such estimates will be realized. This Official Statement contains certain forward-looking statements and information that are based on the City’s beliefs as well as assumptions made by and information currently available to the City. Such statements are subject to certain risks, uncertainties and assumptions. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those anticipated, estimated or expected.

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## BOND ISSUE SUMMARY

This Bond Issue Summary is expressly qualified by the entire Official Statement, including the Official Notice of Sale and the Official Bid Form, which are provided for the convenience of potential investors and which should be reviewed in their entirety by potential investors.

<b>Issuer:</b>	City of Lake Forest, Lake County, Illinois (the “City”).
<b>Issue:</b>	\$17,500,000* General Obligation Refunding Bonds, Series 2019.
<b>Dated Date:</b>	Date of delivery (expected to be on or about December 19, 2019).
<b>Interest Due:</b>	Each June 15 and December 15, commencing June 15, 2020.
<b>Principal Due:</b>	Serially each December 15, commencing December 15, 2020 through 2032, as detailed on the front page of this Official Statement.
<b>Optional Redemption:</b>	The Bonds maturing on or after December 15, 2028, are callable at the option of the City in whole or in part on any date on or after December 15, 2027, at a price of par and accrued interest. See “ <b>OPTIONAL REDEMPTION</b> ” herein.
<b>Authorization:</b>	The Bonds are being issued pursuant to the home-rule powers of the City under Section 6, Article VII of the 1970 Constitution of the State of Illinois and a bond ordinance to be adopted by the City Council of the City.
<b>Security:</b>	The Bonds are valid and legally binding upon the City and are payable from any funds of the City legally available for such purpose, and all taxable property in the City is subject to the levy of taxes to pay the same without limitation as to rate or amount.
<b>Investment Rating:</b>	The City’s outstanding general obligation bond rating is “Aaa” from Moody’s Investors Service, New York, New York (“Moody’s”). A credit rating for the Bonds has been requested from Moody’s. See “ <b>INVESTMENT RATING</b> ” herein.
<b>Purpose:</b>	The proceeds of the Bonds will be used: (i) to refund certain of the City’s outstanding General Obligation Bonds, Series 2009; Taxable General Obligation Bonds, Series 2010B (Recovery Zone Economic Development Bonds – Direct Payment); Taxable General Obligation Bonds, Series 2010C (Build America Bonds – Direct Payment); and General Obligation Refunding Bonds, Series 2011B, and (ii) to pay the costs of issuance of the Bonds. See “ <b>PLAN OF FINANCING</b> ” herein.
<b>Tax Exemption:</b>	Chapman and Cutler LLP, Chicago, Illinois, Bond Counsel, will provide an opinion as to the federal tax exemption of the interest on the Bonds as discussed under “ <b>TAX EXEMPTION</b> ” in this Official Statement. Interest on the Bonds is not exempt from present State of Illinois income taxes. See also <b>APPENDIX C</b> for the proposed form of Bond Counsel opinion.
<b>Bond Registrar/Paying Agent Escrow Agent:</b>	Amalgamated Bank of Chicago, Chicago, Illinois.
<b>Book-Entry Form:</b>	The Bonds will be registered in the name of Cede & Co. as nominee for The Depository Trust Company (“DTC”), New York, New York. DTC will act as securities depository of the Bonds. See <b>APPENDIX B</b> herein.
<b>Denomination:</b>	\$5,000 or integral multiples thereof.
<b>Delivery:</b>	The Bonds are expected to be delivered on or about December 19, 2019.
<b>Municipal Advisor:</b>	Speer Financial, Inc., Chicago, Illinois.

**CITY OF LAKE FOREST**  
**Lake County, Illinois**

George A. Pandaleon  
*Mayor*

**Council Members**

Prue Beidler  
Raymond Buschmann  
Ara Goshgarian

Michelle Moreno  
James E. Morris

Edward U. Notz, Jr.  
Jim Preschlack  
Melanie K. Rummel

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**Officials**

Jason C. Wicha  
*City Manager*

Elizabeth Holleb  
*Director of Finance*

Ancel Glink, P.C.  
*Attorneys for the City*

**THE BONDS**

The General Obligation Refunding Bonds, Series 2019 (the “Bonds”), are being issued pursuant to the home-rule powers of the City of Lake Forest, Lake County, Illinois (the “City”), under Section 6, Article VII of the 1970 Constitution of the State of Illinois and a bond ordinance to be adopted by the City Council of the City on the 2<sup>nd</sup> day of December, 2019 (as supplemented by a notification of sale, the “Bond Ordinance”). The Bonds constitute valid and legally binding full faith and credit general obligations of the City, payable from ad valorem taxes levied on all taxable property in the City, without limitation as to rate or amount. The Bond Ordinance provides for the levy of ad valorem taxes, unlimited as to rate or amount, upon all taxable property within the City in amounts sufficient to pay, as and when due, all principal of and interest on the Bonds. The Bond Ordinance will be filed with the County Clerk of the County of Lake, Illinois (the “County Clerk”), and will serve as authorization to the County Clerk to extend and collect the property taxes as set forth in the Bond Ordinance.

## THE CITY

### Location

The City is a home-rule municipality located in Lake County approximately 30 miles north of downtown Chicago. It is one of eight communities located north of Chicago, fronting on Lake Michigan, an area collectively referred to as "The North Shore."

The City's eastern boundary is Lake Michigan with over three miles of shoreline and over a half of mile of public beach. Forest Park, a 37-acre public park is located on the table land above the beach with walking trails and spectacular views across the lake all seasons of the year. Recent public and private investment resulted in stabilization of the bluff and improvements to the public access road. To the north and south of the City-owned public beach, private homes line the bluff above the lake, many with direct access to private beaches below. At the south edge of the City, a 60 acre nature preserve, McCormick Nature Preserve, extends from Sheridan Road, along a ravine, east to the lake. This high quality natural area is being restored and enhanced through a partnership of the City, Lake Forest Open Lands Association and the Army Corps of Engineers. Further to the south, an additional 127 acres of lakefront property is preserved for passive recreation and owned by the Lake County Forest Preserve District. A portion of this area, formerly the Fort Sheridan Military Base, is located within the city limits and presents opportunities for the future. Public access to Lake Michigan is provided in this area along with views of the lake from Sheridan Road.

The western boundary of the City is the Illinois Toll Road (I-94) providing easy access to points north and south including Chicago, O'Hare Airport and Milwaukee, Wisconsin. Making the most of the City's location mid-way between two larger cities, Chicago and Milwaukee, several major north/south arterials, in addition to the Tollway, facilitate access to these cities, places in between, and areas just beyond. Located near the center of Lake Forest, U.S. Route 41 (Skokie Highway), provides direct access to the Edens Expressway, the Kennedy Expressway and downtown Chicago; Waukegan Road (Illinois Route 43) provides access to employment centers and commercial hubs. In east Lake Forest, scenic Green Bay Road and Sheridan Road wind through neighborhoods, past local schools and Lake Forest College, and provide access to preserved open space areas.

### History, Growth and Demographics

Long acknowledged to be one of the most prestigious residential communities in the United States, the City is rich in history. The City was incorporated by Special Charter of the General Assembly of the State of Illinois in 1869. The Charter addresses the powers of the City Council in 43 clauses setting the framework for coordinated relationships with other local entities.

The City prides itself on tradition and honoring its history while at the same time, being at the forefront of new ideas. Among the significant historic structures in the City are single family residences dating back to 1846. Market Square serves as the core of the City's Central Business District, and when constructed in 1916, was reported to be the first shopping center in the U.S. Churches and educational institutions, prestigious private clubs and former estates of local and national leaders of industry and commerce are also found here. Estate homes, outbuildings and landscape features from summer homes and gentlemen's farms are adaptively reused as homes, schools and community facilities.

Unlike many other communities, Lake Forest historically was always home to both the wealthy and working class families. This long tradition holds true today. Expansive homes fronting Lake Michigan are only blocks away from homes in more conventional small lot neighborhoods. The City actively promotes diverse housing options, for all ages and all types of families, at various price points. Moderately priced and affordable housing, both rental and ownership, are available in the community in part as a result of the City's inclusionary housing requirements.

## **Development and Economic Vitality**

The City has a long tradition of careful planning. The City's first Zoning Code was adopted in 1923 and the Plan Commission was established in 1926. The City's Strategic Plan and Comprehensive Land Use Plan guides development decisions. The City reviews, re-evaluates and updates the entire Comprehensive Plan about every 20 years with interim amendments as necessary. Work is underway currently to update the Comprehensive Plan with a focus on how to keep Lake Forest viable and distinctive for the next 20 years.

In 1956, an ordinance was adopted regulating the architectural design of buildings within the City and establishing the Building Review Board. In 1998, the City adopted an historic preservation ordinance and established the Historic Preservation Commission. These ordinances set Lake Forest apart from other suburban communities by providing the tools necessary to preserve and protect the unique character of the City's neighborhoods and ensure that changes happen in a manner that respects and builds upon the strengths of the community while at the same time, recognizing individual property rights and embracing new ideas, methodologies, technology and opportunities.

The City's planning efforts encompass other projects as well, including development of a Bicycle Master Plan and a Sustainability Plan. Both of these efforts were achieved through work with community partners and significant public input.

### Central Business District

The City's Central Business District is anchored by Market Square, an iconic and historic development designed by famed architect, and Lake Forest resident, Howard Van Doren Shaw. Construction of the Square began in 1915 and is still seen as an extraordinary model of a town center. Market Square and the surrounding blocks that make up the City's core area are home to a mix of unique boutique retail stores, national chains, restaurants (one located in the City's former fire station), banks, real estate offices, a commuter train station, City Hall and the Post Office. Since 2013, \$5 million has been invested in Market Square to support repairs, restoration and upgrades including extensive interior alterations to second floor space which now offers Class A office space to those wishing to office in Lake Forest, near the recently restored historic train station. As with many projects in the community, the restoration of the train station was supported by public and private funding as well as grant monies. Just south of Market Square, the Deer Path Inn, an historic hotel dating back to 1929, was named the No.1 Resort Hotel in the Midwest in the *Travel + Leisure* World's Best Awards 2019. The Inn offers guest rooms, meeting rooms, banquet spaces and dining experiences that are not available elsewhere on the North Shore or in Lake County. The Deer Path Inn easily rivals upscale hotels and restaurants in downtown Chicago. Recent extensive renovation of the Inn represents an investment exceeding \$3 million dollars.

On an ongoing basis, the City, with input from local businesses and the community, upgrades major infrastructure in the Central Business District and implements streetscape improvements and beautification. The goal is to continually enhance the welcoming and walkable business district, where people gather, linger, eat, shop and socialize. Property and business owners continually invest in storefront maintenance and enhancements, expansion of outdoor eating areas and updated signage.

The historic commuter train station located in the Central Business District was recently restored, another example of a public/private partnership. The project was supported by \$2.4 million in grants and private contributions in combination with public funds. To expand support for alternate modes of transportation, the project included a new bicycle shelter and enhanced bicycle paths building on the hub of activity that occurs in the core of the City.

Over the past five years, the City has promoted increased residential density and a variety of housing products close to the Central Business District. This successful initiative has resulted in the construction of 110 apartments which today are over 90 percent leased, 37 new high end condominiums and eight new single family homes. Approximately 30 additional condominiums are planned at the City's core in the near future. These new housing opportunities are located within walking distance to the train station, retail stores, restaurants, library, community parks and gathering areas. In response, new restaurants are vying for space in the Central Business District.

### Waukegan Road/Settlers' Square Business District

In addition to the City's Central Business District, there is a second business district, in the western portion of the City, adjacent to the second Metra station that serves the community. This business district includes a grocery store, restaurants, banks, medical and dental service providers and educational support services. A recently completed study supports mixed use development and increased residential densities in the area as redevelopment opportunities become available.

The Waukegan Road Business District provides easy access to goods and services for residents living in the City's third and fourth wards and attracts daily commuters traveling through Lake Forest on Waukegan Road, a State owned north/south arterial. West Lake Forest was developed in the mid to late 90's for the most part with a focus on single family homes with yards, tree lined streets and open space. An example of the high quality neighborhoods located in the west portion of Lake Forest is Conway Farms, a carefully planned residential neighborhood offering attached and detached single family housing located around a picturesque golf course. Conway Farms Golf Club has hosted the BMW Championship on three occasions to date bringing national attention to Lake Forest.

### Conway Park

Conway Park is a world class corporate office park located at the western gateway to the City, at the interchange of the Illinois Tollway and Illinois Route 60. Conway Park is stable and thriving. The office park and surrounding area is developed with 15 office buildings ranging in size from 60,000 to 270,000 square feet. The buildings serve as the corporate headquarters for prestigious companies with a concentration of pharma and packaging businesses. Building owners and tenants of the office park include Abbott, Pfizer, Packaging Corp of America, Pactiv Reynolds Fram Group, Tenneco Automotive, Trustmark, ICU Medical, Akorn, Assertio, Bank Direct, Horizon Pharma, Omron and Pharmedium. Multi-tenant buildings are available for smaller firms as well. Conway Park offers amenities to the property owners and businesses including the Lake Forest Graduate School which is located in the office park and provides corporate leadership programs as well as meeting space for corporate training activities. Pedestrian pathways and a trail through an adjacent natural area are well used by employees. Construction of a Hyatt Place Hotel is underway in the office park responding to needs expressed by the businesses for easily accessible hotel rooms, meeting space and food options.

An eight acre parcel, designated for commercial use is located just outside of the office park. Discussions are underway about development of the site with restaurants and other hospitality uses to provide additional amenities to enhance the attractiveness of the office park going forward for existing and future occupants. The potential for developing additional moderate to high end residential housing options near Conway Park is also being explored to ease the commute for employees working in the office park.

The Chicago Bears Corporate Headquarters are located north of Conway Park. The Bears' campus is comprised of administrative and owners' offices, training and wellness facilities for players, a broadcast studio, memorabilia hall, indoor and outdoor practice fields and viewing suites. This facility draws players, coaches, season ticket holders, corporate sponsors and the media to Lake Forest. Players and coaches often make Lake Forest home during their tenure with the Bears and remain here in the years after their association with the Bears because of all Lake Forest has to offer. Earlier this year, the Bears completed 24 months of improvements and facility expansion. The value of the recent upgrades to the Bears' campus exceeded \$80,000,000 and resulted in what is today a cutting edge facility.

In 2009, the City of Lake Forest's Municipal Services Facility and customer service center was relocated from the Central Business District to the single remaining parcel located north of Conway Park. The facility houses City administrative staff from various departments in a first class office building. The City's fleet of vehicles and equipment is also housed at this location. A high level of municipal services is expected by and delivered to the residents of Lake Forest. Almost 20 acres of the site acquired by the City is open space and wetlands as a result of a cooperative effort between the City, Lake Forest Open Lands Association and the Lake County Forest Preserve District. The preserved area is now under the stewardship of the Forest Preserve District and is developed with walking trails for employees and residents in the area. Wildlife abounds.

Other development in the Route 60 Corridor, the area surrounding Conway Park, includes townhome, condominium and single family home developments completed over the last 10 to 15 years with some buildout still underway.

### Looking Forward

Although Lake Forest is considered to be a nearly built out community, development continues and opportunities for redevelopment are plentiful. Buildout continues on several single family and townhome developments in the community: Willow Lake, Kelmscott Park, Westleigh Farm, Oak Knoll Woodlands and The Preserve at Westleigh. Additional multi-family residential units are planned in and around the Central Business District. Demand for housing in the core area of the City remains high especially for high quality products. Local institutions - schools, churches, private clubs, Lake Forest College and Northwestern Lake Forest Hospital - continually upgrade their facilities. Construction of a new hotel is underway in Conway Park. Commercial buildings in the Central Business District are undergoing or planned for upgrades.

### **Municipal and Other Governmental Services**

The governing and legislative body of the City is the Council composed of a Mayor (elected bi-annually on an at-large basis) and two aldermen from each of four wards who are each eligible to serve three, two-year terms. Pursuant to an ordinance adopted in 1956, a professional City Manager is responsible for the day-to-day operations of the City and its 210 full-time employees (excluding Library employees). The employees in a collective bargaining unit include 30 police officers, 55 public works/parks employees and 27 fire fighters/fire lieutenants. The City's Police and Fire departments include 40 uniformed police and 33 uniformed fire personnel. The excellence of the Fire Department is highlighted by the City's Class 3 fire insurance rating which exceeds that of over 90% of the fire departments/districts in the State of Illinois. Some of the municipal services provided for and funded out of the tax rate include: the public library (approximately 15,460 registered borrowers); twice weekly backdoor refuse pick-up and paramedic service (since 1974).

Unlike many other communities, the Parks and Recreation Department is part of the City, not a separate taxing body. With support from the Friends of the Park Foundation, the City recently completed an updated Park Master Plan. The Plan assessed all existing park and recreational facilities, identified current and future needs based in part on public input and recommends and prioritizes improvements to existing facilities and parks, and new facilities. The Plan includes cost estimates and recommends fiscally responsible phasing options for achieving the desired enhancements. The City's parks facilities include a 145 acre 18 hole golf course, 14 community and neighborhood parks with a total acreage of 493 acres, a ½ mile expanse of public beach with swimming and sailing and six recreation facilities: Stirling Hall Arts Center, Kinderhaven Preschool, the Wildlife Discovery Center at Elawa Farm, the Everett fieldhouse, various park pavilions and the Community Recreation Center which houses the Fitness Center.

Through various agreements, the City provides services to a number of adjacent communities. The City provides ambulance transport, building inspection and plan review, youth and senior services to the Village of Lake Bluff. On a contractual basis, the City provides building inspection and plan review services to the Village of Bannockburn. A recently implemented intergovernmental agreement provides for fire and ambulance services to be provided to residents of the Knollwood Fire Protection District cooperatively with the Village of Libertyville. The City has also recently begun providing water plant operation services to the City of Highwood. In 2014, the City implemented an intergovernmental agreement with the villages of Glenview and Lake Bluff, as well as the cities of Highland Park and Highwood, for the provision of dispatch services. These agreements help to ensure that services are provided to the residents of Lake Forest in the most cost-effective and fiscally sustainable manner.

The City draws water for its plant from Lake Michigan. Proceeds of the Series 2001A Bonds were used to pay the cost of engineering studies for improvements to the water system. The proceeds of the \$26,000,000 Series 2002A Bonds were used for water and sewer system improvements, including water treatment plant improvements, a 36-inch transmission main and certain sanitary sewers. The Series 2003C Bonds were used for various water and sanitary sewer system improvements. The Water Plant Improvement Project included the installation of a state of the art membrane filtration system (the first water plant to have such technology in Illinois), the replacement of both high lift and low lift pumps, the installation of electrical switch gear, and a new back-up power supply. Water began pumping from the new plant at the end of April, 2004. The back-up power supply and HVAC improvements were completed by October, 2004. In 2017, the City issued \$9.295 million in bonds to fund further improvements and provide increased capacity at the City's Water Treatment Plant. Taking advantage of new technology, a new membrane system was designed and installed with a 14 million-gallon-per-day capacity. These improvements were completed in 2019.

The City's Comprehensive Annual Financial Report has been awarded the Certificate of Achievement for Excellence in Financial Reporting by the Governmental Finance Officers' Association (GFOA) of the United States and Canada, for the City's FY1979-2018 reports. The significance of the GFOA's award is emphasized by their statement: "The Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting and its attainment represents a significant accomplishment by a governmental unit and its management." The City annually prepares a "Comprehensive Fiscal Plan" which includes: Operating and Capital Budgets for the current year; a Five-Year Financial Analysis and Plan; and a Five-Year Projection for Personnel, Capital Investment and Equipment costs. The City has received the GFOA's Distinguished Budget Presentation Award for its FY2017-2019 Budget documents. The City has an independent Audit Committee consisting of Council members and residents having expertise in the area of financial administration and auditing that serves as an oversight body on behalf of the City Council. The City has been self-insured since 1981 through participation with the Intergovernmental Risk Management Agency (IRMA), which is a proprietary venture established to manage and fund claims for its 70 member municipalities and special districts.

## **Schools/Hospitals**

Lake Forest School District No. 67, which serves nearly the City's entire tax base, has a current enrollment of 1,689 students. The District operates three K-4 schools and one middle school for grades 5-8. The Lake Forest Community High School District No. 115 serves Lake Forest, Lake Bluff, and surrounding unincorporated areas including Knollwood. The Lake Forest High School District has an enrollment of approximately 1,600. Private primary and secondary schools are also located in Lake Forest providing educational options for not only Lake Forest residents but also attracting students from around the country and the world - Woodlands Academy, Lake Forest Academy, Lake Forest Country Day School and St. Mary's School.

The City's diverse and strong educational institutions continue to grow, upgrade and adapt in response to education trends. Lake Forest College (enrollment 1,528), a private liberal arts college was established even before the City itself. The College continually upgrades residence halls and academic buildings, most recently completing a new science complex representing a \$40 million dollar investment in the campus. The science complex offers state of the art laboratories, research facilities and classrooms. Although focused on liberal arts, science and technology are integrated into many disciplines and the new facility will position the College well to attract talented students as well as faculty. A new academic classroom wing and athletic field upgrades are in the planning stages.



The new Northwestern Lake Forest Hospital opened in March 2018 after an investment of \$180,000,000. Discussions are underway for future phases of development of the hospital campus. The hospital is serving a broad region of Lake County providing routine and specialty services in a community hospital setting.

## SOCIOECONOMIC INFORMATION

The following statistics pertain principally to the City. Additional comparisons are made with Lake County (the “County”) and the State of Illinois (the “State”).

### Employment

Following are lists of large employers located in the City and in the surrounding area.

#### Major City Employers(1)

<u>Name</u>	<u>Product/Service</u>	<u>Approximate Employment</u>
Northwestern Lake Forest Hospital.....	General Medical and Surgical Hospital.....	1,510
Pfizer.....	Pharmaceuticals.....	—
Abbott.....	Healthcare Products.....	779
Trustmark Companies.....	Health and Life Insurance Benefits and Administration.....	750
Lake Forest College.....	Higher Education.....	439 (2)
Pactiv LLC.....	Corporate Headquarters and Specialty Packaging Products.....	388
Lake Forest Community High School District No. 115...	Secondary Education.....	350 (3)
Lake Forest School District No. 67.....	Elementary Education.....	303
Packaging Corp. of America.....	Corporate Headquarters and Containerboard and Corrugated Packaging.....	298
City of Lake Forest.....	Municipal Government.....	210

- Notes: (1) Source: the City, the 2019 Illinois Manufacturers Directory and the 2019 Illinois Services Directory.  
 (2) Excludes student employees.  
 (3) Excludes coaches, community education employees and student employees.

#### Major Area Employers(1)

<u>Location</u>	<u>Name</u>	<u>Product/Service</u>	<u>Approximate Employment</u>
North Chicago.....	Great Lakes Naval Training Center.....	Department of the Navy.....	11,000 (2)
Deerfield.....	Walgreens Boots Alliance.....	Holding Company.....	6,500
North Chicago.....	AbbVie, Inc. ....	Pharmaceutical Manufacturing.....	3,400
Riverwoods.....	Discover Financial Services, LLC.....	Company Headquarters and Financial Services.....	3,000
Deerfield.....	Walgreen Company.....	Drug Stores Corporate Office.....	2,500
Vernon Hills.....	Hawthorn Shopping Center.....	Shopping Center.....	2,500
Waukegan.....	Lake County.....	Government.....	2,345
Libertyville.....	Advocate Condell Medical Center.....	Acute Care Hospital & Health Network.....	2,200
Multiple.....	W. W. Grainger, Inc.....	Corporate headquarters and Wholesaler of Industrial Equipment and Supplies.....	2,031
Grayslake.....	College of Lake County.....	Community College.....	1,818
Deerfield.....	Baxter Healthcare Corp.....	Medical and Hospital Equipment.....	1,700
Lincolnshire.....	HydraForce, Inc. ....	Hydraulic Valves.....	1,100
Deerfield.....	Takeda Pharmaceuticals North America, Inc....	Corporate Headquarters and Pharmaceutical Preparations....	1,000
Mundelein.....	Medline Industries, Inc.....	Medical Products and Garments.....	900
Lincolnshire.....	Zebra Technologies.....	Company Headquarters and Bar Code Label, Card and Receipt Printers.....	900
Lake Bluff.....	Mariani Landscape.....	Landscape Design and Building Maintenance.....	764
North Chicago.....	Abbott Laboratories, Inc.....	Medical Diagnostic Products.....	500
Vernon Hills.....	American Hotel Register Co.....	Hotel Hospitality Supply Sales and Distribution.....	500
Libertyville.....	Hollister Incorporated.....	Corporate Headquarters and Health Care Products.....	400
Vernon Hills.....	Mitsubishi Electric Automation, Inc.....	Programmable Electronic Components.....	400

- Notes: (1) Source: 2019 Illinois Manufacturers Directory and the 2019 Illinois Services Directory.  
 (2) Includes civilian and military personnel.

The following tables show employment by industry and by occupation for the City, Lake County (the “County”) and the State of Illinois (the “State”) as reported by the U.S. Census Bureau 2013-2017 American Community Survey 5-year estimated values.

### Employment By Industry(I)

Classification	The City		The County		The State	
	Number	Percent	Number	Percent	Number	Percent
Agriculture, Forestry, Fishing and Hunting, and Mining.....	9	0.1%	958	0.3%	65,813	1.1%
Construction.....	193	2.4%	16,952	4.9%	323,578	5.2%
Manufacturing.....	835	10.3%	56,880	16.4%	762,175	12.3%
Wholesale Trade.....	532	6.6%	15,899	4.6%	190,916	3.1%
Retail Trade.....	737	9.1%	39,893	11.5%	669,300	10.8%
Transportation and Warehousing, and Utilities.....	145	1.8%	12,783	3.7%	378,576	6.1%
Information.....	246	3.0%	6,549	1.9%	120,295	1.9%
Finance and Insurance, and Real Estate and Rental and Leasing.....	1,171	14.5%	27,637	7.9%	451,556	7.3%
Professional, Scientific, and Management, Administrative, and Waste Management Services.....	1,669	20.6%	48,970	14.1%	722,129	11.7%
Educational Services and Health Care and Social Assistance....	1,697	21.0%	67,304	19.4%	1,416,064	22.9%
Arts, Entertainment and Recreation and Accommodation and Food Services.....	475	5.9%	30,229	8.7%	561,894	9.1%
Other Services, Except Public Administration.....	286	3.5%	14,674	4.2%	292,409	4.7%
Public Administration.....	88	1.1%	9,064	2.6%	226,948	3.7%
Total.....	8,083	100.0%	347,792	100.0%	6,181,653	100.0%

Note: (1) Source: U.S. Bureau of the Census, American Community Survey 5-year estimates 2013 to 2017.

### Employment By Occupation(I)

Classification	The City		The County		The State	
	Number	Percent	Number	Percent	Number	Percent
Management, Business, Science, and Art.....	5,155	63.8%	147,219	42.3%	2,321,710	37.6%
Service.....	605	7.5%	53,272	15.3%	1,067,320	17.3%
Sales and Office.....	2,004	24.8%	86,344	24.8%	1,481,082	24.0%
Natural Resources, Construction, and Maintenance.....	109	1.3%	20,573	5.9%	446,857	7.2%
Production, Transportation, and Material Moving .....	210	2.6%	40,384	11.6%	864,684	14.0%
Total.....	8,083	100.0%	347,792	100.0%	6,181,653	100.0%

Note: (1) Source: U.S. Bureau of the Census, American Community Survey 5-year estimates 2013 to 2017.

Unemployment rates for the City are well below the County and the State levels, as shown below.

### Annual Average Unemployment Rates(I)

Calendar Year	The City	The County	The State
2009 .....	5.7%	9.8%	10.0%
2010 .....	6.3%	10.5%	10.3%
2011 .....	5.6%	9.4%	9.8%
2012 .....	5.3%	8.7%	8.9%
2013 .....	7.1%	8.7%	9.2%
2014 .....	5.4%	6.5%	7.1%
2015 .....	4.7%	5.5%	5.9%
2016 .....	N/A	5.2%	5.9%
2017 .....	3.5%	4.4%	4.7%
2018 .....	4.0%	4.5%	4.3%
2019(2) .....	N/A	4.5%	4.0%

Notes: (1) Source: Illinois Department of Employment Security and the City.  
 (2) For the month of April, 2019.

## Building Permits

### City Building Permits(1)

Fiscal Year	Building Permits Issued	Residential Construction	Commercial Construction
2009.....	3,142	23	3
2010.....	2,610	4	1
2011.....	3,072	8	2
2012.....	3,451	11	1
2013.....	3,197	7	2
2014.....	3,418	17	1
2015.....	3,668	15	1
2016.....	3,855	51	1
2017.....	3,632	21	1
2018.....	3,753	9	4
2019.....	4,275	13	0

Note: (1) Source: the City.

## Housing

The U.S. Census Bureau 5-year estimated values reported that the median value of the City's owner-occupied homes was \$425,800. This compares to \$251,400 for the County and \$179,700 for the State. The following table represents the five year average market value of specified owner-occupied units for the City, the County and the State at the time of the 2013-2017 American Community Survey.

### Home Values(1)

Value	The City		The County		The State	
	Number	Percent	Number	Percent	Number	Percent
Under \$50,000.....	66	1.1%	6,432	3.6%	231,604	7.3%
\$50,000 to \$99,999.....	39	0.7%	14,702	8.2%	501,389	15.7%
\$100,000 to \$149,999.....	51	0.9%	23,020	12.8%	516,996	16.2%
\$150,000 to \$199,999.....	23	0.4%	26,077	14.5%	514,629	16.2%
\$200,000 to \$299,999.....	235	4.0%	35,557	19.8%	653,765	20.5%
\$300,000 to \$499,999.....	744	12.6%	37,983	21.2%	505,831	15.9%
\$500,000 to \$999,999.....	2,444	41.5%	29,097	16.2%	209,287	6.6%
\$1,000,000 or more.....	2,281	38.8%	6,657	3.7%	51,641	1.6%
Total.....	5,883	100.0%	179,525	100.0%	3,185,142	100.0%

Note: (1) Source: U.S. Bureau of the Census, American Community Survey 5-year estimates 2013 to 2017.

### Mortgage Status(1)

	The City		The County		The State	
	Number	Percent	Number	Percent	Number	Percent
Housing Units with a Mortgage.....	3,728	63.4%	125,508	69.9%	2,052,491	64.4%
Housing Units Without a Mortgage...	2,155	36.6%	54,017	30.1%	1,132,651	35.6%
Total.....	5,883	100.0%	179,525	100.0%	3,185,142	100.0%

Note: (1) Source: U.S. Bureau of the Census, American Community Survey 5-year estimates 2013 to 2017.

**Income**

**Per Capita Personal Income  
 for the Highest Income Counties in the State(1)**

<u>Rank</u>		<u>2013-2017</u>
1	<b>Lake County</b>	<b>\$42,388</b>
2	DuPage County	42,050
3	Monroe County	37,043
4	McHenry County	36,208
5	Woodford County	34,198
6	Will County	33,731
7	Cook County	33,722
8	Putnam County	33,697
9	Piatt County	33,672
10	Kane County	33,486
11	Kendall County	33,369
12	Sangamon County	33,277

Note: (1) Source: U. S. Bureau of the Census. 2013-2017 American Community 5-Year Estimates.

The following shows the median family income for counties in the Chicago metropolitan area.

**Ranking of Median Family Income(1)**

<u>County</u>	<u>Family Income</u>	<u>Rank</u>
DuPage County	\$103,731	1
<b>Lake County</b>	<b>100,965</b>	<b>2</b>
Kendall County	97,105	3
McHenry County	94,995	4
Will County	93,727	5
Kane County	87,818	7
Cook County	73,012	21

Note: (1) Source: U. S. Bureau of the Census, American Community Survey, 2013-2017 estimates.

The U.S. Census Bureau 5-year estimated values reported that the City had a median family income of \$212,364. This compares to \$100,965 for the County and \$76,533 for the State. The following table represents the distribution of family incomes for the City, the County and the State at the time of the 2013-2017 American Community Survey.

**Family Income(1)**

<u>Value</u>	<u>The City</u>		<u>The County</u>		<u>The State</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Under \$10,000	69	1.3%	4,889	2.7%	126,456	4.0%
\$10,000 to \$14,999	27	0.5%	2,769	1.5%	75,208	2.4%
\$15,000 to \$24,999	71	1.4%	7,489	4.2%	197,736	6.3%
\$25,000 to \$34,999	37	0.7%	8,667	4.8%	227,565	7.3%
\$35,000 to \$49,999	231	4.5%	16,065	8.9%	354,977	11.4%
\$50,000 to \$74,999	332	6.5%	26,204	14.6%	550,434	17.6%
\$75,000 to \$99,999	365	7.1%	22,912	12.8%	452,377	14.5%
\$100,000 to \$149,999	642	12.5%	36,124	20.1%	584,593	18.7%
\$150,000 to \$199,999	653	12.7%	21,474	12.0%	266,120	8.5%
\$200,000 or more	<u>2,702</u>	<u>52.7%</u>	<u>33,090</u>	<u>18.4%</u>	<u>287,025</u>	<u>9.2%</u>
Total	5,129	100.0%	179,683	100.0%	3,122,491	100.0%

Note: (1) Source: U. S. Bureau of the Census, American Community Survey 5-year estimates 2013 to 2017.

The U.S. Census Bureau 5-year estimated values reported that the City had a median household income of \$169,122. This compares to \$82,613 for the County and \$61,229 for the State. The following table represents the distribution of household incomes for the City, the County and the State at the time of the 2013-2017 American Community Survey.

### Household Income(1)

Value	The City		The County		The State	
	Number	Percent	Number	Percent	Number	Percent
Under \$10,000.....	198	2.9%	10,052	4.1%	331,315	6.9%
\$10,000 to \$14,999.....	100	1.5%	6,123	2.5%	204,278	4.2%
\$15,000 to \$24,999.....	248	3.7%	15,922	6.5%	446,453	9.3%
\$25,000 to \$34,999.....	162	2.4%	16,144	6.6%	425,803	8.8%
\$35,000 to \$49,999.....	377	5.6%	25,711	10.5%	593,198	12.3%
\$50,000 to \$74,999.....	545	8.0%	38,400	15.7%	836,760	17.4%
\$75,000 to \$99,999.....	533	7.9%	30,128	12.3%	613,614	12.7%
\$100,000 to \$149,999.....	852	12.6%	42,406	17.3%	724,960	15.0%
\$150,000 to \$199,999.....	724	10.7%	23,876	9.8%	311,141	6.5%
\$200,000 or more.....	<u>3,048</u>	<u>44.9%</u>	<u>35,761</u>	<u>14.6%</u>	<u>330,930</u>	<u>6.9%</u>
Total.....	6,787	100.0%	244,523	100.0%	4,818,452	100.0%

Note: (1) Source: U.S. Bureau of the Census, American Community Survey 5-year estimates 2013 to 2017.

### Retail Activity

The table below shows certain sales tax receipts collected by the City as an indicator of commercial activity.

### Retailers' Occupation, Service Occupation and Use Tax(1)

State Fiscal Year Ending June 30	State Sales Tax Distribution(2)	Annual Change + (-) (3)
2010.....	\$2,519,529	(15.22%)
2011.....	2,414,327	(4.18%)
2012.....	2,406,211	(0.34%)
2013.....	2,596,446	7.91%
2014.....	2,834,067	9.15%
2015.....	2,756,064	(2.75%)
2016.....	2,671,045	(3.08%)
2017.....	2,615,634	(2.07%)
2018.....	2,534,709	(3.09%)
2019.....	2,362,502	(6.79%)
Growth from 2010 to 2019.....		(6.23%)

Notes: (1) Source: Illinois Department of Revenue.  
 (2) Tax distributions are based on records of the Illinois Department of Revenue relating to the 1% municipal portion of the Retailers' Occupation, Service Occupation and Use Tax, collected on behalf of the City, less a State administration fee. The municipal 1% includes tax receipts from the sale of food and drugs which are not taxed by the State. Includes Home Rule Sales Taxes.  
 (3) The 2010 percentage is based on 2009 sales tax receipts of \$2,971,996.

## PLAN OF FINANCING

Proceeds of the Bonds will be used to refund certain of the City’s outstanding General Obligation Bonds, Series 2009 (the “Series 2009 Bonds”); Taxable General Obligation Bonds, Series 2010B (Recovery Zone Economic Development Bonds-Direct Payment) (the “2010B Bonds”); Taxable General Obligation Bonds, Series 2010C (Build America Bonds-Direct Payment) (the “Series 2010C Bonds”); and General Obligation Refunding Bonds, Series 2011B (the “Series 2011B Bonds”) (collectively, the “Refunded Bonds”), further described as follows:

### Series 2009 Bonds

<u>Maturities</u>	<u>Outstanding Amount</u>	<u>Amount Refunded</u>	<u>Redemption Price</u>	<u>Redemption Date</u>
12/15/2019 .....	\$ 190,000	\$ 0	N/A	N/A
12/15/2020 .....	200,000	200,000	100.00%	1/20/20
12/15/2021 .....	205,000(1)	205,000	100.00%	1/20/20
12/15/2022 .....	215,000	215,000	100.00%	1/20/20
12/15/2023 .....	225,000(1)	225,000	100.00%	1/20/20
12/15/2024 .....	235,000	235,000	100.00%	1/20/20
12/15/2025 .....	245,000(1)	245,000	100.00%	1/20/20
12/15/2026 .....	255,000	255,000	100.00%	1/20/20
12/15/2027 .....	265,000(1)	265,000	100.00%	1/20/20
12/15/2028 .....	280,000	280,000	100.00%	1/20/20
Total .....	<u>\$2,315,000</u>	<u>\$2,125,000</u>		

### Series 2010B Bonds

<u>Maturities</u>	<u>Outstanding Amount</u>	<u>Amount Refunded</u>	<u>Redemption Price</u>	<u>Redemption Date</u>
12/15/2029 .....	\$ 540,000(1)	\$ 540,000	100.00%	1/20/20
12/15/2030 .....	780,000(1)	780,000	100.00%	1/20/20
12/15/2031 .....	820,000(1)	820,000	100.00%	1/20/20
12/15/2032 .....	860,000	860,000	100.00%	1/20/20
Total .....	<u>\$3,000,000</u>	<u>\$3,000,000</u>		

### Series 2010C Bonds

<u>Maturities</u>	<u>Outstanding Amount</u>	<u>Amount Refunded</u>	<u>Redemption Price</u>	<u>Redemption Date</u>
12/15/2019 .....	\$ 215,000	\$ 0	N/A	N/A
12/15/2020 .....	405,000	405,000	100.00%	1/20/20
12/15/2021 .....	415,000	415,000	100.00%	1/20/20
12/15/2022 .....	425,000	425,000	100.00%	1/20/20
12/15/2023 .....	435,000	435,000	100.00%	1/20/20
12/15/2024 .....	445,000	445,000	100.00%	1/20/20
12/15/2025 .....	460,000	460,000	100.00%	1/20/20
12/15/2026 .....	475,000	475,000	100.00%	1/20/20
12/15/2027 .....	490,000(1)	490,000	100.00%	1/20/20
12/15/2028 .....	490,000(1)	490,000	100.00%	1/20/20
12/15/2029 .....	240,000	240,000	100.00%	1/20/20
Total .....	<u>\$4,495,000</u>	<u>\$4,280,000</u>		

(1) Mandatory sinking fund payment.

**Series 2011B Bonds**

<u>Maturities</u>	<u>Outstanding Amount</u>	<u>Amount Refunded</u>	<u>Redemption Price</u>	<u>Redemption Date</u>
12/15/2019 .....	\$ 2,400,000	\$ 0	N/A	N/A
12/15/2020 .....	2,470,000	2,470,000	100.00%	1/20/20
12/15/2021 .....	2,530,000	2,530,000	100.00%	1/20/20
12/15/2022 .....	2,605,000	2,605,000	100.00%	1/20/20
12/15/2023 .....	1,870,000	1,870,000	100.00%	1/20/20
Total.....	\$11,875,000	\$9,475,000		

Certain proceeds received from the sale of the Bonds will be deposited in an escrow account (the “Escrow Account”) to be held by Amalgamated Bank of Chicago, Chicago, Illinois (the “Escrow Agent”), under the terms of an escrow letter agreement, dated as of the date of issuance of the Bonds, between the City and the Escrow Agent. The moneys so deposited in the Escrow Account will be held in cash or applied by the Escrow Agent to purchase direct non-callable obligations of, or obligations guaranteed by the full faith and credit of, the United States of America (the “Government Securities”) and to provide an initial cash deposit. The Government Securities, together with interest earnings thereon, and the initial cash deposit will be sufficient to pay when due (i) the principal of the Refunded Bonds on the redemption date, and (ii) interest on the Refunded Bonds up to and including the redemption date thereof. The Series 2010B Bonds and Series 2010C Bonds were issued as direct pay-recovery zone economic development bonds and direct pay-build America bonds. As such, the City receives a federal subsidy equal to 45% of the interest payable on such recovery zone economic development bonds and a federal subsidy equal to 35% of the interest payable on such build America bonds, less any sequestration (collectively, the “Subsidy Payments”). The purpose of the refunding of the Refunded Bonds is to realize debt service savings, net of the amount of Subsidy Payments which the City expects to receive from the U.S. Treasury with respect to interest payments due on the Series 2010B Bonds and Series 2010C Bonds.

The remaining proceeds of the Bonds will be used to pay the costs of issuing the Bonds.

**RISK FACTORS**

The purchase of the Bonds involves certain investment risks. Accordingly, each prospective purchaser of the Bonds should make an independent evaluation of the entirety of the information presented in this Official Statement and its appendices and exhibits in order to make an informed investment decision. Certain of the investment risks are described below. The following statements, however, should not be considered a complete description of all risks to be considered in the decision to purchase the Bonds, nor should the order of the presentation of such risks be construed to reflect the relative importance of the various risks. There can be no assurance that other risk factors are not material or will not become material in the future.

**Finances of the State of Illinois**

The State has experienced adverse fiscal conditions resulting in significant shortfalls between the State’s general fund revenues and spending demands. The State failed to enact a full budget for the State fiscal years ending June 30, 2016, and June 30, 2017, which had a significant, negative impact on the State’s finances, although certain spending occurred through statutory transfers, statutory continuing appropriations, court orders and consent decrees, including spending for elementary and secondary education. In addition, the underfunding of the State’s pension systems and a bill backlog of billions of dollars contributed to the State’s poor financial health. On July 6, 2017, the General Assembly of the State (the “General Assembly”) enacted a budget (the “Fiscal Year 2018 Budget”) for the State fiscal year ending June 30, 2018 (the “State Fiscal Year 2018”), overriding the Governor’s veto. On May 31, 2018, the General Assembly passed a budget (the “Fiscal Year 2019 Budget”) for the State for fiscal year ending June 30, 2019 (the “State Fiscal Year 2019”), and on June 4, 2018, the Governor approved the same. On June 1, 2019, the General Assembly passed a budget (the “Fiscal Year 2020 Budget”) for the State for fiscal year ending June 30, 2020 (the “State Fiscal Year 2020”), and on June 5, 2019, the Governor approved the same.

Under current law, the State shares a portion of sales tax, income tax and motor fuel tax revenue with municipalities, including the City. The State's general fiscal condition and the underfunding of the State's pension systems have materially adversely affected the State's financial condition and may result in decreased or delayed revenues allocated to the City. In addition, the Fiscal Year 2018 Budget, the Fiscal Year 2019 Budget and the Fiscal Year 2020 Budget contain a provision reducing the amount of income tax revenue to be deposited into the Local Government Distributive Fund for distribution to municipalities, like the City, by 10% for State Fiscal Year 2018 and by 5% for State Fiscal Year 2019 and State Fiscal Year 2020. The Fiscal Year 2018 Budget, the Fiscal Year 2019 Budget and the Fiscal Year 2020 Budget also include a service fee for collection and processing of locally-imposed sales taxes, such as the Pledged Revenues for the Sales Tax Bonds. Such fee was 2.0% of such sales taxes for State Fiscal Year 2018 and was reduced to 1.5% of such sales taxes for State Fiscal Year 2019 and State Fiscal Year 2020. Such provisions result in lower income tax revenues and sales tax revenues distributed by the State to the City. The City cannot determine at this time the financial impact of these provisions on its overall financial condition but such provisions may result in lower income tax revenues and sales tax revenues distributed to the City.

The City can give no assurance that there will not be additional changes in applicable law modifying the manner in which local revenue sharing is allocated by the State.

### **Future Pension Plan Funding Requirements**

The City participates in the Police Pension Plan and the Fire Pension Plan, both as hereinafter defined. Under the Illinois Pension Code, as amended (the "Pension Code"), the City is required to contribute to each plan in order to achieve a Funded Ratio of 90% by 2040. In order to achieve the 90% Funded Ratio for both plans by 2040, it is expected that the annual employer contributions required by the City will increase over time. The City also participates in the Illinois Municipal Retirement Plan (the "IMRF Plan"), which is a defined benefit pension plan administered by the Illinois Municipal Retirement Fund ("IMRF"); employer contributions are projected by the IMRF to increase over time. Increasing annual required employer contributions for the City could have a material adverse effect on the finances of the City.

The Pension Code allows the State Comptroller, after proper procedures have taken place, to divert State payments intended for the City, which include Pledged Revenues for the Sales Tax Bonds, to the Police Pension Plan and the Fire Pension Plan to satisfy contribution shortfalls by the City. If the City does not make 100% of its annual required contributions to the Police Pension Plan and Fire Pension Plan, the City may have revenues withheld by the State Comptroller, which include Pledged Revenues. Such withholdings by the State Comptroller could adversely affect the City's financial health and operations. See **"EMPLOYEE RETIREMENT AND OTHER POSTEMPLOYMENT BENEFITS OBLIGATIONS"** herein for a more complete discussion.

### **Cybersecurity**

Computer networks and data transmission and collection are vital to the efficient operation of the City. Despite the implementation of network security measures by the City, its information technology and infrastructure may be vulnerable to deliberate attacks by hackers, malware, ransomware or computer virus, or may otherwise be breached due to employee error, malfeasance or other disruptions. Any such breach could compromise networks and the information stored thereon could be disrupted, accessed, publicly disclosed, lost or stolen. Although the City does not believe that its information technology systems are at a materially greater risk of cybersecurity attacks than other similarly-situated governmental entities, any such disruption, access, disclosure or other loss of information could have an adverse effect on the City's operations and financial health. Further, as cybersecurity threats continue to evolve, the City may be required to expend significant additional resources to continue to modify and strengthen security measures, investigate and remediate any vulnerabilities, or invest in new technology designed to mitigate security risks.



## **Local Economy**

The financial health of the City is in part dependent on the strength of the local economy. Many factors affect the local economy, including rates of employment and economic growth and the level of residential and commercial development. It is not possible to predict to what extent any changes in economic conditions, demographic characteristics, population or commercial and industrial activity will occur and what impact such changes would have on the finances of the City.

## **Declining Equalized Assessed Valuations**

The amount of property taxes extended for the City is determined by applying the various operating tax rates and the bond and interest tax rate levied by the City to the City's Equalized Assessed Valuation ("EAV"). The City's EAV could decrease for a number of reasons including, but not limited to, a decline in property values or large taxpayers moving out of the City. As detailed below, the City's EAV has declined in four of the most recent five years. Declining EAVs and increasing tax rates (certain of which may reach their rate ceilings) could reduce the amount of taxes the City is able to receive.

## **Loss or Change of Bond Rating**

A credit rating for the Bonds has been requested from Moody's Investors Service, New York, New York ("Moody's"). The rating can be changed or withdrawn at any time for reasons both under and outside the City's control. Any change, withdrawal or combination thereof could adversely affect the ability of investors to sell the Bonds or may affect the price at which they can be sold.

## **Secondary Market for the Bonds**

No assurance can be given that a secondary market will develop for the purchase and sale of the Bonds or, if a secondary market exists, that such Bonds can be sold for any particular price. The Underwriter is not obligated to engage in secondary market trading or to repurchase any of the Bonds at the request of the owners thereof.

Prices of the Bonds as traded in the secondary market are subject to adjustment upward and downward in response to changes in the credit markets and other prevailing circumstances. No guarantee exists as to the future market value of the Bonds. Such market value could be substantially different from the original purchase price.

## **Continuing Disclosure**

A failure by the City to comply with the Undertaking for continuing disclosure (see "**CONTINUING DISCLOSURE**" and "**APPENDIX E - FORM OF CONTINUING DISCLOSURE UNDERTAKING**" herein) will not constitute an event of default on the Bonds. Any such failure must be reported in accordance with Rule 15c2-12 (the "Rule") adopted by the Securities and Exchange Commission (the "Commission") under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and may adversely affect the transferability and liquidity of the Bonds and their market price.

## **Suitability of Investment**

The interest rate borne by the Bonds is intended to compensate the investor for assuming the risk of investing in the Bonds. Each prospective investor should carefully examine this Official Statement and its own financial condition to make a judgment as to its ability to bear the economic risk of such an investment, and whether or not the Bonds are an appropriate investment for such investor.

## **Future Changes in Laws**

Various state and federal laws, regulations and constitutional provisions apply to the City and to the Bonds. The City can give no assurance that there will not be a change in, interpretation of, or addition to such applicable laws, provisions and regulations which would have a material effect, either directly or indirectly, on the City, or the taxing authority of the City. For example, many elements of local government finance, including the issuance of debt and the levy of property taxes, are controlled by state government. Future actions of the State may affect the overall financial conditions of the City, the taxable value of property within the City, and the ability of the City to levy property taxes or collect revenues for its ongoing operations.

## **Factors Relating to Tax Exemption**

As discussed under “**TAX EXEMPTION**” herein, interest on the Bonds could become includible in gross income for purposes of federal income taxation, retroactive to the date the Bonds were issued, as a result of future acts or omissions of the City in violation of its covenants in the Bond Ordinance. Should such an event of taxability occur, the Bonds are not subject to any special redemption.

There are or may be pending in the Congress of the United States (“Congress”) legislative proposals relating to the federal tax treatment of interest on the Bonds, including some that carry retroactive effective dates, that, if enacted, could affect the market value of the Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, it would apply to Bonds issued prior to enactment. Finally, reduction or elimination of the tax-exempt status of obligations such as the Bonds could have an adverse effect on the City’s ability to access the capital markets to finance future capital or operational needs by reducing market demand for such obligations or materially increasing borrowing costs of the City.

The tax-exempt bond office of the Internal Revenue Service (the “Service”) is conducting audits of tax-exempt bonds, both compliance checks and full audits, with increasing frequency to determine whether, in the view of the Service, interest on such tax-exempt obligations is includible in the gross income of the owners thereof for federal income tax purposes. It cannot be predicted whether the Service will commence any such audit. If an audit is commenced, under current procedures the Service may treat the City as a taxpayer and the Bondholders may have no right to participate in such proceeding. The commencement of an audit with respect to any tax-exempt obligations of the City could adversely affect the market value and liquidity of the Bonds, regardless of the ultimate outcome.

## **Bankruptcy**

The rights and remedies of the Bondholders may be limited by and are subject to the provisions of federal bankruptcy laws, to other laws or equitable principles that may affect the enforcement of creditors’ rights, to the exercise of judicial discretion in appropriate cases and to limitations on legal remedies against local governments. The various opinions of counsel to be delivered with respect to the Bonds will be similarly qualified.

## DEBT INFORMATION

After issuance of the Bonds and the refunding of the Refunded Bonds, the City will have outstanding \$48,475,000\* principal amount of general obligation bonded debt. Approximately 54% of this indebtedness, \$25,960,000\*, is expected to be repaid from sources other than City-wide property taxes, principally water system revenues and tax increment finance revenues. In addition, the City has \$764,069 aggregate principal amount of special service area bonds as of April 30, 2019. The City does not intend to issue additional debt in 2019.

The City voted to become a home rule unit under the 1970 Illinois Constitution in 2004 and, as such, has no statutory general obligation debt limit, is not required to seek referendum approval for the issuance of the Bonds, and has no statutory tax rate limitations for any purpose. The City Council, however, has pledged to abide by the “property tax cap” limitations of the Property Tax Extension Limitation Law (“PTELL”), unless: (i) the City Council has determined that a bona fide emergency or legal requirement dictates said increase, or (ii) that an advisory referendum has determined support with the City for said increase.

Pursuant to Ordinance Number 2013-070, the City is prohibited from levying property taxes to pay debt service on its general obligation bonds in an amount in excess of its 2004 debt service levy (as adjusted for Consumer Price Index increases) plus levies for capital improvements. The portion of the Bonds expected to be repaid from sources other than general property taxes (such portion of the Bonds is described below in the table **General Obligation Debt Outstanding - By Issue**) is not included in such prohibition. The City also agreed to abide by the “property tax cap” for the City’s aggregate levy in accordance with PTELL. The City may, however, 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 PTELL are used either: (a) for supplementing the City’s Capital Improvement Fund; or (b) to replace revenues lost because of changes in the amount of the State Revenue Sharing Moneys paid to the City.

When issued, the Bonds will meet the restrictions of the City self-imposed tax cap described above and consequently are full faith and credit general obligation bonds and all taxable property in the City is subject to the levy of taxes to pay the same without limitation as to rate or amount.

**Outstanding Bonded Debt(I)**  
 (Principal Only)

Fiscal Year	Series 2009	Series 2010B	Series 2010C	Series 2011A	Series 2011B	Series 2013	Series 2015	Series 2017	The Bonds (2)	Less: The Refunded Bonds	Total Bonded Debt (2)	Cumulative Retirement (2) Amount	Percent
April 30													
2020.....	\$ 190,000	\$ 0	\$ 215,000	\$130,000	\$ 2,400,000	\$ 350,000	\$ 305,000	\$ 0	\$ 0	\$ 0	\$ 3,590,000	\$ 3,590,000	7.41%
2021.....	200,000	0	405,000	140,000	2,470,000	430,000	305,000	0	2,870,000	(3,075,000)	3,745,000	7,335,000	15.13%
2022.....	205,000	0	415,000	0	2,530,000	435,000	340,000	0	2,975,000	(3,150,000)	3,750,000	11,085,000	22.87%
2023.....	215,000	0	425,000	0	2,605,000	440,000	355,000	0	3,105,000	(3,245,000)	3,900,000	14,985,000	30.91%
2024.....	225,000	0	435,000	0	1,870,000	450,000	370,000	515,000	2,415,000	(2,530,000)	3,750,000	18,735,000	38.65%
2025.....	235,000	0	445,000	0	0	460,000	385,000	525,000	620,000	(680,000)	1,990,000	20,725,000	42.75%
2026.....	245,000	0	460,000	0	0	475,000	405,000	535,000	650,000	(705,000)	2,065,000	22,790,000	47.01%
2027.....	255,000	0	475,000	0	0	480,000	410,000	550,000	675,000	(730,000)	2,115,000	24,905,000	51.38%
2028.....	265,000	0	490,000	0	0	495,000	435,000	565,000	695,000	(755,000)	2,190,000	27,095,000	55.89%
2029.....	280,000	0	490,000	0	0	930,000	650,000	580,000	710,000	(770,000)	2,870,000	29,965,000	61.82%
2030.....	0	540,000	240,000	0	0	960,000	695,000	590,000	640,000	(780,000)	2,885,000	32,850,000	67.77%
2031.....	0	780,000	0	0	0	1,085,000	740,000	610,000	675,000	(780,000)	3,110,000	35,960,000	74.18%
2032.....	0	820,000	0	0	0	1,120,000	705,000	630,000	715,000	(820,000)	3,170,000	39,130,000	80.72%
2033.....	0	860,000	0	0	0	1,125,000	720,000	645,000	755,000	(860,000)	3,245,000	42,375,000	87.42%
2034.....	0	0	0	0	0	0	1,530,000	665,000	0	0	2,195,000	44,570,000	91.94%
2035.....	0	0	0	0	0	0	330,000	685,000	0	0	1,015,000	45,585,000	94.04%
2036.....	0	0	0	0	0	0	340,000	710,000	0	0	1,050,000	46,635,000	96.20%
2037.....	0	0	0	0	0	0	350,000	730,000	0	0	1,080,000	47,715,000	98.43%
2038.....	0	0	0	0	0	0	0	760,000	0	0	760,000	48,475,000	100.00%
Total..	\$2,315,000	\$3,000,000	\$4,495,000	\$270,000	\$11,875,000	\$9,235,000	\$9,370,000	\$9,295,000	\$17,500,000	\$(18,880,000)	\$48,475,000		

Notes: (1) Source: the City.  
 (2) Subject to change.

**General Obligation Debt Outstanding - By Issue(I)**  
 (Principal Only)

	Amount
<u>Property Tax Supported</u>	
General Obligation Bonds, Series 2009.....	\$ 2,315,000
Taxable General Obligation Bonds, Series 2010B (Recovery Zone Economic Development Bonds - Direct Payment).....	3,000,000
Taxable General Obligation Bonds, Series 2010C (Build America Bonds - Direct Payment).....	4,495,000
General Obligation Refunding Bonds, Series 2013.....	9,235,000
General Obligation Bonds, Series 2015 - (Laurel Avenue Portion).....	4,460,000
The Bonds (Property Tax Supported) (2).....	8,415,000
Less the Refunded Bonds (Property Tax Supported).....	(9,405,000)
Total Property Tax Supported (2).....	\$22,515,000
<u>Self-Supporting</u>	
General Obligation Refunding Bonds, Series 2011A.....	\$ 270,000
General Obligation Refunding Bonds, Series 2011B.....	11,875,000
General Obligation Bonds, Series 2015 - (TIF Portion).....	4,910,000
General Obligation Bonds, Series 2017.....	9,295,000
The Bonds (Self-Supported) (2).....	9,085,000
Less the Refunded Bonds (Self-Supported).....	(9,475,000)
Total Self-Supporting (2).....	\$25,960,000

Notes: (1) Source: the City.  
 (2) Subject to change.

**Detailed Overlapping Bonded Debt(I)**  
 (As of September 10, 2019)

	Outstanding Debt	Applicable to City	
		Percent (2)	Amount
<b>Schools:</b>			
School District No. 67.....	\$ 1,410,000	99.92%	\$ 1,408,821
School District No. 103.....	5,565,000	0.01%	581
High School District No. 115.....	26,390,000	78.23%	20,644,096
Community College District No. 532.....	47,850,000	9.99%	4,779,436
Total Schools.....			<u>\$26,832,934</u>
<b>Others:</b>			
Lake County.....	\$167,340,000	9.50%	\$15,891,783
Lake County Forest Preserve District.....	237,880,000	9.50%	<u>22,598,600</u>
Total Others.....			<u>\$38,490,383</u>
Total Overlapping Debt.....			<u>\$65,323,317</u>

- Notes: (1) Source: Lake County Clerk.  
 (2) Overlapping percentages are based on 2018 EAVs, the most current available.

**Statement of Bonded Indebtedness(I)(2)**

	Amount Applicable	Ratio To		Per Capita (2010 Census 19,375)
		Equalized Assessed	Estimated Actual	
City EAV of Taxable Property, 2018.....	\$2,526,924,079	100.00%	33.33%	\$130,421.89
Estimated Actual Value, 2018.....	\$7,580,772,237	300.00%	100.00%	\$391,265.66
Total Direct Bonded Debt(3).....	\$ 48,475,000	1.92%	0.64%	\$ 2,501.94
Less: Self-Supporting Debt(3).....	<u>(25,960,000)</u>	<u>(1.03%)</u>	<u>(0.34%)</u>	<u>(1,339.87)</u>
Total Net Direct Bonded Debt(3).....	\$ 22,515,000	0.89%	0.30%	\$ 1,162.06
<b>Overlapping Bonded Debt:</b>				
Schools.....	\$ 26,832,934	1.06%	0.35%	\$ 1,384.93
Others.....	<u>38,490,383</u>	<u>1.52%</u>	<u>0.51%</u>	<u>1,986.60</u>
Total Overlapping Bonded Debt.....	\$ 65,323,317	<u>2.59%</u>	<u>0.86%</u>	<u>\$ 3,371.53</u>
Total Net Direct and Overlapping Bonded Debt(3).....	\$ 87,838,317	3.48%	1.16%	\$ 4,533.59

- Notes: (1) Source: Lake County Clerk.  
 (2) As of September 10, 2019 for Overlapping Bonded Debt and the date of issuance of the Bonds for Direct Bonded Debt.  
 (3) Subject to change.

**DEFAULT RECORD**

The City has no record of default and has met its debt repayment obligations promptly.

**SHORT-TERM BORROWING**

The City has not issued tax anticipation warrants or revenue anticipation notes during the last five years to meet its short-term current year cash flow requirements.

## PROPERTY ASSESSMENT AND TAX INFORMATION

For the 2018 levy year, the City's EAV was comprised of approximately 91% residential, 8% commercial, and less than 1% industrial, farm and railroad property valuations.

### City Equalized Assessed Valuation(1)(2)

Property Class	Levy Years				
	2014	2015	2016	2017	2018
Residential.....	\$2,047,958,906	\$2,105,361,682	\$2,226,672,717	\$2,309,650,453	\$2,305,181,606
Farm.....	4,001,932	4,080,940	4,338,665	4,543,630	4,683,551
Commercial.....	196,562,054	196,233,065	209,668,706	215,722,819	214,536,978
Industrial.....	61,541	46,548	49,445	51,936	52,832
Railroad.....	<u>1,844,203</u>	<u>2,213,824</u>	<u>2,252,508</u>	<u>2,298,064</u>	<u>2,469,112</u>
Total.....	\$2,250,468,636	\$2,307,936,059	\$2,442,982,041	\$2,532,266,902	\$2,526,924,079
Percent change +(-).....	(0.14%) (3)	2.55%	5.85%	3.65%	(0.21%)

- Notes: (1) Source: Lake County Clerk.  
 (2) Excludes the incremental valuation in the City's tax increment financing districts.  
 (3) Percentage based on 2013 Equalized Assessed Valuation of \$2,253,547,404.

There is one tax increment finance (TIF) district within the City. The levy year 2018 frozen EAV for such district was \$90,630, with a levy year 2018 current valuation of \$4,202,435. Only the frozen EAV is included in the table above.

### Representative Tax Rates Per \$100 of Equalized Assessed Valuation(1)

	Levy Years				
	2014	2015	2016	2017	2018
Bonds and Interest.....	\$0.090	\$0.067	\$0.059	\$0.061	\$0.066
Pensions (Police, Fire, IMRF).....	0.210	0.209	0.198	0.130	0.223
Library.....	0.172	0.170	0.162	0.161	0.165
Playgrounds and Recreation.....	0.212	0.214	0.205	0.285	0.207
Corporate Fund.....	0.590	0.619	0.603	0.600	0.617
Total Tax Rate.....	\$1.274	\$1.279	\$1.227	\$1.237	\$1.278
Lake County and Forest Preserve Dist.....	0.893	0.871	0.825	0.809	0.794
North Shore Sanitary Dist.....	0.169	0.166	0.157	0.153	0.153
Lake Forest Elementary School District No. 67.....	1.453	1.429	1.367	1.355	1.391
Lake Forest High School No. 115.....	1.448	1.409	1.329	1.314	1.336
Community College Dist. No. 532.....	0.306	0.299	0.285	0.281	0.282
All Other.....	<u>0.072</u>	<u>0.070</u>	<u>0.067</u>	<u>0.066</u>	<u>0.066</u>
Total (2).....	\$5.615	\$5.523	\$5.256	\$5.214	\$5.301
City as a Percent of Total.....	22.69%	23.17%	23.34%	23.72%	24.11%

- Notes: (1) Source: Lake County Clerk.  
 (2) Representative tax rate is for Shields Township Tax Code 14, which represents the largest portion of the City's 2018 Equalized Assessed Valuation.

### City Tax Extensions and Collections(I)

Levy Year	Coll. Year	Taxes Extensions	Total Collections	
			Amount	Percent
2009.....	2010.....	\$25,526,887	\$25,486,745	99.84%
2010.....	2011.....	26,348,093	26,312,509	99.86%
2011.....	2012.....	25,984,866	25,911,250	99.72%
2012.....	2013.....	27,299,981	27,199,369	99.63%
2013.....	2014.....	28,124,272	28,016,462	99.62%
2014.....	2015.....	28,673,693	28,622,736	99.82%
2015.....	2016.....	29,528,749	29,479,003	99.83%
2016.....	2017.....	29,970,699	29,839,889	99.56%
2017.....	2018.....	31,313,228	31,259,308	99.83%
2018.....	2019.....	32,299,902	-----In Collection-----	

Note: (1) Source: the City and the Lake County Treasurer.

### Major City Taxpayers(I)

Major Taxpayers	Business/Service	2018 EAV(2)
Hospira Inc.....	Corporate HQ and Surgical and Medical Instruments.....	\$16,646,512
Abbott Laboratories.....	Healthcare.....	14,228,372
Lake Forest Place LLC.....	Retirement Facility.....	12,809,495
Pactiv Corporation.....	Real Property.....	9,709,113
Northwestern Lake Forest Hospital.....	General Medical and Surgical Hospital.....	8,273,651
Lake Forest Landmark Company, LLC.....	Office Building.....	7,568,928
Lake Forest Investments LLC.....	Real Property.....	7,257,981
Riggs & Co. A Division of Riggs Banks NA.....	Real Property.....	6,162,364
Chicago Title Land and Trust.....	Real Property.....	5,917,948
Trustmark Insurance Co.....	Health and Life Insurance and Benefits Administration.....	5,782,755
Total.....		\$94,357,119
Ten Largest as a percent of 2018 EAV (\$2,526,924,079).....		3.73%

Notes: (1) Source: Lake County Clerk.  
 (2) Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers listed contain multiple parcels and it is possible that some parcels and their valuations have been overlooked. The 2018 EAV is the most current available.

## REAL PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION PROCEDURES

### Summary of Property Assessment, Tax Levy and Collection Procedures

A separate tax to pay the principal of and certain interest on the Bonds will be levied on all taxable real property within the City. The information under this caption describes the current procedures for real property assessments, tax levies and collections in the City. There can be no assurance that the procedures described herein will not change.

### Tax Levy and Collection Procedures

Local assessment officers determine the assessed valuation of taxable real property and railroad property not held or used for railroad operations. The Illinois Department of Revenue (the "Department") assesses certain other types of taxable property, including railroad property held or used for railroad operations. Local assessment officers' valuation determinations are subject to review at the county level and then, in general, to equalization by the Department. Such equalization is achieved by applying to each county's assessments a multiplier determined by the Department. The purpose of equalization is to provide a common basis of assessments among counties by adjusting assessments toward the statutory standard of 33-1/3% of fair cash value. Farmland is assessed according to a statutory formula which takes into account factors such as productivity and crop mix. Taxes are extended against the assessed values after equalization.

Property tax levies of each taxing body are filed in the office of the county clerk of each county in which territory of that taxing body is located. The county clerk computes the rates and amount of taxes applicable to taxable property subject to the tax levies of each taxing body and determines the dollar amount of taxes attributable to each respective parcel of taxable property. The county clerk then supplies to the appropriate collecting officials within the county the information needed to bill the taxes attributable to the various parcels therein. After the taxes have been collected, the collecting officials distribute to the various taxing bodies their respective shares of the taxes collected. Taxes levied in one calendar year are due and payable in two installments during the next calendar year. Taxes that are not paid when due, or that are not paid by mail and postmarked on or before the due date, are subject to a penalty of 1-1/2% per month until paid. Unpaid property taxes, together with penalties, interest and costs constitute a lien against the property subject to the tax.

## **Exemptions**

The Illinois Property Tax Code, as amended (the “Property Tax Code”), exempts certain property from taxation. Certain property is exempt from taxation on the basis of ownership and/or use, including, but not limited to, public parks, not-for-profit schools, public schools, churches, not-for-profit hospitals and public hospitals. In addition, the Property Tax Code provides a variety of homestead exemptions, which are discussed below.

An annual General Homestead Exemption provides that the EAV of certain property owned and used for residential purposes (“Residential Property”) may be reduced by the amount of any increase over the 1977 EAV, up to a maximum reduction of \$6,000 for tax year 2012 and thereafter.

The Homestead Improvement Exemption applies to Residential Property that has been improved and to properties that have been rebuilt in the two years following a catastrophic event, as defined in the Property Tax Code. The exemption is limited to an annual maximum amount of \$75,000 for up to four years, to the extent the assessed value is attributable solely to such improvements or rebuilding.

The Senior Citizens Homestead Exemption annually reduces the EAV on residences owned and occupied by senior citizens. Beginning with tax year 2013, the maximum exemption is \$5,000.

The Senior Citizens Assessment Freeze Homestead Exemption freezes property tax assessments for homeowners who are 65 and older, reside in their property as their principal residence and receive a household income not in excess of the maximum income limitation. The maximum income limitation is \$55,000 for assessment year 2008 through assessment year 2017. Beginning in assessment year 2018, the maximum income limitation is \$65,000. This exemption grants to qualifying senior citizens an exemption equal to the difference between (a) the current EAV of the residence and (b) the EAV of a senior citizen’s residence for the year prior to the year in which he or she first qualifies and applies for the exemption, plus the EAV of improvements since such year.

Beginning January 1, 2015 purchasers of certain single family homes and residences of one to six units located in certain targeted areas (as defined in the Property Tax Code) can apply for the Community Stabilization Assessment Freeze Pilot Program. To be eligible the purchaser must meet certain requirements for rehabilitating the property, including expenditures of at least \$5 per square foot, adjusted by the Consumer Price Index (“CPI”). Upon meeting the requirements, the assessed value of the improvements is reduced by (a) 90% in the first seven years, (b) 65% in the eighth year and (c) 35% in the ninth year. The benefit ceases in the tenth year. The program will be phased out by June 30, 2029.



The Natural Disaster Homestead Exemption (the “Natural Disaster Exemption”) applies to homestead properties containing a residential structure that has been rebuilt following a natural disaster occurring in taxable year 2012 or any taxable year thereafter. A natural disaster is an occurrence of widespread or severe damage or loss of property resulting from any catastrophic cause including but not limited to fire, flood, earthquake, wind, or storm. The Natural Disaster Exemption is equal to the EAV of the residence in the first taxable year for which the taxpayer applies for the exemption minus the base amount. To be eligible for the Natural Disaster Exemption, the residential structure must be rebuilt within two years after the date of the natural disaster, and the square footage of the rebuilt residential structure may not be more than 110% of the square footage of the original residential structure as it existed immediately prior to the natural disaster. The Natural Disaster Exemption remains at a constant amount until the taxable year in which the property is sold or transferred.

Three exemptions are available to veterans of the United States armed forces. The Veterans with Disabilities Exemption for Specially-Adapted Housing exempts up to \$100,000 of the Assessed Valuation of property owned and used exclusively by veterans with a disability, their spouses or unmarried surviving spouses. Qualification for this exemption requires the veteran’s disability to be of such a nature that the federal government has authorized payment for purchase of specially adapted housing under the U.S. Code as certified to annually by the Illinois Department of Veterans Affairs or for housing or adaptations donated by a charitable organization to such disabled veteran.

The Standard Homestead Exemption for Veterans with Disabilities provides an annual homestead exemption to veterans with a service-connected disability based on the percentage of such disability. If the veteran has a (a) service-connected disability of 30% or more but less than 50%, the annual exemption is \$2,500, (b) service-connected disability of 50% or more but less than 70%, the annual exemption is \$5,000, and (c) service-connected disability of 70% or more, the property is exempt from taxation.

The Returning Veterans’ Homestead Exemption is available for property owned and occupied as the principal residence of a veteran in the assessment year, and the year following the assessment year, in which the veteran returns from an armed conflict while on active duty in the United States armed forces. This provision grants a one-time, two-year homestead exemption of \$5,000.

Finally, the Homestead Exemption for Persons with Disabilities provides an annual homestead exemption in the amount of \$2,000 for property that is owned and occupied by certain disabled persons who meet State-mandated guidelines.

### **Property Tax Extension Limitation Law**

The Property Tax Extension Limitation Law (the “Limitation Law”) limits the amount of the annual increase in property taxes to be extended for certain Illinois non-home rule units of government. In general, the Limitation Law restricts the amount of such increases to the lesser of 5% or the percentage increase in the Consumer Price Index during the calendar year preceding the levy year. Currently, the Limitation Law applies only to and is a limitation upon all non-home rule taxing bodies in Cook County, the five collar counties (DuPage, Kane, Lake, McHenry and Will) and several downstate counties.

Home rule units, including the City, are exempt from the limitations contained in the Limitation Law. If the Limitation Law were to apply in the future to the City, the limitations set forth therein will not apply to any taxes levied by the City to pay the principal of and interest on the Bonds. The City has agreed by ordinance to abide by certain provisions of the Limitation Law, with certain exceptions. See **”DEBT INFORMATION”** herein.

## **Truth in Taxation Law**

Legislation known as the Truth in Taxation Law (the “Truth in Taxation Law”) limits the aggregate amount of certain taxes which can be levied by, and extended for, a taxing district to 105% of the amount of taxes extended in the preceding year unless specified notice, hearing and certification requirements are met by the taxing body. The express purpose of the Truth in Taxation Law is to require published disclosure of, and hearing upon, an intention to adopt a levy in excess of the specified levels. The provisions of the Truth in Taxation Law do not apply to levies made to pay principal of and interest on the Bonds.

## **FINANCIAL INFORMATION**

### **Budgetary Information**

The City Council follows these procedures in establishing the budgetary and appropriations data reflected in its financial statements:

1. The City Manager submits to the City Council a proposed operating budget for the fiscal year. The operating budget includes proposed expenditures and estimated revenues.
2. Public budget and appropriations meetings are conducted by the City to obtain taxpayer comments.
3. The budget and the appropriation ordinance, which is 10% higher than the budget, are both legally enacted through action of the City Council. Once enacted, the budget cannot be amended without approval from the City Council. Funds may have expenditures in excess of budgeted amounts, but legally may not have expenditures in excess of appropriations.
4. The legal level of budgetary control is the fund level. Management may make transfers of appropriations within a fund. Any expenditures that exceed the total appropriations at the fund level must be approved by the City Council.
5. Formal budgetary integration and legally adopted budgets are employed as a management control device during the year for all Funds, through an internal reporting system. Such budgetary integration permits the City's department managers to monitor actual revenues and expenditures relative to budgets on an ongoing basis throughout the year. Formal encumbrance accounting is not used, and appropriations not used by the end of the fiscal year lapse.
6. Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

## Investment Policy

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

- Bonds, notes, certificates of indebtedness, treasury bills, or other securities which are guaranteed by the full faith and credit of the United States of America;
- Bonds, notes, debentures, or other similar obligations of U.S. Government or its agencies, or government sponsored enterprises (GSEs);
- Interest bearing bonds of any county, township, city, incorporated town, municipal corporation, or school district, and the bonds shall be registered in the name of the municipality or held under a custodial agreement at a bank, provided the bonds shall be rated at the time of purchase within the three (3) highest general classifications established by a nationally recognized statistical rating organization (NRSRO);
- Interest-bearing savings accounts, interest-bearing certificates of deposit, interest-bearing deposits, or any other investments constituting direct obligations of any bank as defined by the Illinois Banking Act (205 ILCS 5/1 et seq.), provided, however, that such investments may be made only in banks which are insured by the Federal Deposit Insurance Corporation;
- Certificate of Deposit Account Registry Service (CDARS) certificates of deposit or Insured Cash Sweep (ICS) service;
- Corporate Obligations - issuer must be a United States corporation with more than \$500 million in assets, rating must be within the highest tier (e.g., A-1, P-1, F-1, D-1, or higher) by two NRSROs, obligations must mature not later than three (3) years from the date of purchase and such purchases cannot exceed 10% of the corporation's outstanding obligations, and such purchases cannot exceed one-third of funds;
- Money Market Mutual Funds - registered under the Investment Company Act of 1940 (15 U.S.C.A. § 80a-1 et seq.), provided the portfolio is limited to bonds, notes, certificates, treasury bills, or other security which are guaranteed by the full faith and credit of the federal government as to principal and interest;
- Short term discount obligations of the Federal National Mortgage Association (established by or under the National Housing Act (1201 U.S.C. 1701 et seq.)), or in shares or other forms of securities legally issuable by savings banks or savings and loan associations incorporated under the laws of Illinois or any other state or under the laws of the United States, provided, however, that the shares or investment certificates of such savings banks or savings and loan associations are insured by the Federal Deposit Insurance Corporation;
- Dividend-bearing share accounts, share certificates accounts, or class of share accounts of a credit union chartered under the laws of the State of Illinois or the laws of the United States; provided, however, the principal office of the credit unions must be located within the State of Illinois; and, provided further, that such investments may be made only in those credit unions the accounts of which are insured by applicable law;
- Illinois Funds;
- Illinois Metropolitan Investment Fund (IMET) – (1) 1-3 year Fund and (2) Convenience Fund;

- Public Treasurers' Investment Pool created under Section 17 of the State Treasurer Act, pursuant to the Public Fund Investment Act 30 ILCS 235/2 – Section 2(e); and
- Repurchase agreements of government securities having the meaning set out in the Government Securities Act of 1986 (15 U.S.C.A. § 780-5) subject to the provisions of that Act and the regulations issued thereunder, provided, however, that such government securities, unless registered or inscribed in the name of the City, shall be purchased through banks or trust companies authorized to do business in the State of Illinois; and such other repurchase agreements as are authorized in subsection (h) of Section 2 of the Public Funds Investment Act (30 ILCS 235/2). Repurchase agreements may be executed only with approved financial institutions or broker/dealers meeting the City's established standards, which shall include mutual execution of a Master Repurchase Agreement adopted by the City.

## Financial Reports

The City's financial statements are audited annually by certified public accountants. The City's financial statements are completed on a modified accrual basis of accounting consistent with generally accepted accounting principles applicable to governmental entities. See **APPENDIX A** for more detail.

## No Consent or Updated Information Requested of the Auditor

The tables and excerpts (collectively, the "Excerpted Financial Information") contained in this "**FINANCIAL INFORMATION**" section and in **APPENDIX A** are from the audited financial statements of the City, including the audited financial statements for the fiscal year ended April 30, 2019 (the "2019 Audit") which was approved by formal action of the City Council. The 2019 Audit was prepared by Baker Tilly Virchow Krause, LLP, the City's independent auditor (the "Auditor"). The Auditor has not been engaged to perform, and has not performed since the date of its 2019 Audit report, any procedures on the financial statements addressed in the 2019 Audit report. The Auditor also has not performed any procedures relating to this Official Statement.

The City has not requested the Auditor to update information contained in the Excerpted Financial Information; nor has the City requested that the Auditor consent to the use of the Excerpted Financial Information in this Official Statement. Other than as expressly set forth in this Official Statement, the financial information contained in the Excerpted Financial Information has not been updated since the date of the 2019 Audit. The inclusion of the Excerpted Financial Information in this Official Statement in and of itself is not intended to demonstrate the fiscal condition of the City since the date of the 2019 Audit. Questions or inquiries relating to financial information of the City since the date of the 2019 Audit should be directed to the City.

## Summary Financial Information

The following tables are summaries and do not purport to be the complete audits, copies of which are available upon request. The City has budgeted for a surplus in its General Fund for the fiscal year ending April 30, 2020. See the table titled "**General Fund Budget Financial Information**" below. To date, revenue and expenditures are generally within budgeted amounts. See **APPENDIX A** for the City's 2019 fiscal year audit.

## Statement of Net Position

Audited as of April 30

	2015	2016	2017	2018	2019
<b>ASSETS:</b>					
Cash and Cash Equivalents.....	\$ 37,671,531	\$ 48,493,885	\$ 52,667,449	\$ 52,586,986	\$ 59,331,141
Investments.....	4,359,036	4,487,724	4,968,042	6,065,340	6,579,706
Property Held of Resale.....	380,000	380,000	0	0	
Receivables (net):					
Property Taxes.....	24,670,331	25,526,738	25,911,934	27,134,875	28,006,568
Other Taxes.....	406,832	343,289	359,077	383,312	383,900
Accounts.....	1,015,835	1,375,185	1,874,306	1,826,593	2,134,281
Loans.....	1,208,044	905,054	608,961	311,283	13,147
Other.....	1,404,950	1,370,947	2,789,368	2,427,752	3,139,477
Due from Other Governments.....	1,933,837	1,662,440	1,661,356	1,358,723	1,454,205
Internal Balances.....	(369,946)	(545,075)	(668,310)	(583,562)	(751,614)
Inventories.....	397,273	429,436	434,119	396,478	394,865
Prepays.....	643,472	698,889	625,950	667,413	677,246
Due from Fiduciary Funds.....	0	18,382	51,808	87,136	126,463
Net Pension Asset.....	2,432,828	0	0	0	0
Capital Assets:					
Not Being Depreciated.....	112,681,944	113,144,182	104,915,713	104,945,459	106,161,487
Being Depreciated, Net.....	102,535,256	101,614,443	95,694,118	94,038,770	90,525,705
Total Assets.....	<u>\$291,371,223</u>	<u>\$299,905,519</u>	<u>\$291,893,891</u>	<u>\$291,646,558</u>	<u>\$298,176,577</u>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>					
Deferred Loss on Refunding.....	\$ 98,303	\$ 68,701	\$ 43,189	\$ 21,789	\$ 4,536
Resources Related to Pensions.....	0	10,576,993	8,874,943	3,247,934	16,959,502
Deferred Outflows Related to Total OPED Liability.....	0	0	0	0	26,656
Total Deferred Outflows of Resources.....	<u>\$ 0</u>	<u>\$ 10,645,694</u>	<u>\$ 8,918,132</u>	<u>\$ 3,269,723</u>	<u>\$ 16,990,694</u>
<b>LIABILITIES:</b>					
Accounts Payable.....	\$ 1,866,976	\$ 2,272,967	\$ 2,236,726	\$ 1,672,002	\$ 3,461,056
Accrued Liabilities.....	1,803,648	1,697,242	1,845,350	1,764,767	1,872,250
Accrued Interest Payable.....	488,702	475,710	371,795	360,188	346,817
Retainage Payable.....	25,838	0	0	0	0
Deposits.....	770,528	953,263	1,053,363	948,296	920,787
Due to Fiduciary Funds.....	0	0	14,575	43,663	72,152
Unearned Revenue - Other.....	2,009,528	1,839,321	1,984,282	2,349,957	2,828,305
Long Term Obligations:					
Due within One Year.....	1,718,218	1,911,696	1,902,156	1,549,625	1,850,851
Due in More than One Year.....	34,574,042	92,345,953	86,426,657	76,818,472	96,756,505
Total Liabilities.....	<u>\$ 43,257,480</u>	<u>\$101,496,152</u>	<u>\$ 95,834,904</u>	<u>\$ 85,506,970</u>	<u>\$108,108,723</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>					
Property Tax Levies for Future Periods.....	\$ 24,670,331	\$ 25,526,738	\$ 25,911,934	\$ 27,134,875	\$ 28,006,568
Resources Related to Pensions.....	0	2,020,708	2,088,030	6,480,158	2,471,434
Total Deferred Inflows of Resources.....	<u>\$ 0</u>	<u>\$ 27,547,446</u>	<u>\$ 27,999,964</u>	<u>\$ 33,615,033</u>	<u>\$ 30,478,002</u>
<b>NET POSITION:</b>					
Investment in Capital Assets, Net of Related Debt.....	\$181,056,601	\$181,481,470	\$170,568,584	\$166,607,491	\$164,675,251
Restricted For:					
Capital Projects.....	3,784,497	6,491,161	1,578,300	6,338,753	11,298,736
Debt Service.....	1,316,900	1,201,300	1,067,027	1,161,697	1,292,816
Culture and Recreation.....	3,173,000	3,608,444	3,302,996	3,170,905	3,333,955
Highways and Streets.....	319,264	811,846	1,304,150	514,629	1,019,023
Public Safety.....	524,673	547,826	579,449	643,857	663,539
Cemetery Purposes.....	4,935,384	5,143,285	6,269,175	6,945,742	7,767,095
Affordable Housing.....	726,659	702,211	1,375,879	1,417,922	1,339,808
Parking.....	957,420	0	0	0	0
Unrestricted.....	26,747,317	(18,479,928)	(9,068,405)	(11,006,718)	(14,809,677)
Total Net Position.....	<u>\$223,541,715</u>	<u>\$181,507,615</u>	<u>\$176,977,155</u>	<u>\$175,794,278</u>	<u>\$176,580,546</u>

**Statement of Activities  
 Governmental Activities  
 Net (Expense) Revenue and Charges in Net Position**

	Audited Fiscal Year Ended April 30				
	2015	2016	2017	2018	2019
<b>PRIMARY GOVERNMENT:</b>					
Governmental Activities(1):					
General Government.....	\$ (6,690,972)	\$ (2,961,632)	\$ (6,584,706)	\$ (3,966,839)	\$ (8,024,829)
Highways and Streets.....	(7,199,098)	(7,609,224)	(9,640,079)	(8,104,676)	(5,859,522)
Sanitation.....	(1,792,293)	(1,510,891)	(1,877,120)	(1,864,664)	(1,830,423)
Culture and Recreation.....	(6,616,445)	(4,721,843)	(6,905,629)	(6,093,485)	(5,522,668)
Public Safety.....	(13,493,422)	(14,795,532)	(15,341,595)	(15,013,038)	(17,612,606)
Interest on Long-Term Debt.....	(1,357,552)	(1,293,742)	(1,559,100)	(1,271,181)	(1,231,944)
Total Governmental Activities.....	<u>\$ (37,149,782)</u>	<u>\$ (32,892,864)</u>	<u>\$ (41,908,229)</u>	<u>\$ (36,313,883)</u>	<u>\$ (40,081,992)</u>
General Revenues:					
Property Taxes.....	\$ 24,468,769	\$ 25,006,224	\$ 25,928,864	\$ 26,193,444	\$ 27,591,773
Replacement Taxes.....	142,763	115,251	144,942	135,417	127,460
Sales Tax.....	2,851,103	2,889,306	2,829,607	2,688,837	2,700,829
Income Tax.....	2,386,567	2,251,828	2,306,546	2,272,639	2,593,506
Utility Tax.....	2,589,941	2,195,830	2,305,619	2,358,448	2,437,127
Real Estate Transfer Tax.....	1,224,610	1,288,175	1,398,160	1,622,900	1,471,595
Other Taxes.....	391,862	174,760	265,736	1,237,671	261,974
Telecommunication.....	1,364,060	1,355,661	1,290,556	1,081,917	1,166,254
Investment Income.....	547,118	145,329	1,042,049	1,665,391	2,215,202
Other.....	73,613	224,220	225,690	222,057	1,416,128
Gain (Loss) on Sale of Assets.....	0	0	0	(3,874)	7,775
Transfers.....	(168,750)	(924,496)	(360,000)	(4,343,841)	786,850
Total.....	<u>\$ 35,871,656</u>	<u>\$ 34,722,088</u>	<u>\$ 37,377,769</u>	<u>\$ 35,131,006</u>	<u>\$ 42,776,473</u>
Change in Net Position.....	<u>\$ (1,278,126)</u>	<u>\$ 1,829,224</u>	<u>\$ (4,530,460)</u>	<u>\$ (1,182,877)</u>	<u>\$ 2,694,481</u>
Net Position - Beginning of Year.....	<u>224,819,841</u>	<u>179,678,391 (2)</u>	<u>181,507,615</u>	<u>176,977,155</u>	<u>173,886,065 (2)</u>
Net Position - End of Year.....	<u><u>\$223,541,715</u></u>	<u><u>\$181,507,615</u></u>	<u><u>\$176,977,155</u></u>	<u><u>\$175,794,278</u></u>	<u><u>\$176,580,546</u></u>

Notes: (1) Expenses less Program Revenues of Charges for Services, Operating Grants, and Capital Grants.  
 (2) As restated.

**General Fund  
 Balance Sheet**

	Audited as of April 30				
	2015	2016	2017	2018	2019
<b>ASSETS:</b>					
Cash and Investments.....	\$19,453,778	\$23,746,130	\$29,929,975	\$30,715,101	\$30,458,960
Property Taxes Receivable.....	17,199,721	17,724,843	17,989,460	18,979,072	18,704,847
Other Receivables.....	2,135,891	1,812,793	1,699,432	1,298,990	1,693,915
Due from other Funds.....	1,879,980	0	0	0	0
Due from other Governments.....	0	1,612,648	1,611,944	1,306,270	1,400,215
All Other Assets.....	440,788	367,170	169,199	150,038	129,280
Total Assets.....	<u>\$41,110,158</u>	<u>\$45,263,584</u>	<u>\$51,400,010</u>	<u>\$52,449,471</u>	<u>\$52,387,217</u>
<b>LIABILITIES(1):</b>					
Accounts Payable/Accrued Payroll.....	\$ 476,374	\$ 605,858	\$ 588,612	\$ 563,045	\$ 543,479
Deferred Property Tax Revenues.....	0	1,449,668	1,439,471	1,837,836	
Unearned Revenue.....					2,347,787
Accrued Liabilities.....					901,404
Deposits.....					872,364
Due to Fiduciary Funds.....					72,152
All Other Liabilities.....	2,841,184	1,701,022	1,805,019	1,788,636	
Total Liabilities.....	<u>\$ 3,317,558</u>	<u>\$ 3,756,548</u>	<u>\$ 3,833,102</u>	<u>\$ 4,189,517</u>	<u>\$ 4,737,186</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>					
Property Tax Levies for a Future Period.....	\$17,199,721	\$17,724,843	\$17,989,460	\$18,979,072	\$18,704,847
Other Unavailable Revenues.....	76,590	0	0	0	0
Total Deferred Inflows of Resources.....	<u>\$17,276,311</u>	<u>\$17,724,843</u>	<u>\$17,989,460</u>	<u>\$18,979,072</u>	<u>\$18,704,847</u>
<b>FUND BALANCE:</b>					
Nonspendable.....	\$ 1,648,832	\$ 1,272,224	\$ 778,160	\$ 150,038	\$129,280
Restricted.....	957,420	0	0	0	0
Unreserved - Undesignated - Unassigned.....	17,910,037	22,509,969	28,799,288	29,130,844	28,815,904
Total Fund Balance.....	<u>\$20,516,289</u>	<u>\$23,782,193</u>	<u>\$29,577,448</u>	<u>\$29,280,882</u>	<u>\$28,945,184</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance.....	<u>\$41,110,158</u>	<u>\$45,263,584</u>	<u>\$51,400,010</u>	<u>\$52,449,471</u>	<u>\$52,387,217</u>

Note: (1) Format change in 2019.

## General Fund Revenues and Expenditures(I)

	Audited Fiscal Year Ended April 30				
	2015	2016	2017	2018	2019
<b>REVENUES:</b>					
Taxes:					
Property.....	\$17,035,476	\$17,430,405	\$18,024,168	\$18,186,629	\$19,235,378
Other.....	3,320,856	2,885,141	3,114,897	3,115,606	3,231,992
Intergovernmental Revenues.....	6,265,533	6,145,512	6,114,346	5,781,763	6,172,591
Grants and Contributions.....	2,002	0	8,218	18,950	27,560
Charges for Services.....	2,917,441	3,074,032	3,051,184	3,568,354	3,354,997
Licenses and Permits.....	2,821,066	5,222,568	5,157,398	3,232,276	3,456,703
Fines and Forfeitures.....	287,333	254,563	312,643	345,438	355,304
Investment Income.....	70,843	99,319	203,554	486,609	859,448
Other.....	771,515	777,621	791,954	1,110,893	1,349,720
Total Revenues.....	<u>\$33,492,065</u>	<u>\$35,889,161</u>	<u>\$36,778,362</u>	<u>\$35,846,518</u>	<u>\$38,043,693</u>
<b>EXPENDITURES:</b>					
Current:					
General Government.....	\$ 9,304,354	\$ 9,624,910	\$ 9,895,864	\$ 9,851,906	\$ 9,904,969
Highways and Streets.....	2,371,461	2,157,463	2,276,480	2,354,587	2,472,144
Sanitation.....	2,235,135	2,276,433	2,311,435	2,290,986	2,480,420
Public Safety.....	14,311,143	14,879,565	14,767,076	15,181,216	16,478,486
Capital Outlay.....	492,547	1,789,865	0	51,489	0
Debt Service.....	0	173,360	173,360	483,360	0
Total Expenditures.....	<u>\$28,714,640</u>	<u>\$30,901,596</u>	<u>\$29,424,215</u>	<u>\$30,213,544</u>	<u>\$31,336,019</u>
Excess (Deficiency) of Revenues Over Expenditures.....	\$ 4,777,425	\$ 4,987,565	\$ 7,354,147	\$ 5,632,974	\$ 6,707,674
<b>OTHER FINANCING SOURCES (USES):</b>					
Loan Proceeds.....	\$ 0	\$ 830,080	\$ 0	\$ 0	\$ 0
Transfers In.....	57,162	0	13,991	0	0
Transfers Out.....	(1,933,258)	(2,551,741)	(1,572,883)	(5,929,540)	(7,043,372)
Total Other Financing Sources and Uses, Net....	\$(1,876,096)	\$(1,721,661)	\$(1,558,892)	\$(5,929,540)	\$(7,043,372)
Net Change in Fund Balance.....	\$ 2,901,329	\$ 3,265,904	\$ 5,795,255	\$ (296,566)	\$ (335,698)
Fund Balance – Beginning of Year.....	\$17,614,960	\$20,516,289	\$23,782,193	\$29,577,448	\$29,280,882
Fund Balance – End of Year.....	<u>\$20,516,289</u>	<u>\$23,782,193</u>	<u>\$29,577,448</u>	<u>\$29,280,882</u>	<u>\$28,945,184</u>

Note: (1) This condensed financial information has been excerpted from the full Comprehensive Annual Financial Reports of The City of Lake Forest. The full financial statements, together with the report of the City's independent accountants, are available upon request. The General Corporate Fund is accounted for using the modified accrual basis of accounting. Revenues are recognized when susceptible to accrual (both measurable and available). Expenditures, other than interest on long-term debt, are recorded when the liability is incurred, if measurable. Property taxes due within the current fiscal year and collected within the current fiscal year or within 60 days of the end of the fiscal year are recorded as revenue. As a result, the current year tax levy, which has a payment due date after the end of the current fiscal year, is not recorded as revenue but rather as a receivable with a corresponding amount of deferred revenue.

**General Fund  
 Budget Financial Information**

	Budget Fiscal Year <u>2020</u>
<b>REVENUES:</b>	
Property Taxes.....	\$18,989,621
Sales Tax.....	2,237,000
Telecommunication and Utility Tax.....	3,506,160
State Income Tax/Local Use.....	2,381,000
Other Taxes.....	520,461
Building Permits.....	884,600
Licenses.....	1,433,056
Fines.....	227,000
Interest.....	786,665
Charges for Services.....	5,638,711
Miscellaneous.....	<u>10,000</u>
Total Revenues.....	\$36,614,274
<b>EXPENDITURES:</b>	
Office of the City Manager.....	\$ 1,002,331
City Council.....	841,830
Cable TV.....	38,498
Finance.....	806,257
Information Technology.....	653,898
CROYA.....	607,245
Police.....	10,275,494
Fire.....	7,088,662
Human Resources.....	651,251
Community Development.....	2,010,278
Public Works/Engineering.....	7,663,038
Non-Department.....	<u>4,002,422</u>
Total Expenditures.....	\$35,641,204
Revenues over (under) Expenditures.....	\$ 973,070

**EMPLOYEE RETIREMENT AND OTHER POSTEMPLOYMENT BENEFITS OBLIGATIONS**

The City participates in three defined benefit pension plans: (i) the IMRF Plan, (ii) the Police Pension Plan (the “Police Pension Plan”), and (iii) the Firefighters’ Pension Plan (the “Fire Pension Plan” and, together with the IMRF Plan and the Police Pension Plan, the “Pension Plans”). The Pension Plans provide defined benefit pension benefits to the City’s employees, retirees and beneficiaries. The IMRF Plan is an agent multiple-employer public employee retirement system, and the Police Pension Plan and the Fire Pension Plan are single-employer pension plans. The City makes certain contributions to the Pension Plans on behalf of its employees, as further described in this section. The operations of the Pension Plans, including the contributions to be made to the Pension Plans, the benefits provided by the Pension Plans, and the actuarial assumptions and methods employed in generating the liabilities and contributions of the Pension Plans, are governed by the Pension Code. This section first describes certain concepts related to pensions generally, then describes the applicable provisions of Pension Plans. These concepts are more completely described in Note \_\_\_ to the Audit, as hereinafter defined, as well as the supplementary schedules thereto, attached hereto as **APPENDIX A**.



The Pension Code allows the State Comptroller to divert State payments intended for the City to the Police Pension Plan and the Fire Pension Plan to satisfy contribution shortfalls by the City (the “Recapture Provisions”). If the City fails to contribute to the Police Pension Plan or the Fire Pension Plan as required by the Pension Code, the City will be subject to a reallocation of payments of State funds to the City if (i) the City fails to make the required payment for 90 days past the due date, (ii) the subject retirement fund gives notice of the failure to the City, and (iii) such retirement fund certifies to the State Comptroller that such payment has not been made. Upon the occurrence of these events, the State Comptroller will withhold payments of State funds from the City in an amount not in excess of the delinquent payment amount in the proportion of 100% of the amount of any payments of State funds to the City. Should the Recapture Provisions be enforced as a result of the City’s failure to contribute all of its required contribution, a reduction in payments of State funds may have an adverse impact on the City’s finances.

For fiscal year 2019, the City contributed \$1,719,445 or 99.85% of the actuarially determined contribution to the Fire Pension Plan and \$2,504,581 or 99.94% of the actuarially determined contribution to the Police Pension Plan. In each case, such actuarially determined contribution exceeded 100% of the statutory actuarial minimum required contribution. If the City does not contribute 100% of its statutory actuarial minimum required contributions to both pension plans in a year, the State Comptroller may withhold State payments otherwise due to the City.

## **Background Regarding Pension Plans**

### *The Actuarial Valuation*

The disclosures in the Audit related to the Pension Plans are based in part on the actuarial valuations of the Pension Plans. In the actuarial valuations, the actuary for each of the Pension Plans measures the financial position of a Pension Plan, determines the amount to be contributed to a Pension Plan pursuant to statutory requirements, and produces information mandated by the financial reporting standards issued by the Governmental Accounting Standards Board (“GASB”), as described below.

In producing an actuarial valuation, the actuary for a Pension Plan uses demographic data (including employee age, salary and service credits), economic assumptions (including estimated future salary and interest rates), and decrement assumptions (including employee turnover, mortality and retirement rates) and employs various actuarial methods to generate the information required to be included in such valuation.

### *GASB Standards*

Prior to the fiscal year ended December 31, 2015, the applicable GASB financial reporting standards with respect to the Pension Plans were GASB Statement No. 25 and GASB Statement No. 27 (together, the “Prior GASB Standards”). The Prior GASB Standards required the disclosure of an Annually Required Contribution (which was such pronouncement’s method for calculating the annual amounts needed to fully fund a pension plan) and the calculation of pension funding statistics such as the unfunded actuarial accrued liability (“UAAL”), which was the shortfall of the assets held by the pension plan when compared against the liabilities of such pension plan, as actuarially determined (the “Actuarial Accrued Liability”), and the “Funded Ratio,” which was the ratio, expressed as a percentage, derived from dividing the assets of the pension plan by the Actuarial Accrued Liability. In addition, the Prior GASB Standards allowed pension plans to prepare financial reports pursuant to various approved actuarial methods and to use an assumed investment rate of return determined by the pension plan for financial reporting purposes.

Beginning with the fiscal year ended December 31, 2015, the applicable GASB financial reporting standards with respect to the Pension Plans became GASB Statement No. 67 and GASB Statement No. 68 (together, the “New GASB Standards”). Unlike the Prior GASB Standards, the New GASB Standards do not establish approaches to funding pension plans, and, therefore, do not require computation of the Annually Required Contribution or a similar contribution number. Instead, the New GASB Standards provide standards solely for financial reporting and accounting related to pension plans.

The New GASB Standards require calculation and disclosure of a “Net Pension Liability” or “Net Pension Asset”, which is the difference between the actuarial present value of projected benefit payments that is attributed to past periods of employee service calculated pursuant to the methods and assumptions set forth in the New GASB Standards (referred to in such statements as the “Total Pension Liability”) and the fair market value of the pension plan’s assets (referred to as the “Fiduciary Net Position”). This concept is similar to the UAAL, which was calculated under the Prior GASB Standards, but most likely will differ from the UAAL on any calculation date because the Fiduciary Net Position is calculated at fair market value and because of the differences in the manner of calculating the Total Pension Liability as compared to the Actuarial Accrued Liability under the Prior GASB Standards.

Furthermore, the New GASB Standards employ a rate, referred to in such statements as the “Discount Rate,” which is used to discount projected benefit payments to their actuarial present values. The Discount Rate is a blended rate comprised of (1) a long-term expected rate of return on a pension plan’s investments (to the extent that such assets are projected to be sufficient to pay benefits), and (2) a tax-exempt municipal bond rate meeting certain specifications set forth in the New GASB Standards. Therefore, in certain cases in which the assets of a pension plan are not expected to be sufficient to pay the projected benefits of such pension plan, the Discount Rate calculated pursuant to the New GASB Standards may differ from the assumed investment rate of return used in reporting pursuant to the Prior GASB Standards.

Finally, the New GASB Standards require that the Net Pension Liability be disclosed in the notes to the financial statements of the pension system and that a proportionate share of the Net Pension Liability be recognized on the balance sheet of the employer. In addition, the New GASB Standards require an expense to be recognized on the income statement of the City.

#### *Pension Plans Remain Governed by the Pension Code*

As described above, each of the Prior GASB Standards and the New GASB Standards establish requirements for financial reporting purposes. However, the Pension Plans are ultimately governed by the provisions of the Pension Code in all respects, including, but not limited to, the amounts to be contributed by the City to the Pension Plans in each year.

#### **Illinois Municipal Retirement Fund**

The City participates in the IMRF Plan, which is a defined-benefit, agent multiple employer pension plan administered by the IMRF that acts as a common investment and administrative agent for units of local government and school districts in Illinois. All employees (other than those covered by the Police Pension Plan and the Fire Pension Plan), including Library employees, hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members.

The IMRF Plan is established and administered under statutes adopted by the General Assembly. The Pension Code sets the benefit provisions of the IMRF Plan, which can only be amended by the General Assembly.

Each employer participating in the IMRF Plan, including the City, has an employer reserve account with the IMRF Plan separate and distinct from all other participating employers (the “IMRF Account”) along with a unique employer contribution rate determined by the IMRF Board of Trustees (the “IMRF Board”), as described below. The employees of a participating employer receive benefits solely from such employer’s IMRF Account. Participating employers are not responsible for funding the deficits of other participating employers.

The IMRF issues a publicly available financial report that includes financial statements and required supplementary information which may be viewed at the IMRF’s website.

See Note IV to the Audit for additional information on the IMRF Plan’s actuarial methods and assumptions.

### Contributions

Both employers and employees contribute to the IMRF Plan. At present, employees contribute 4.50% of their salary to the IMRF Plan, as established by statute. Employers are required to make all additional contributions necessary to fund the benefits provided by the IMRF Plan to its employees. The annual rate at which an employer must contribute to the IMRF Plan is established by the IMRF Board. The City’s contribution rates for calendar years 2017, 2018 and 2019 were 12.77%, 12.55% and 11.73% of covered payroll, respectively. For the fiscal year ended April 30, 2019, the City contributed \$1,694,029 to the IMRF Plan, which compares to contributions of \$1,662,367 and \$1,677,759 in fiscal years 2018 and 2017, respectively.

### Measures of Financial Position

The following table presents the measures of the IMRF Account’s financial position as of fiscal years ended April 30, 2017, 2018 and 2019, which are presented pursuant to the New GASB Standards. Such measures were calculated pursuant to the Discount Rates shown below.

CALENDAR YEAR ENDED DECEMBER 31	TOTAL PENSION LIABILITY	FIDUCIARY NET POSITION	NET PENSION LIABILITY/(ASSET)	FIDUCIARY NET POSITION AS A % OF TOTAL PENSION LIABILITY	DISCOUNT RATE
2017	\$101,386,197	\$89,262,776	\$15,092,853	86.17%	7.50%
2018	101,973,214	100,777,356	1,195,858	98.83%	7.50%
2019	109,106,649	94,013,796	12,123,421	88.04%	7.25%

Source: Audited financial statements for the City for fiscal year ended April 30, 2019.

See Note IV to the Audit, and the related required supplementary information disclosures, for a description of the IMRF Plan, the IMRF Account, the City’s funding policy, information on the assumptions and methods used by the Actuary, and the financial reporting information required by the New GASB Standards.

### Lake Forest Public Safety Pension Funding

In 2017, the City created a Pension Subcommittee made up of the City Council Finance Chair, another Alderman, the City Manager and the City Finance Director. The Pension Subcommittee works in conjunction with the City’s independent actuary and the Fire and Police Pension Boards to develop recommendations for the City Council to consider in meeting its statutory obligations in the most fiscally responsible and sustainable manner. On September 3, 2019, the City revised its pension funding policy (as revised, the “Policy”). The City has done the following in recent years:

- Reduced its investment return assumption from 7.5% in April 2013 to 6.75% for April 2019;
- Adjusted the mortality table to PubS-2010 for April 2019; and
- Reduced the payroll growth rate assumption from 5.5% to 2.0%.

Currently, the City funds its public safety pension obligations based on a 100% funded ratio in 2040. However, the Policy provides for phasing in a 15-year open amortization period as the most fiscally sustainable method of funding. The Policy also establishes the statutory minimum contribution in any given year as the minimum. The City’s contribution is funded through a combination of the property tax levy and a public safety pension fee that was effective May 1, 2017. Following is a three year summary of the City’s contribution compared to the Statutory Minimum.

	Actuarial Valuation Date	Fiscal Year	Fire	Police	Combined
City Policy*	4/30/19	FY21	\$2,075,171	\$3,090,726	\$5,165,897
Statutory Minimum	4/30/19	FY21	1,696,742	2,742,544	4,439,286
City Policy	4/30/18	FY20	1,826,568	2,594,845	4,421,413
Statutory Minimum	4/30/18	FY20	1,487,136	2,266,450	3,753,586
City Policy	4/30/17	FY19	1,721,953	2,505,888	4,227,841
Statutory Minimum	4/30/17	FY19	1,397,971	2,188,687	3,586,658

\*Proposed tax levy to be approved on December 2, 2019.

## Police Pension Plan

The City provides retirement, death and disability benefits to its sworn police personnel and retirees and their beneficiaries through the Police Pension Plan. The Police Pension Plan is a single-employer defined benefit contribution plan. The benefits provided by the Police Pension Plan and the amount of employer and employee contributions to the Police Pension Plan are governed by the Pension Code and may only be amended by the General Assembly. As of April 30, 2019, the Police Pension Plan had a membership of 92.

### Contributions

As stated above, both the City and its participating employees make contributions to the Police Pension Plan. At present, employees contribute 9.91% of their base salary to the Police Pension Plan. The City is required to make all additional contributions necessary to fund the benefits provided by the Police Pension Plan to its members.

The Pension Code requires that the City contribute annually the amount necessary to fund the normal cost of the Police Pension Plan for such year plus an amount sufficient to bring the total assets of the Police Pension Plan up to 90% of the total actuarial liabilities of the Police Pension Plan by the end of fiscal year 2040, as determined by an actuary (the "Funding Requirement"). The Pension Code provides a levy of a separate tax annually by the City to generate the funds necessary to make this contribution.

As the Funding Requirement represents an amortization of the unfunded portion of the actuarial liabilities of the Police Pension Plan over a closed period of time, the City's required contributions to the Police Pension Plan are expected to increase, possibly by a significant margin, during the period of fiscal years leading up to 2040.

For fiscal year ended April 30, 2019, the City's contribution was 63.56% of covered payroll. For the fiscal years ended April 30, 2017, 2018 and 2019, the City contributed the following amounts to the Police Pension Plan:

FISCAL YEAR ENDED APRIL 30	ACTUARIALY DETERMINED CONTRIBUTION	POLICE PENSION PLAN CONTRIBUTION	CONTRIBUTION (DEFICIENCY)/EXCESS
2017	\$1,737,445	\$1,895,500	\$158,055
2018	1,832,059	2,094,124	262,065
2019	2,505,888	2,504,581	(1,307)

Source: Audited financial statements for the City for fiscal year ended April 30, 2019.

*Measures of Financial Position*

The following table provides statistical information produced pursuant to the New GASB Standards with respect to the Police Pension Plan for each of the last three fiscal years. The Total Pension Liability was calculated pursuant to the Discount Rates shown below.

FISCAL YEAR ENDED APRIL 30	TOTAL PENSION LIABILITY	PLAN FIDUCIARY NET POSITION	NET PENSION LIABILITY	FIDUCIARY NET POSITION AS A % OF TOTAL PENSION LIABILITY	DISCOUNT RATE
2017	\$56,248,128	\$29,758,448	\$26,489,680	52.91%	7.00%
2018	58,400,246	31,650,935	26,749,311	54.20%	7.00%
2019	66,252,095	33,350,826	32,901,269	50.34%	6.75%

Source: Audited financial statements for the City for fiscal year ended April 30, 2019.

See Note IV to the Audit, and the related required supplementary information disclosures, for a description of the Police Pension Plan, the City’s funding policy, information on the assumptions and methods used by the actuary for the Police Pension Plan, and the financial reporting information required by the New GASB Standards.

**Fire Pension Plan**

The City provides retirement, death and disability benefits to its sworn fire personnel and retirees and their beneficiaries through the Fire Pension Plan. The Fire Pension Plan is a single-employer defined benefit contribution plan. The benefits provided by the Fire Pension Plan and the amount of employer and employee contributions to the Fire Pension Plan are governed by the Pension Code and may only be amended by the General Assembly. As of April 30, 2019, the Fire Pension Plan had a membership of 77.

*Contributions*

As stated above, both the City and its participating employees make contributions to the Fire Pension Plan. At present, employees contribute 9.455% of their salary to the Fire Pension Plan. The City is required to make all additional contributions necessary to fund the benefits provided by the Fire Pension Plan to its members.

The Pension Code requires that the City contribute annually the Funding Requirement, the same being the amount necessary to fund the normal cost of the Fire Pension Plan for such year plus an amount sufficient to bring the total assets of the Fire Pension Plan up to 90% of the total actuarial liabilities of the Fire Pension Plan by the end of fiscal year 2040, as determined by an actuary. The Pension Code provides a levy of a separate tax annually by the City to generate the funds necessary to make this contribution.

As the Funding Requirement represents an amortization of the unfunded portion of the actuarial liabilities of the Fire Pension Plan over a closed period of time, the City’s required contributions to the Fire Pension Plan are expected to increase, possibly by a significant margin, during the period of fiscal years leading up to 2040.

For fiscal year ended April 30, 2019, the City’s contribution was 51.50% of covered payroll. For the fiscal years ended April 30, 2017, 2018 and 2019, the City contributed the following amounts to the Fire Pension Plan:

FISCAL YEAR ENDED APRIL 30	ACTUARIALLY DETERMINED CONTRIBUTION	FIRE PENSION PLAN CONTRIBUTION	CONTRIBUTION (DEFICIENCY)/ EXCESS
2017	\$1,137,826	\$1,211,587	\$73,761
2018	1,298,188	1,308,348	10,160
2019	1,721,953	1,719,445	(2,508)

Source: Audited financial statements for the City for fiscal year ended April 30, 2019.

### Measures of Financial Position

The following table provides statistical information produced pursuant to the New GASB Standards with respect to the Fire Pension Plan for each of the last three fiscal years. The Total Pension Liability was calculated pursuant to the Discount Rates shown below.

FISCAL YEAR ENDED APRIL 30	TOTAL PENSION LIABILITY	PLAN FIDUCIARY NET POSITION	NET PENSION LIABILITY	FIDUCIARY NET POSITION AS A % OF TOTAL PENSION LIABILITY	DISCOUNT RATE
2017	\$49,290,987	\$34,210,064	\$15,080,923	69.40%	7.00%
2018	51,327,313	36,256,485	15,070,828	70.64%	7.00%
2019	56,470,867	38,685,520	17,785,347	68.51%	6.75%

Source: Audited financial statements for the City for fiscal year ended April 20, 2019.

See Note IV to the Audit, and the related required supplementary information disclosures, for a description of the Fire Pension Plan, the City’s funding policy, information on the assumptions and methods used by the actuary for the Fire Pension Plan, and the financial reporting information required by the New GASB Standards.

### Other Post-Employment Benefits

In addition to providing the pension benefits described above, the City provides post-employment healthcare benefits (“OPEB”) for eligible retired employees, City and library, through a single employer defined benefit plan (the “OPEB Plan”). The benefits, benefit levels, employee contributions and employer contributions are governed by the City Council and can be amended by the City through its personnel manual and union contracts. As of April 30, 2019, the OPEB Plan had a membership of 267. For additional information regarding the OPEB Plan, see Note IV to the Audit. The City does not currently fund the cost of benefits due under the OPEB Plan in advance of the payment of such expenses. Active employees do not contribute to the OPEB Plan until retirement.

The City provides post-employment health care benefits to its retirees. To be eligible for benefits, an employee must qualify for retirement under one of the City’s retirement plans. All health care benefits are provided through the City’s health insurance plan. The benefit levels are the same as those afforded to active employees. All retirees contribute 100% of the actuarially determined premium to the plan.

The City’s total OPEB liability, including the library’s OPEB liability, as of April 30, 2019 was \$2,642,076. For additional information on the City’s post-employment benefits other than pensions, see Note IV and the required supplementary information to the 2019 Audit.

## **REGISTRATION, TRANSFER AND EXCHANGE**

### **Registration**

The registered owner of a Bond will be deemed and regarded as the absolute owner thereof for the purpose of receiving payment of, or on account of, the principal of, premium, if any, or interest thereon and for all other purposes whatsoever, and all such payments so made to such registered owner or upon his order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and neither the City nor the Bond Registrar will be affected by any notice to the contrary.

### **Transfers and Exchanges**

The transfer of Bonds will be registerable only upon the registration books maintained by the City for that purpose at the principal corporate trust office of the Bond Registrar, by the registered owner thereof or by his attorney duly authorized in writing, upon surrender thereof together with an instrument of transfer satisfactory to the Bond Registrar and duly executed by the registered owner or his duly authorized agent. Upon such surrender for transfer, the City will execute and the Bond Registrar will authenticate and deliver a new Bond or Bonds of any authorized denominations, registered in the name of the transferee, and of the same aggregate principal amount, maturity and interest rate as the surrendered Bond.

Bonds may be exchanged for an equal aggregate principal amount of Bonds of the same maturity and interest rate and of any authorized denominations, upon surrender thereof as the principal corporate trust office of the Bond Registrar with a written instrument of transfer satisfactory to the Bond Registrar, duly executed by the registered owner or his duly authorized agent.

For every such exchange or registration of transfer of Bonds, the City or the Bond Registrar may make a charge sufficient to reimburse it for any tax or other governmental charge required to be paid with respect to such exchange or registration of transfer, except in the case of the issuance of a Bond or Bonds for the unredeemed portion of a Bond surrendered for redemption. No charge will be made in connection with such exchange or registration of transfer to pay the cost of preparing each new Bond issued upon such exchange or registration of transfer.

The Bond Registrar shall not be required to transfer or exchange any Bond during the period beginning at the close of business on the 1<sup>st</sup> 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.

## TAX EXEMPTION

Federal tax law contains a number of requirements and restrictions which apply to the Bonds, including investment restrictions, periodic payments of arbitrage profits to the United States, requirements regarding the proper use of bond proceeds and the facilities financed therewith, and certain other matters. The City has covenanted to comply with all requirements that must be satisfied in order for the interest on the Bonds to be excludable from gross income for federal income tax purposes. Failure to comply with certain of such covenants could cause interest on the Bonds to become includible in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds.

Subject to the City's compliance with the above-referenced covenants, under present law, in the opinion of Bond Counsel, interest on the Bonds is excludable from the gross income of the owners thereof for federal income tax purposes and is not included as an item of tax preference in computing the federal alternative minimum tax for individuals under the Internal Revenue Code of 1986, as amended (the "Code").

In rendering its opinion, Bond Counsel will rely upon certifications of the City with respect to certain material facts within the City's knowledge. Bond Counsel's opinion represents its legal judgment based upon its review of the law and the facts that it deems relevant to render such opinion and is not a guarantee of a result.

Ownership of the Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, corporations subject to the branch profits tax, financial institutions, certain insurance companies, certain S corporations, individual recipients of Social Security or Railroad Retirement benefits and taxpayers who may be deemed to have incurred (or continued) indebtedness to purchase or carry tax exempt obligations. Prospective purchasers of the Bonds should consult their tax advisors as to applicability of any such collateral consequences.

The issue price for original issue discount (as further discussed below) and market discount purposes (the "OID Issue Price") for each maturity of the Bonds is the price at which a substantial amount of such maturity of the Bonds is first sold to the public (excluding bond houses and brokers and similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). The OID Issue Price of a maturity of the Bonds may be different from the price set forth, or the price corresponding to the yield set forth, on the cover page hereof.

If the OID Issue Price of a maturity of the Bonds is less than the principal amount payable at maturity, the difference between the OID Issue Price of each such maturity, if any, of the Bonds (the "OID Bonds") and the principal amount payable at maturity is original issue discount.

For an investor who purchases an OID Bond in the initial public offering at the OID Issue Price for such maturity and who holds such OID Bond to its stated maturity, subject to the condition that the City complies with the covenants discussed above, (a) the full amount of original issue discount with respect to such OID Bond constitutes interest which is excludable from the gross income of the owner thereof for federal income tax purposes; (b) such owner will not realize taxable capital gain or market discount upon payment of such OID Bond at its stated maturity; (c) such original issue discount is not included as an item of tax preference in computing the alternative minimum tax for individuals under the Code; and (d) the accretion of original issue discount in each year may result in certain collateral federal income tax consequences in each year even though a corresponding cash payment may not be received until a later year. Based upon the stated position of the Department under State income tax law, accreted original issue discount on such OID Bonds is subject to taxation as it accretes, even though there may not be a corresponding cash payment until a later year. Owners of OID Bonds should consult their own tax advisors with respect to the state and local tax consequences of original issue discount on such OID Bonds.

Owners of Bonds who dispose of Bonds prior to the stated maturity (whether by sale, redemption or otherwise), purchase Bonds in the initial public offering, but at a price different from the OID Issue Price or purchase Bonds subsequent to the initial public offering should consult their own tax advisors.



If a Bond is purchased at any time for a price that is less than the Bond's stated redemption price at maturity or, in the case of an OID Bond, its OID Issue Price plus accreted original issue discount (the "Revised Issue Price"), the purchaser will be treated as having purchased a Bond with market discount subject to the market discount rules of the Code (unless a statutory de minimis rule applies). Accrued market discount is treated as taxable ordinary income and is recognized when a Bond is disposed of (to the extent such accrued discount does not exceed gain realized) or, at the purchaser's election, as it accrues. Such treatment would apply to any purchaser who purchases an OID Bond for a price that is less than its Revised Issue Price. The applicability of the market discount rules may adversely affect the liquidity or secondary market price of such Bond. Purchasers should consult their own tax advisors regarding the potential implications of market discount with respect to the Bonds.

An investor may purchase a Bond at a price in excess of its stated principal amount. Such excess is characterized for federal income tax purposes as "bond premium" and must be amortized by an investor on a constant yield basis over the remaining term of the Bond in a manner that takes into account potential call dates and call prices. An investor cannot deduct amortized bond premium relating to a tax-exempt bond. The amortized bond premium is treated as a reduction in the tax-exempt interest received. As bond premium is amortized, it reduces the investor's basis in the Bond. Investors who purchase a Bond at a premium should consult their own tax advisors regarding the amortization of bond premium and its effect on the Bond's basis for purposes of computing gain or loss in connection with the sale, exchange, redemption or early retirement of the Bond.

There are or may be pending in Congress legislative proposals, including some that carry retroactive effective dates, that, if enacted, could alter or amend the federal tax matters referred to above or affect the market value of the Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, it would apply to bonds issued prior to enactment. Prospective purchasers of the Bonds should consult their own tax advisors regarding any pending or proposed federal tax legislation. Bond Counsel expresses no opinion regarding any pending or proposed federal tax legislation.

The Service has an ongoing program of auditing tax-exempt obligations to determine whether, in the view of the Service, interest on such tax-exempt obligations is includible in the gross income of the owners thereof for federal income tax purposes. It cannot be predicted whether or not the Service will commence an audit of the Bonds. If an audit is commenced, under current procedures the Service may treat the City as a taxpayer and the Bondholders may have no right to participate in such procedure. The commencement of an audit could adversely affect the market value and liquidity of the Bonds until the audit is concluded, regardless of the ultimate outcome.

Payments of interest on, and proceeds of the sale, redemption or maturity of, tax-exempt obligations, including the Bonds, are in certain cases required to be reported to the Service. Additionally, backup withholding may apply to any such payments to any Bond owner who fails to provide an accurate Form W-9 Request for Taxpayer Identification Number and Certification, or a substantially identical form, or to any Bond owner who is notified by the Service of a failure to report any interest or dividends required to be shown on federal income tax returns. The reporting and backup withholding requirements do not affect the excludability of such interest from gross income for federal tax purposes.

Interest on the Bonds is not exempt from present State of Illinois income taxes. Ownership of the Bonds may result in other state and local tax consequences to certain taxpayers. Bond Counsel expresses no opinion regarding any such collateral consequences arising with respect to the Bonds. Prospective purchasers of the Bonds should consult their tax advisors regarding the applicability of any such state and local taxes.

See **APPENDIX C** for a proposed form of opinion of Bond Counsel.

## CONTINUING DISCLOSURE

The City will enter into a Continuing Disclosure Undertaking (the “Undertaking”) for the benefit of the beneficial owners of the Bonds to send certain information annually and to provide notice of certain events to the Municipal Securities Rulemaking Board (the “MSRB”) pursuant to the requirements of the Rule. No person, other than the City, has undertaken, or is otherwise expected, to provide continuing disclosure with respect to the Bonds. The information to be provided on an annual basis, the events which will be noticed on an occurrence basis and a summary of other terms of the Undertaking, including termination, amendment and remedies, are set forth in **APPENDIX E - FORM OF CONTINUING DISCLOSURE UNDERTAKING**.

The City Council is expected to amend its existing disclosure policies and procedures to include additional procedures to be followed by the City in relation to the two new reportable events added to the list of reportable events for which the City must provide notice to the EMMA system.

There have been no instances in the previous five years in which the City failed to comply, in all material respects, with any undertaking previously entered into by it pursuant to the Rule. A failure by the City to comply with the Undertaking will not constitute a default under the Bond Ordinance and beneficial owners of the Bonds are limited to the remedies described in the Undertaking. The City must report any failure to comply with the Undertaking in accordance with the Rule. Any broker, dealer or municipal securities dealer must consider such report before recommending the purchase or sale of the Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Bonds and their market price.

## OPTIONAL REDEMPTION

The Bonds maturing on or after December 15, 2028, are subject to redemption prior to maturity at the option of the City in whole or in part on any date on or after December 15, 2027, at a price of par and accrued interest. If less than all the Bonds are called, they shall be redeemed in such principal amounts and from such maturities as determined by the City and within any maturity by lot.

The Bond Registrar will give notice of redemption, identifying the Bonds (or portions thereof) to be redeemed, by mailing a copy of the redemption notice 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 (or portion thereof) to be redeemed at the address shown on the registration books maintained by the Bond Registrar. Unless moneys sufficient to pay the redemption price of the Bonds to be redeemed are 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 will 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 will be of no force and effect, the City will not redeem such Bonds, and the Bond Registrar will give notice, in the same manner in which the notice of redemption has 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 will 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 the date.

Subject to the provisions for a conditional redemption described above, notice of redemption having been given as described above and in the Bond Ordinance, and notwithstanding failure to receive such notice, the Bonds or portions of Bonds so to be redeemed will, 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 will be paid by the Bond Registrar at the redemption price.

## **LITIGATION**

There is no litigation of any nature now pending or threatened restraining or enjoining the issuance, sale, execution or delivery of the Bonds, or in any way contesting or affecting the validity of the Bonds or any proceedings of the City taken with respect to the issuance or sale thereof.

## **CERTAIN LEGAL MATTERS**

Certain legal matters incident to the authorization, issuance and sale of the Bonds are subject to the approving legal opinion of Chapman and Cutler LLP, Chicago, Illinois, as Bond Counsel (the "Bond Counsel"), who has been retained by, and acts as, Bond Counsel to the City. Bond Counsel has not been retained or consulted on disclosure matters and has not undertaken to review or verify the accuracy, completeness or sufficiency of this Official Statement or other offering material relating to the Bonds and assumes no responsibility for the statements or information contained in or incorporated by reference in this Official Statement, except that in its capacity as Bond Counsel, Chapman and Cutler LLP has, at the request of the City, reviewed only those portions of this Official Statement involving the description of the Bonds, the security for the Bonds (excluding forecasts, projections, estimates or any other financial or economic information in connection therewith), and the description of the federal tax exemption of the interest on the Bonds. This review was undertaken solely at the request and for the benefit of the City and did not include any obligation to establish or confirm factual matters set forth herein.

## **OFFICIAL STATEMENT AUTHORIZATION**

This Official Statement has been authorized for distribution to prospective purchasers of the Bonds. All statements, information, and statistics herein are believed to be correct but are not guaranteed by the consultants or by the City, and all expressions of opinion, whether or not so stated, are intended only as such.

## **INVESTMENT RATING**

The City has supplied certain information and material concerning the Bonds and the City to Moody's, including certain information and materials which may not have been included in this Official Statement, as part of its application for an investment rating on the Bonds. A rating reflects only the views of Moody's and an explanation of the significance of such rating may be obtained from Moody's. Generally, such rating service bases its rating on such information and material, and also on such investigations, studies and assumptions that it may undertake independently. There is no assurance that such rating will continue for any given period of time or that it may not be lowered or withdrawn entirely by such rating service if, in its judgment, circumstances so warrant. Any such downward change in or withdrawal of such rating may have an adverse effect on the secondary market price of the Bonds. An explanation of the significance of the investment rating may be obtained from the rating agency: Moody's Investors Service, 7 World Trade Center at 250 Greenwich Street, New York, New York 10007, telephone 212-553-1658. The City will provide appropriate periodic credit information to the rating service to maintain a rating on the Bonds.

## **UNDERWRITING**

The Bonds were offered for sale by the City at a public, competitive sale on December 4, 2019. The best bid submitted at the sale was submitted by \_\_\_\_\_ (the "Underwriter"). The City awarded the contract for sale of the Bonds to the Underwriter at a price of \$\_\_\_\_\_. The Underwriter has represented to the City that the Bonds have been subsequently re-offered to the public initially at the yields or prices set forth in the addendum to this Official Statement.

## MUNICIPAL ADVISOR

The City has engaged Speer Financial, Inc. as municipal advisor (the “Municipal Advisor”) in connection with the issuance and sale of the Bonds. The Municipal Advisor is a Registered Municipal Advisor in accordance with the rules of the MSRB. The Municipal Advisor will not participate in the underwriting of the Bonds. The financial information included in the Official Statement has been compiled by the Municipal Advisor. Such information does not purport to be a review, audit or certified forecast of future events and may not conform with accounting principles applicable to compilations of financial information. The Municipal Advisor is not obligated to undertake any independent verification of or to assume any responsibility for the accuracy, completeness or fairness of the information contained in this Official Statement, nor is the Municipal Advisor obligated by the City’s continuing disclosure undertaking.

## CERTIFICATION

I have examined this Official Statement dated November \_\_, 2019, for the \$17,500,000\* General Obligation Refunding Bonds, Series 2019, believe it to be true and correct and will provide to the purchaser of the Bonds at the time of delivery a certificate confirming to the purchaser that to the best of my knowledge and belief information in the Official Statement was at the time of acceptance of the bid for the Bonds and, including any addenda thereto, was at the time of delivery of the Bonds true and correct in all material respects and does not include any untrue statement of a material fact, nor does it omit the statement of any material fact required to be stated therein, or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

/s/ **ELIZABETH HOLLEB**  
*Director of Finance*  
CITY OF LAKE FOREST  
Lake County, Illinois

\*Subject to change.

**APPENDIX A**

**CITY OF LAKE FOREST, LAKE COUNTY, ILLINOIS**

**FISCAL YEAR 2019 COMPREHENSIVE ANNUAL FINANCIAL REPORT**

## **APPENDIX B**

### **DESCRIBING BOOK-ENTRY-ONLY ISSUANCE**

1. The Depository Trust Company (“DTC”), New York, New York, will act as securities depository for the Bonds (the “Securities”). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for each issue of the Securities, each in the aggregate principal amount of such issue, and will be deposited with DTC.

2. DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has Standard & Poor’s rating: AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).

3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC’s records. The ownership interest of each actual purchaser of each Security (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

4. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

6. Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the City or the Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent, or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. A Beneficial Owner shall give notice to elect to have its Securities purchased or tendered, through its Participant, to any Tender/Remarketing Agent, and shall effect delivery of such Securities by causing the Direct Participant to transfer the Participant's interest in the Securities, on DTC's records, to any Tender/Remarketing Agent. The requirement for physical delivery of Securities in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Securities are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Securities to any Tender/Remarketing Agent's DTC account.

10. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to the City or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

11. The City may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.

12. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the City believes to be reliable, but the City takes no responsibility for the accuracy thereof.

**APPENDIX C**  
**PROPOSED FORM OF OPINION OF BOND COUNSEL**



**APPENDIX D**

**CITY OF LAKE FOREST, LAKE COUNTY, ILLINOIS**

**EXCERPTS OF FISCAL YEAR 2019 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
RELATING TO THE CITY'S PENSION PLANS AND OTHER POSTEMPLOYMENT BENEFITS**

**APPENDIX E**  
**FORM OF CONTINUING DISCLOSURE UNDERTAKING**

**OFFICIAL BID FORM**  
(Open Speer Auction)

City of Lake Forest  
220 East Deerpath  
Lake Forest, Illinois 60045

December 4, 2019  
Speer Financial, Inc.

City Council Members:

For the \$17,500,000\* General Obligation Refunding Bonds, Series 2019 (the "Bonds"), of the City of Lake Forest, Lake County, Illinois (the "City"), as described in the annexed Official Notice of Sale, which is expressly made a part of this bid, we will pay you \$\_\_\_\_\_ (no less than \$17,360,000). The Bonds are dated the date of delivery, expected to be on or about December 19, 2019. The Bonds will bear interest as follows (each rate a multiple of 1/8 or 1/100 of 1%). **The premium or discount, if any, is subject to adjustment allowing the same \$\_\_\_\_\_ gross spread per \$1,000 bond as bid herein.**

**MATURITIES\* - DECEMBER 15**

\$2,870,000 .....	2020	\$620,000 .....	2024	\$640,000 .....	2029
2,975,000 .....	2021	650,000 .....	2025	675,000 .....	2030
3,105,000 .....	2022	675,000 .....	2026	715,000 .....	2031
2,415,000 .....	2023	695,000 .....	2027	755,000 .....	2032
		710,000 .....	2028		

*Any consecutive maturities may be aggregated into term bonds at the option of the bidder, in which case the mandatory redemption provisions shall be on the same schedule as above.*

The Bonds are to be executed and delivered to us in accordance with the terms of this bid accompanied by the approving legal opinion of Chapman and Cutler LLP, Chicago, Illinois. The City will pay for the legal opinion. The underwriter agrees to **apply for CUSIP numbers within 24 hours** and pay the fee charged by the CUSIP Service Bureau and will accept the Bonds with the CUSIP numbers as entered on the Bonds.

As evidence of our good faith, if we are the winning bidder, we will wire transfer the amount of **TWO PERCENT OF PAR** (the "Deposit") **WITHIN TWO HOURS** after the bid opening time to the City's good faith bank and under the terms provided in the Official Notice of Sale for the Bonds. Alternatively, we have wire transferred or enclosed herewith a check payable to the order of the Treasurer of the City in the amount of the Deposit under the terms provided in the Official Notice of Sale for the Bonds. In submitting this bid, we represent that (i) this bid constitutes a firm offer to purchase the Bonds, on the terms set forth in this bid form and the Notice of Sale and is not subject to any conditions, except as permitted by the Notice of Sale, and (ii) we have an established industry reputation for underwriting new issuances of municipal bonds and notes.

**Form of Deposit (Check One)**

Prior to Bid Opening:  
Certified/Cashier's Check   
Wire Transfer

Within TWO hours of Bidding:  
Wire Transfer

Amount: \$350,000

**Account Manager Information**

Name \_\_\_\_\_  
Address \_\_\_\_\_  
By \_\_\_\_\_  
City \_\_\_\_\_ State/Zip \_\_\_\_\_  
Direct Phone (\_\_\_\_\_) \_\_\_\_\_  
FAX Number (\_\_\_\_\_) \_\_\_\_\_  
E-Mail Address \_\_\_\_\_

The foregoing bid was accepted and the Bonds sold pursuant to an ordinance of the City Council of the City adopted on December 4, 2019, and receipt is hereby acknowledged of the Deposit which is being held in accordance with the terms of the annexed Official Notice of Sale.

CITY OF LAKE FOREST, LAKE COUNTY, ILLINOIS

\_\_\_\_\_  
Mayor

\*Subject to change.

----- **NOT PART OF THE BID** -----  
(Calculation of true interest cost)

	<b>Bid</b>	<b>Post Sale Revision</b>
Gross Interest	\$	\$
Less Premium/Plus Discount	\$	\$
True Interest Cost	\$	\$
True Interest Rate	%	%
BOND YEAR DOLLARS	83,495.56	\$
AVERAGE LIFE	4.771 Years	Years

## OFFICIAL NOTICE OF SALE

\$17,500,000\*

# CITY OF LAKE FOREST

Lake County, Illinois

## General Obligation Refunding Bonds, Series 2019

*(Open Speer Auction)*

The City of Lake Forest, Lake County, Illinois (the "City"), will receive electronic bids on the SpeerAuction ("*SpeerAuction*") website address "[www.SpeerAuction.com](http://www.SpeerAuction.com)" for its \$17,500,000\* General Obligation Refunding Bonds, Series 2019 (the "Bonds"), on an all or none basis between 10:15 A.M. and 10:30 A.M., C.S.T., Thursday, December 4, 2019. To bid, bidders must have: (1) completed the registration form on the SpeerAuction website, and (2) requested and received admission to the City's sale (as described below). Award will be made or all bids rejected at a meeting of the City on that date. The City reserves the right to change the date or time for receipt of bids. Any such change shall be made not less than twenty-four (24) hours prior to the revised date and time for receipt of the bids for the Bonds and shall be communicated by publishing the changes in the Amendments Page of the SpeerAuction webpage and through *Thomson Municipal News*.

The Bonds are valid and legally binding upon the City and are payable from any funds of the City legally available for such purpose, and all taxable property in the City is subject to the levy of taxes to pay the same without limitation as to rate or amount, except that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion.

### Bidding Details

Bidders should be aware of the following bidding details associated with the sale of the Bonds.

- (1) All bids must be submitted on the SpeerAuction website at [www.SpeerAuction.com](http://www.SpeerAuction.com). **No telephone, telefax or personal delivery bids will be accepted.** The use of SpeerAuction shall be at the bidder's risk and expense and the City shall have no liability with respect thereto, including (without limitation) liability with respect to incomplete, late arriving and non-arriving bid. Any questions regarding bidding on the SpeerAuction website should be directed to Grant Street Group at (412) 391-5555 x 370.
- (2) Bidders may change and submit bids as many times as they like during the bidding time period; provided, however, each and any bid submitted subsequent to a bidder's initial bid must result in a lower true interest cost ("TIC") with respect to a bid, when compared to the immediately preceding bid of such bidder. In the event that the revised bid does not produce a lower TIC with respect to a bid the prior bid will remain valid.
- (3) If any bid in the auction becomes a leading bid two (2) minutes prior to the end of the auction, then the auction will be automatically extended by two (2) minutes from the time such bid was received by SpeerAuction. The auction end time will continue to be extended, indefinitely, until a single leading bid remains the leading bid for at least two minutes.
- (4) The last valid bid submitted by a bidder before the end of the bidding time period will be compared to all other final bids submitted by others to determine the winning bidder or bidders.
- (5) During the bidding, no bidder will see any other bidder's bid, but bidders will be able to see the ranking of their bid relative to other bids (i.e., "Leader", "Cover", "3rd" etc.)
- (6) On the Auction Page, bidders will be able to see whether a bid has been submitted.

### Rules of SpeerAuction

Bidders must comply with the Rules of SpeerAuction in addition to the requirements of this Official Notice of Sale. To the extent there is a conflict between the Rules of SpeerAuction and this Official Notice of Sale, this Official Notice of Sale shall control.

### Establishment of Issue Price

(a) The winning bidder shall assist the City in establishing the issue price of the Bonds and shall execute and deliver to the City at closing an "issue price" or similar certificate setting forth the reasonably expected initial offering price to the public or the sales price or prices of the Bonds, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as **Exhibit A** to this Official Notice of Sale, with such modifications as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the City and Chapman and Cutler LLP, Chicago, Illinois ("Bond Counsel"). All actions to be taken by the City under this Official Notice of Sale to establish the issue price of the Bonds may be taken on behalf of the City by the City's municipal advisor, Speer Financial, Inc., Chicago, Illinois ("Speer"), and any notice or report to be provided to the City may be provided to Speer. Within one hour of the award, the winning bidder will confirm to the City the expected initial offering prices of the Bonds, which the winning bidder used in formulating its bid.

(b) The City intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining "competitive sale" for purposes of establishing the issue price of the Bonds) will apply to the initial sale of the Bonds (the "Competitive Sale Requirements") because:

- (1) the City shall disseminate this Official Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential underwriters;
- (2) all bidders shall have an equal opportunity to bid;
- (3) the City may receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
- (4) the City anticipates awarding the sale of the Bonds to the bidder who submits a firm offer to purchase the Bonds at the highest price (or lowest interest cost), as set forth in this Official Notice of Sale.

Any bid submitted pursuant to this Official Notice of Sale shall be considered a firm offer for the purchase of the Bonds, as specified in the bid.

*\*Subject to change.*

(c) In the event that the Competitive Sale Requirements are not satisfied, the City shall so advise the winning bidder. The City may determine to treat (i) the first price at which 10% of a maturity of the Bonds (the "10% test") is sold to the public as the issue price of that maturity, or (ii) the initial offering price to the public as of the sale date of any maturity of the Bonds as the issue price of that maturity (the "hold-the-offering-price rule"), in each case applied on a maturity-by-maturity basis (and if different interest rates apply within a maturity, to each separate CUSIP number within that maturity). The winning bidder shall advise the City if any maturity of the Bonds satisfies the 10% test as of the date and time of the award of the Bonds. The City will not require bidders to comply with the "hold-the-offering-price rule" and therefore does not intend to use the initial offering price to the public as of the sale date of any maturity of the Bonds as the issue price of that maturity, unless the winning bidder elects to comply with the hold-the-offering-price rule. The City shall promptly advise the winning bidder, at or before the time of award of the Bonds, which maturities (and if different interest rates apply within a maturity, which separate CUSIP number within that maturity) of the Bonds shall be subject to the 10% test or shall be subject to the hold-the-offering-price rule or both. Bids will **not** be subject to cancellation in the event that the Competitive Sale Requirements are not satisfied. **Bidders should prepare their bids on the assumption that some or all of the maturities of the Bonds will be subject to the 10% test in order to establish the issue price of the Bonds unless the winning bidder elects to comply with the hold-the-offering-price rule.**

(d) If the Competitive Sale Requirements are not satisfied and the winning bidder selects the hold-the-offering-price rule, then by submitting a bid, the winning bidder shall (i) confirm that the underwriters have offered or will offer the Bonds to the public on or before the date of award at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in the bid submitted by the winning bidder, and (ii) agree, on behalf of the underwriters participating in the purchase of the Bonds, that the underwriters will neither offer nor sell unsold Bonds of any maturity to which the hold-the-offering-price rule shall apply to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (1) the close of the fifth business day after the sale date; or
- (2) the date on which the underwriters have sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

The winning bidder will advise the City promptly after the close of the fifth (5th) business day after the sale date whether it has sold 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public. Within one hour of the award, the winning bidder will inform the City of the initial offering price for each maturity of the Bonds.

(e) If the Competitive Sale Requirements are not satisfied, then until the 10% test has been satisfied as to each maturity of the Bonds, the winning bidder agrees to promptly report to the City the prices at which the unsold Bonds of that maturity have been sold to the public. That reporting obligation shall continue, whether or not the closing date (expected to be December 19, 2019) has occurred, until either (i) all Bonds of that maturity have been sold to the public or (ii) the 10% test has been satisfied as to the Bonds of that maturity, provided that the winning bidder's reporting obligation after the closing date may be at reasonable periodic intervals or otherwise upon request of the City or Bond Counsel. In addition, if the 10% test has not been satisfied with respect to any maturity of the Bonds prior to closing, then the winning bidder shall provide the City with a representation as to the price or prices, as of the date of closing, at which the purchaser reasonably expects to sell the remaining Bonds of such maturity.

(f) The City acknowledges that, in making the representations set forth above, the winning bidder will rely on (i) the agreement of each underwriter to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold the offering price rule, if applicable to the Bonds, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold the offering price rule, if applicable to the Bonds, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an underwriter or dealer who is a member of the selling group is a party to a third party distribution agreement that was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker dealer that is a party to such agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold the offering price rule, if applicable to the Bonds, as set forth in the third party distribution agreement and the related pricing wires. The City further acknowledges that each underwriter shall be solely liable for its failure to comply with its agreement regarding the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold the offering price rule, if applicable to the Bonds, and that no underwriter shall be liable for the failure of any other underwriter, or of any dealer who is a member of a selling group, or of any broker dealer that is a party to a third party distribution agreement to comply with its corresponding agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold the offering price rule, if applicable to the Bonds.

(g) By submitting a bid, each bidder confirms that:

- (1) any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the bidder is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such third-party distribution agreement, as applicable: (A) (i) to report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the closing date has occurred, until either all Bonds of that maturity allocated to it have been sold to the public or it is notified by the winning bidder that the 10% test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the closing date may be at reasonable periodic intervals or otherwise upon request of the winning bidder, and (ii) to comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the winning bidder and as set forth in the related pricing wires, (B) to promptly notify the winning bidder of any sales of Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below), and (C) to acknowledge that, unless otherwise advised by the underwriter, dealer or broker-dealer, the winning bidder shall assume that each order submitted by the underwriter, dealer or broker-dealer is a sale to the public.
- (2) any agreement among underwriters or selling group agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter or dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it whether or not the closing date has occurred, until either all Bonds of that maturity allocated to it have been sold or it is notified by the winning bidder or such underwriter that the 10% test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the closing date may be at reasonable periodic intervals or otherwise upon the request of the winning bidder or such underwriter, and (B) comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the winning bidder or the underwriter and as set forth in the related pricing wires, which shall be at least until the 10% test has been satisfied as to the Bonds of that maturity or until the close of business on the fifth business day following the date of the award.

(h) Sales of any Bonds to any person that is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below) shall not constitute sales to the public for purposes of this Official Notice of Sale. Further, for purposes of this Official Notice of Sale:

- (1) "public" means any person other than an underwriter or a related party,
- (2) "underwriter" means (A) any person that agrees pursuant to a written contract with the City (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the public),
- (3) a purchaser of any of the Bonds is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (A) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and
- (4) "sale date" means the date that the Bonds are awarded by the City to the winning bidder.

**Rules**

- (1) A bidder ("Bidder") submitting a winning bid ("Winning Bid") is irrevocably obligated to purchase the Bonds at the rates and prices of the winning bid, if acceptable to the City, as set forth in the related Official Notice of Sale. Winning Bids are not officially awarded to Winning Bidders until formally accepted by the City.
- (2) Neither the City, Speer Financial, Inc., nor Grant Street Group (the "Auction Administrator") is responsible for technical difficulties that result in loss of Bidder's internet connection with SpeerAuction, slowness in transmission of bids, or other technical problems.
- (3) If for any reason a Bidder is disconnected from the Auction Page during the auction after having submitted a Winning Bid, such bid is valid and binding upon such Bidder, unless the City exercises its right to reject bids, as set forth herein.
- (4) Bids which generate error messages are not accepted until the error is corrected and bid is received prior to the deadline.
- (5) Bidders accept and agree to abide by all terms and conditions specified in the Official Notice of Sale (including amendments, if any) related to the auction.
- (6) Neither the City, Speer Financial, Inc., nor the Auction Administrator is responsible to any bidder for any defect or inaccuracy in the Official Notice of Sale, amendments, or Official Statement as they appear on SpeerAuction.
- (7) Only Bidders who request and receive admission to an auction may submit bids. SpeerAuction and the Auction Administrator reserve the right to deny access to SpeerAuction website to any Bidder, whether registered or not, at any time and for any reason whatsoever, in their sole and absolute discretion.
- (8) Neither the City, Speer Financial, Inc., nor the Auction Administrator is responsible for protecting the confidentiality of a Bidder's SpeerAuction password.
- (9) If two bids submitted in the same auction by the same or two or more different Bidders result in same True Interest Cost, the first confirmed bid received by SpeerAuction prevails. Any change to a submitted bid constitutes a new bid, regardless of whether there is a corresponding change in True Interest Cost.
- (10) Bidders must compare their final bids to those shown on the Observation Page immediately after the bidding time period ends, and if they disagree with the final results shown on the Observation Page they must report them to SpeerAuction within 15 minutes after the bidding time period ends. Regardless of the final results reported by SpeerAuction, Bonds are definitively awarded to the winning bidder only upon official award by the City. If, for any reason, the City fails to: (i) award Bonds to the winner reported by SpeerAuction, or (ii) deliver Bonds to winning bidder at settlement, neither the City, Speer Financial, Inc., nor the Auction Administrator will be liable for damages.

The City reserves the right to reject all proposals, to reject any bid proposal not conforming to this Official Notice of Sale, and to waive any irregularity or informality with respect to any proposal. Additionally, the City reserves the right to modify or amend this Official Notice of Sale; however, any such modification or amendment shall not be made less than twenty-four (24) hours prior to the date and time for receipt of bids on the Bonds and any such modification or amendment will be announced on the Amendments Page of the SpeerAuction webpage and through *Thomson Municipal News*.

The Bonds will be in fully registered form in the denominations of \$5,000 and integral multiples thereof in the name of Cede & Co. as nominee of The Depository Trust Company ("DTC"), New York, New York, to which principal and interest payments on the Bonds will be paid. Individual purchases will be in book-entry only form. Interest on each Bond shall be paid by check or draft of the Bond Registrar to the person in whose name such bond is registered at the close of business on the first day of the month in which an interest payment date occurs. The principal of the Bonds shall be payable in lawful money of the United States of America at the principal corporate trust office of the Bond Registrar in Chicago, Illinois. Semiannual interest is due June 15 and December 15 of each year commencing June 15, 2020, and is payable by Amalgamated Bank of Chicago (the "Bond Registrar"). The Bonds are dated date of delivery, expected to be on or about December 19, 2019.

If the winning bidder is not a direct participant of DTC and does not have clearing privileges with DTC, the Bonds will be issued as Registered Bonds in the name of the purchaser. At the request of such winning bidder, the City will assist in the timely conversion of the Registered Bonds into book-entry bonds with DTC as described herein.

**MATURITIES\* - DECEMBER 15**

\$2, 870, 000 .....	2020	\$620, 000 .....	2024	\$640, 000 .....	2029
2, 975, 000 .....	2021	650, 000 .....	2025	675, 000 .....	2030
3, 105, 000 .....	2022	675, 000 .....	2026	715, 000 .....	2031
2, 415, 000 .....	2023	695, 000 .....	2027	755, 000 .....	2032
		710, 000 .....	2028		

*Any consecutive maturities may be aggregated into term bonds at the option of the bidder, in which case the mandatory redemption provisions shall be on the same schedule as above.*

\*Subject to change.

The Bonds maturing on or after December 15, 2028, are callable at the option of the City in whole or in part on any date on or after December 15, 2027, at a price of par and accrued interest. If less than all the Bonds are called, they shall be redeemed in such principal amounts and from such maturities as determined by the City and within any maturity by lot.

All interest rates must be in multiples of one-eighth or one one-hundredth of one percent (1/8 or 1/100 of 1%), and not more than one rate for a single maturity shall be specified. The rates bid for Bonds maturing on and after December 15, 2028 shall be in non-descending order. The differential between the highest rate bid and the lowest rate bid shall not exceed five percent (5%). All bids must be for all of the Bonds and must be for not less than \$17,360,000.

Award of the Bonds: The Bonds will be awarded on the basis of true interest cost, determined in the following manner. True interest cost shall be computed by determining the annual interest rate (compounded semi-annually) necessary to discount the debt service payments on the Bonds from the payment dates thereof to the dated date and to the bid price. For the purpose of calculating true interest cost, the Bonds shall be deemed to become due in the principal amounts and at the times set forth in the table of maturities set forth above. In the event two or more qualifying bids produce the identical lowest true interest cost, the winning bid shall be the bid that was submitted first in time on the SpeerAuction webpage.

The Bonds will be awarded to the bidder complying with the terms of this Official Notice of Sale whose bid produces the lowest true interest cost rate to the City as determined by the City's Municipal Advisor, which determination shall be conclusive and binding on all bidders; *provided*, that the City reserves the right to reject all bids or any non-conforming bid and reserves the right to waive any informality in any bid. Bidders should verify the accuracy of their final bids and compare them to the winning bids reported on the SpeerAuction Observation Page immediately after the bidding.

**The premium or discount, if any, is subject to pro rata adjustment if the maturity amounts of the Bonds are changed, allowing the same dollar amount of profit per \$1,000 bond as submitted on the Official Bid Form. The dollar amount of profit must be written on the Official Bid Form for any adjustment to be allowed, and is subject to verification.**

The true interest cost of each bid will be computed by SpeerAuction and reported on the Observation Page of the SpeerAuction webpage immediately following the date and time for receipt of bids. These true interest costs are subject to verification by the City's Municipal Advisor, will be posted for information purposes only and will not signify an actual award of any bid or an official declaration of the winning bid. The City or its Municipal Advisor will notify the bidder to whom the Bonds will be awarded, if and when such award is made.

The winning bidder will be required to make the standard filings and maintain the appropriate records routinely required pursuant to MSRB Rules G-8, G-11 and G-32. The winning bidder will be required to pay the standard MSRB charge for Bonds purchased. In addition, the winning bidder who is a member of the Securities Industry and Financial Markets Association ("SIFMA") will be required to pay SIFMA's standard charge per bond.

The winning bidder is required to wire transfer from a solvent bank or trust company to the City's good faith bank the amount of **TWO PERCENT OF PAR** (the "Deposit") **WITHIN TWO HOURS** after the bid opening time as evidence of the good faith of the bidder. Alternatively, a bidder may submit its Deposit upon or prior to the submission of its bid in the form of a certified or cashier's check on, or a wire transfer from, a solvent bank or trust company for **TWO PERCENT OF PAR** payable to the Treasurer of the City. The City reserves the right to award the Bonds to a winning bidder whose wire transfer is initiated but not received within such two hour time period provided that such winning bidder's federal wire reference number has been received. In the event the Deposit is not received as provided above, the City may award the Bonds to the bidder submitting the next best bid provided such bidder agrees to such award.

The Deposit of the successful bidder will be retained by the City pending delivery of the Bonds and all others will be promptly returned. Should the successful bidder fail to take up and pay for the Bonds when tendered in accordance with this Notice of Sale and said bid, said Deposit shall be retained as full and liquidated damages to the City caused by failure of the bidder to carry out the offer of purchase. Such Deposit will otherwise be applied on the purchase price upon delivery of the Bonds. No interest on the Deposit will accrue to the purchaser.

If a wire transfer is used for the Deposit, it must be sent according to the following wire instructions:

Amalgamated Bank of Chicago  
Corporate Trust  
30 N. LaSalle Street, 38<sup>th</sup> Floor  
Chicago, IL 60602  
ABA # 071003405  
Credit To: 3281 Speer Bidding Escrow  
RE: City of Lake Forest, Lake County, Illinois  
bid for \$17,500,000\* General Obligation Refunding Bonds, Series 2019

Contemporaneously with such wire transfer, the bidder shall send an email to [biddingscrow@aboc.com](mailto:biddingscrow@aboc.com) with the following information: (1) indication that a wire transfer has been made, (2) the amount of the wire transfer, (3) the issue to which it applies, and (4) the return wire instructions if such bidder is not awarded the Bonds. The City and any bidder who chooses to wire the Deposit hereby agree irrevocably that Speer Financial, Inc. ("Speer") shall be the escrow holder of the Deposit wired to such account subject only to these conditions and duties: (i) if the bid is not accepted, Speer shall, at its expense, promptly return the Deposit amount to the unsuccessful bidder; (ii) if the bid is accepted, the Deposit shall be forwarded to the City; (iii) Speer shall bear all costs of maintaining the escrow account and returning the funds to the bidder; (iv) Speer shall not be an insurer of the Deposit amount and shall have no liability except if it willfully fails to perform, or recklessly disregards, its duties specified herein; and (v) income earned on the Deposit, if any, shall be retained by Speer.

The City covenants and agrees to enter into a written agreement or contract, constituting an undertaking (the "Undertaking") to provide ongoing disclosure about the City for the benefit of the beneficial owners of the Bonds on or before the date of delivery of the Bonds as required under Section (b)(5) of Rule 15c2-12 (the "Rule") adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934. The Undertaking shall be as described in the Official Statement, with such changes as may be agreed in writing by the Underwriter.

The Underwriter's obligation to purchase the Bonds shall be conditioned upon the City delivering the Undertaking on or before the date of delivery of the Bonds.

The winning bidder shall provide a certificate, in form as drafted by or acceptable to Bond Counsel, to evidence the issue price of each maturity of the Bonds, form of which certificate is attached hereto as **Exhibit A**.

By submitting a bid, any bidder makes the representation that it understands Bond Counsel represents the City in the Bond transaction and, if such bidder has retained Bond Counsel in an unrelated matter, such bidder represents that the signatory to the bid is duly authorized to, and does consent to and waive for and on behalf of such bidder any conflict of interest of Bond Counsel arising from any adverse position to the City in this matter; such consent and waiver shall supersede any formalities otherwise required in any separate understandings, guidelines or contractual arrangements between the bidder and Bond Counsel.

Bonds will be delivered to the successful purchaser against full payment in immediately available funds as soon as they can be prepared and executed, which is expected to on or about December 19, 2019. Should delivery be delayed beyond sixty (60) days from the date of sale for any reason beyond the control of the City except failure of performance by the purchaser, the City may cancel the award or the purchaser may withdraw the good faith deposit and thereafter the purchaser's interest in and liability for the Bonds will cease.

The Official Statement, when further supplemented by an addendum or addenda specifying the maturity dates, principal amounts, and interest rates of the Bonds, and any other information required by law or deemed appropriate by the City, shall constitute a "Final Official Statement" of the City with respect to the Bonds, as that term is defined in the Rule. Any such addendum or addenda shall, on and after the date thereof, be fully incorporated herein and made a part hereof by reference. Alternatively, such final terms of the Bonds and other information may be included in a separate document entitled "Final Official Statement" rather than through supplementing the Official Statement by an addendum or addenda. By awarding the Bonds to any underwriter or underwriting syndicate, the City agrees that, no more than seven (7) business days after the date of such award, it shall provide, without cost to the senior managing underwriter of the syndicate to which the Bonds are awarded, up to 100 copies of the Final Official Statement to permit each "Participating Underwriter" (as that term is defined in the Rule) to comply with the provisions of such Rule. The City shall treat the senior managing underwriter of the syndicate to which the Bonds are awarded as its designated agent for purposes of distributing copies of the Final Official Statement to each Participating Underwriter. Any underwriter executing and delivering an Official Bid Form with respect to the Bonds agrees thereby that if its bid is accepted by the City it shall enter into a contractual relationship with all Participating Underwriters of the Bonds for purposes of assuring the receipt by each such Participating Underwriter of the Final Official Statement.

By submission of its bid, the senior managing underwriter of the successful bidder agrees to supply all necessary pricing information and any Participating Underwriter identification necessary to complete the Official Statement within 24 hours after award of the Bonds. Additional copies of the Final Official Statement may be obtained by Participating Underwriters from the printer at cost.

The City will, at its expense, deliver the Bonds to the purchaser in New York, New York, through the facilities of DTC and will pay for the bond attorney's opinion. At the time of closing, the City will also furnish to the purchaser the following documents, each dated as of the date of delivery of the Bonds: (1) the unqualified opinion of Chapman and Cutler LLP, Chicago, Illinois, that the Bonds are valid and legally binding obligations of the City in accordance with their terms; (2) the opinion of said attorneys that the interest on the Bonds is exempt from federal income taxes as and to the extent set forth in the Official Statement for the Bonds; and (3) a no litigation certificate by the City.

The City has authorized the printing and distribution of an Official Statement containing pertinent information relative to the City and the Bonds. Copies of such Official Statement or additional information may be obtained from Ms. Elizabeth Holleb, Director of Finance, City of Lake Forest, 800 North Field Drive, Lake Forest, Illinois 60045; telephone (847) 810-3612 or an electronic copy of this Official Statement is available from the [www.speerfinancial.com](http://www.speerfinancial.com) web site under "Debt Auction Center/Official Statements Sales Calendar/Competitive" from the Independent Public Finance Consultants to the City, Speer Financial, Inc., One North LaSalle Street, Suite 4100, Chicago, Illinois 60602, telephone (312) 346-3700.

/s/ **ELIZABETH HOLLEB**  
Director of Finance  
CITY OF LAKE FOREST  
Lake County, Illinois



**Exhibit A**  
**Example Issue Price Certificate**

**ORDINANCE NO. 2019-\_\_**

AN ORDINANCE providing for the issuance of not to exceed \$19,500,000 General Obligation Refunding Bonds, Series 2019, of the City of Lake Forest, Lake County, Illinois, for the purpose of refunding certain outstanding general obligation bonds of said City, providing for the levy and collection of a direct annual tax sufficient to pay the principal of and interest on said bonds, authorizing and directing the execution of an escrow agreement in connection with the issuance of said bonds, and authorizing the sale of said bonds to the winning bidder thereof.

WHEREAS, the City of Lake Forest, Lake County, Illinois (the “*City*”), has elected on November 2, 2004, pursuant to the provisions of the 1970 Constitution of the State of Illinois (the “*State*”), 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 has heretofore issued the following outstanding and validly subsisting and unpaid general obligation bonds: General Obligation Bonds, Series 2009 (the “*Series 2009 Bonds*”); Taxable General Obligation Bonds, Series 2010B (Recovery Zone Economic Development Bonds-Direct Payment), Taxable General Obligation Bonds, Series 2010C (Build America Bonds-Direct Payment), and General Obligation Refunding Bonds, Series 2011B (the “*Series 2011B Bonds*” and collectively, the “*Prior Bonds*” and those Prior Bonds being refunded, the “*Refunded Bonds*”); and

WHEREAS, the Refunded Bonds will be further described in the Escrow Agreement (as hereinafter defined); and

WHEREAS, it is necessary and desirable to refund the Refunded Bonds in order to realize certain interest cost savings for the City, net of the amount of subsidy payments which the City expected to receive from the U.S. Treasury with respect to interest payments due on certain of the Refunded Bonds; and

WHEREAS, the City Council of the City (the “*City Council*”) has determined that in order to refund the Refunded Bonds, it is necessary and in the best interests of the City to borrow not to exceed \$19,500,000 and issue bonds of the City therefor; and

WHEREAS, it is in the best interest of the City to issue bonds of the City in an amount not to exceed \$19,500,000 (the “*Bonds*”) for the purpose of refunding the Refunded Bonds; and

WHEREAS, pursuant to Ordinance No. 2013-070, adopted by the City Council on the 2nd day of December, 2013 (“*Ordinance No. 2013-070*”), 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 levied separate property taxes for capital improvements, and after the refunding of the Refunded Bonds and the issuance of the Bonds, the City will have, excluding the Bonds, four outstanding series of general obligation bonds that are expected to be repaid from sources other than general property taxes, namely, the City’s General Obligation Refunding Bonds, Series 2011A, the Series 2011B Bonds, a portion of the General Obligation Refunding Bonds, Series 2015, and the General Obligation Bonds, Series 2017; and

WHEREAS, the portion of the Bonds that will refund the Series 2011B Bonds are also expected to be repaid from a source other than general property taxes, and therefore such portion is excluded from the restrictions of the City Debt Limit; and

WHEREAS, the City hereby determines that after the issuance of the Bonds and the refunding of the Refunded Bonds, the Bonds will comply with the City Debt Limit; and

WHEREAS, the Bonds shall 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

WHEREAS, in accordance with the terms of the Prior Bonds, the Refunded Bonds may be called for redemption in advance of their maturity, and it is necessary and desirable to make such call for the redemption of the Refunded Bonds on their earliest possible call date, and provide for the giving of proper notice to the registered owners of the Refunded Bonds:

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 City 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), the City Council has been authorized by law to borrow an amount not to exceed \$19,500,000 upon the credit of the City and as evidence of such indebtedness to issue bonds of the City to said amount, the proceeds of said bonds to be used to refund the Refunded Bonds, and that it is necessary to borrow not to exceed \$19,500,000 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 \$19,500,000 for the purpose aforesaid, and that bonds of the City shall be issued to said amount and shall be designated “General Obligation Refunding Bonds, Series 2019,” or with such other series designation as set forth in the Bond Notification (as hereinafter defined). The Bonds shall be dated such date (not later than June 2, 2020) 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), 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 2032), in the amounts (not exceeding \$3,500,000 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 commencing with the first interest payment date as set forth in the Bond Notification, and on June 15 and December 15 of each year thereafter to maturity.

Interest on each Bond shall be paid by check or draft of Amalgamated Bank of Chicago, Chicago, Illinois, as bond registrar and paying agent (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, along with the Director of Finance of the City (the “*Finance Director*”), 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 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 (but in no event on a date later than ten and one-half years after the issuance of the Bonds) 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 on the redemption date, on December 15 of the years, if any, 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 City 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 paragraph [6] and those thereafter as shall be appropriate 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 REFUNDING BOND, SERIES 2019**

See Reverse Side for  
Additional Provisions

Interest                      Maturity                      Dated  
Rate: \_\_\_\_\_%      Date: December 15, 20\_\_      Date: \_\_\_\_\_, 2019 CUSIP: 509696 \_\_\_\_

Registered Owner:

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 June 15, 2020, 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 of Amalgamated Bank of Chicago, Chicago, Illinois, 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, Lake Forest,  
Lake County, Illinois

ATTEST:

SPECIMEN

\_\_\_\_\_  
City Clerk, Lake Forest  
Lake County, Illinois

[SEAL]

Date of Authentication: \_\_\_\_\_, 20\_\_

CERTIFICATE  
OF  
AUTHENTICATION

Bond Registrar and Paying Agent:  
Amalgamated Bank of Chicago  
Chicago, Illinois

This Bond is one of the Bonds described in the within mentioned ordinance and is one of the General Obligation Refunding Bonds, Series 2019, of the City of Lake Forest, Lake County, Illinois.

AMALGAMATED BANK OF CHICAGO, as Bond Registrar

By \_\_\_\_\_  
SPECIMEN  
Authorized Officer



[FORM OF BOND - REVERSE SIDE]

**CITY OF LAKE FOREST, LAKE COUNTY, ILLINOIS**

**GENERAL OBLIGATION REFUNDING BOND, SERIES 2019**

[6] This Bond is one of a series of bonds (the “*Bonds*”) issued by the City for the purpose of refunding certain outstanding bonds of the City and of paying expenses incidental thereto, all as described and defined in the Ordinance of the City, passed by the City Council on the 2nd day of December, 2019, 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.

[7] Bonds of the issue of which this Bond is one maturing on and after December 15, 20\_\_, are subject to redemption prior to maturity at the option of the City as a whole, or in part in integral multiples of \$5,000 in any order of their maturity as determined by the City (less than all the Bonds of a single maturity to be selected by lot by the Bond Registrar), on December 15, 20\_\_, and on any date thereafter, at the redemption price of par plus accrued interest to the redemption date.

[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 and Finance Director (the “*Designated Representatives*”) are hereby authorized to proceed not later than the 15th day of May, 2020, without any further authorization or direction from the City 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 thereof (the “*Purchaser*”), upon receipt of the purchase price therefor, the same being not less than 98% of the principal amount of the Bonds plus accrued interest (if any) to date of delivery. The Purchaser for the Bonds shall be: (a) pursuant to a competitive sale conducted by Speer Financial, Inc., the City’s municipal advisor (“*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, (ii) a governmental unit as defined in the Local Government Debt Reform Act of the State of Illinois, as amended, 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 the Purchaser as set forth in either (b) or (c) shall be selected only upon receipt by the City of the written recommendation of Speer that the sale of the Bonds on a negotiated or private placement basis to the Purchaser is in the best interest of the City because of (i) the pricing of the Bonds by the Purchaser, (ii) then current market conditions or (iii) the timing of the sale of the Bonds; and *further provided*, that the 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.

Upon the sale of the Bonds, the Designated Representatives shall prepare a Notification of Sale of the Bonds, 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 the Bonds does not exceed the maximum rate otherwise authorized by applicable law and that the net present value debt service savings to the City as a result of the issuance of the Bonds and the refunding of the Refunded Bonds is not less than 3.00% of the principal amount of the Refunded Bonds. The Bond Notification shall be entered into the records of the City and made available to the City Council at the next regular meeting thereof; but such action shall be for information purposes only, and the

City 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, City Clerk and City Treasurer and any other officers 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 the Bonds as may be necessary, including, without limitation, the contract for the sale of the Bonds between the City and the Purchaser (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 directly in his or her own name or indirectly in the name of any other person, association, trust or corporation, in the Purchase Contract.

The use by the Purchaser of any Preliminary Official Statement and any final Official Statement relating to the Bonds (the "*Official Statement*") is hereby ratified, approved and authorized; the execution and delivery of the Official Statement is hereby authorized; and the officers of the City Council 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 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:

2019	for interest up to and including December 15, 2020
2020	for interest and principal
2021	for interest and principal
2022	for interest and principal
2023	for interest and principal
2024	for interest and principal
2025	for interest and principal
2026	for interest and principal
2027	for interest and principal
2028	for interest and principal
2029	for interest and principal
2030	for interest and principal
2031	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.

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.

To the extent that the Pledged Taxes levied above exceed the amount necessary to pay debt service on the Bonds as set forth in the Bond Notification, the Mayor, City Clerk and City Treasurer are 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 of The County of Lake, Illinois (the “*County Clerk*”), in a timely manner to effect such abatement.

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 City 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 and Certificate of Reduction of Taxes.* 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 2019 to 2031, 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 2019” (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.

The Mayor, City Clerk and City Treasurer be and the same are hereby directed to prepare and file with the County Clerk, a Certificate of Reduction of Taxes Heretofore Levied for the

Payment of Bonds showing the Prior Bonds being refunded and directing the abatement of the taxes heretofore levied to pay the Refunded Bonds.

*Section 12. Use of Bond Proceeds; Use of Taxes Heretofore Levied.* 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. Simultaneously with the delivery of the Bonds, the principal proceeds of the Bonds, together with any premium received from the sale of the Bonds and such additional amounts as may be necessary from the general funds of the City, are hereby appropriated to pay the costs of issuance of the Bonds and for the purpose of refunding the Refunded Bonds, and that portion thereof not needed to pay such costs is hereby ordered deposited in escrow pursuant to an escrow agreement to be entered into between the City and Amalgamated Bank of Chicago, Chicago, Illinois, as escrow agent (the “*Escrow Agent*”), in substantially in the form attached hereto as *Exhibit A* (the “*Escrow Agreement*”) and made a part hereof by this reference, or with such changes therein as shall be approved by the officers of the City executing the Escrow Agreement, such execution to constitute evidence of the approval of such changes for the purpose of paying the principal of and interest on the Refunded Bonds when due and upon redemption prior to maturity, as more fully set forth in the Escrow Agreement. The City Council approves the form, terms and provisions of the Escrow Agreement and directs the Mayor and the City Clerk to execute, attest, seal and deliver the Escrow Agreement in the name and on behalf of the City. Amounts in the escrow may be used to purchase Government Securities (as defined in the Escrow Agreement) to provide for the principal payable on the Refunded Bonds upon redemption thereof. The Escrow Agent and the Purchaser are each hereby authorized to act as agent for the City in the purchase of the Government Securities.

At the time of issuance of the Bonds, the costs of issuance of the Bonds may be paid by the Purchaser or the Bond Registrar on behalf of the City from the proceeds of the Bonds.



All proceeds received or to be received from any taxes heretofore levied to pay principal and interest on the Refunded Bonds, including the proceeds received or to be received from the taxes levied for the year 2018 for such purpose, shall be used to pay the principal of and interest on the Refunded Bonds and to the extent that such proceeds are not needed for such purpose because of the establishment of the escrow, the same shall be deposited into the Bond Fund and used to pay principal and interest on the Bonds in accordance with all of the provisions of this Ordinance.

*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 City Council hereby authorizes the officials of the City responsible for issuing the Bonds, the same being the Mayor and City Clerk, to make such further covenants and certifications

regarding the specific use of the proceeds of the Bonds as approved by the City 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 City 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. Bank Qualification.* Prior to the date hereof during the current calendar year, no obligations that have been designated as “qualified tax-exempt obligations” for the purposes and within the meaning of Section 265(b)(3) of the Code have been issued by any of the following: (i) the City; (ii) an entity issuing obligations on behalf of the City; and (iii) any member of the same Controlled Group as the City or the same Controlled Group as an entity issuing obligations on behalf of the City.

*Section 15. 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 16. 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 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 17. 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 18. Record-Keeping Policy and Post-Issuance Compliance Matters.* On August 3, 2015, the City 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 City Council and the City hereby reaffirm the Policy.

*Section 19. 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 20. Call of the Refunded Bonds.* In accordance with the redemption provisions of the bond ordinances authorizing the Prior Bonds, the City by the City Council does hereby make provision for the payment of and does hereby call (subject only to the delivery of the Bonds) the Refunded Bonds for redemption and payment prior to maturity on January 20, 2020 (or such other date as set forth in the Escrow Agreement).

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

*Section 21. 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 Ordinance No. 2013-070 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: December 2, 2019

AYES: \_\_\_\_\_  
\_\_\_\_\_

NAYS: \_\_\_\_\_

ABSTENTION: \_\_\_\_\_

ABSENT: \_\_\_\_\_

Approved: December 2, 2019

\_\_\_\_\_  
Mayor, City of Lake Forest,  
Lake County, Illinois

ATTEST:

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

Recorded in the City Records on December 2, 2019.

**EXHIBIT A**  
**FORM OF ESCROW AGREEMENT**

\_\_\_\_\_, 2019

Amalgamated Bank of Chicago  
Chicago, Illinois

Re: City of Lake Forest, Lake County, Illinois  
\$ \_\_\_\_\_ General Obligation Refunding Bonds, Series 2019

Ladies and Gentlemen:

The City of Lake Forest, Lake County, Illinois (the “City”), by an ordinance adopted by the City Council of the City on the 2nd day of December, 2019 (as supplemented by a notification of sale of bonds dated December \_\_\_, 2019, the “*Bond Ordinance*”), has authorized the issue and delivery of \$ \_\_\_\_\_ General Obligation Refunding Bonds, Series 2019, dated December \_\_\_, 2019 (the “*Bonds*”). The City has authorized by the Bond Ordinance that proceeds of the Bonds be used to pay and redeem on January 20, 2020 (the “*Redemption Date*”), \$ \_\_\_\_\_ of the City’s outstanding and unpaid bonds as listed on *Exhibit A* hereto (collectively, the “*Refunded Bonds*”).

The City hereby deposits with you \$ \_\_\_\_\_ from the proceeds of the Bonds and \$ \_\_\_\_\_ from funds of the City on hand and lawfully available (collectively, the “*Deposit*”) and you are hereby instructed as follows with respect thereto:

1. [Upon deposit, you are directed to hold the Deposit in an irrevocable trust fund account (the “*Trust Account*”) for the City to the benefit of the holders of the Refunded Bonds.] [Upon deposit, you are directed to purchase U.S. Treasury Securities State and Local Government Series Certificates of Indebtedness in the amount of \$ \_\_\_\_\_ and maturing as described on *Schedule 1* hereto (the “*Securities*”). You are further instructed to fund a beginning cash escrow deposit on demand in the amount of \$ \_\_\_\_\_. The beginning deposit and the Securities are to be held in an irrevocable trust fund account (the “*Trust Account*”) for the City to the benefit of the holders of the Refunded Bonds.]

2. [You shall hold the Deposit in the Trust Account in cash for the sole and exclusive benefit of the holders of the Refunded Bonds until redemption of the Refunded Bonds on the Redemption Date is made.] [You shall hold the Securities and any interest income or profit derived therefrom and any uninvested cash in the Trust Account for the

sole and exclusive benefit of the holders of the Refunded Bonds until redemption of the Refunded Bonds on the Redemption Date is made.]

3. You shall promptly collect the principal, interest or profit from the proceeds deposited in the Trust Account and promptly apply the same as necessary to the payment of the Refunded Bonds as herein provided.

4. The City has called the Refunded Bonds for redemption and payment prior to maturity on the Redemption Date. You are hereby directed to provide for and give timely notice of the call for redemption of the Refunded Bonds. The form and time of the giving of such notice regarding the Refunded Bonds shall be as specified in the ordinance authorizing the issuance of the Refunded Bonds. The City agrees to reimburse you for any actual out-of-pocket expenses incurred in the giving of such notice, but the failure of the City to make such payment shall not in any respect whatsoever relieve you from carrying out any of the duties, terms or provisions of this Agreement.

5. In addition, in your separate role as paying agent for the Refunded Bonds, you are hereby directed to give notice of the call of the Refunded Bonds, on or before the date the notice of such redemption is given to the holders of the Refunded Bonds, to the Municipal Securities Rulemaking City Council (the "MSRB") through its Electronic Municipal Market Access system for municipal securities disclosure or through any other electronic format or system prescribed by the MSRB for purposes of Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended. Information with respect to procedures for submitting notice can be found at <https://msrb.org>.

6. You shall use the sum of \$\_\_\_\_\_ on the Redemption Date, to pay the principal of [and interest on] the Refunded Bonds on such date, and such remittance shall fully release and discharge you from any further duty or obligation thereto under this Agreement. [The interest on the Refunded Bonds will be paid from lawfully available moneys of the City deposited in the bond fund for the Refunded Bonds prior to the Redemption Date.]

7. You shall make no payment of fees, due or to become due, of the bond registrar and paying agent on the Bonds or the Refunded Bonds. The City shall pay the same as they become due.

8. If at any time it shall appear to you that the funds on deposit in the Trust Account will not be sufficient to pay the principal of the Refunded Bonds, you shall notify the City not less than five (5) days prior to such payment date and the City shall make up the anticipated deficit from any funds legally available for such purpose so that no default in the making of any such payment will occur.

9. Upon final disbursement of funds sufficient to pay the Refunded Bonds as hereinabove provided for, you shall transfer any balance remaining in the Trust Account to the City and thereupon this Agreement shall terminate.

#### EXHIBIT A



Very truly yours,

CITY OF LAKE FOREST, LAKE COUNTY,  
ILLINOIS

By \_\_\_\_\_  
Mayor

By \_\_\_\_\_  
City Clerk

Accepted this \_\_\_\_\_ day of \_\_\_\_\_, 2019.

AMALGAMATED BANK OF CHICAGO,  
Chicago, Illinois

By \_\_\_\_\_  
Its \_\_\_\_\_

**Schedule I – Schedule of Refunded Bonds**

\$2,125,000 General Obligation Bonds, Series 2009

<u>Maturities</u>	<u>Outstanding Amount</u>	<u>Amount Refunded</u>	<u>Redemption Price</u>	<u>Redemption Date</u>
12/15/2019 .....	\$ 190,000	\$ 0	N/A	N/A
12/15/2020 .....	200,000	200,000	100.00%	1/20/20
12/15/2021 .....	205,000(1)	205,000	100.00%	1/20/20
12/15/2022 .....	215,000	215,000	100.00%	1/20/20
12/15/2023 .....	225,000(1)	225,000	100.00%	1/20/20
12/15/2024 .....	235,000	235,000	100.00%	1/20/20
12/15/2025 .....	245,000(1)	245,000	100.00%	1/20/20
12/15/2026 .....	255,000	255,000	100.00%	1/20/20
12/15/2027 .....	265,000(1)	265,000	100.00%	1/20/20
12/15/2028 .....	280,000	280,000	100.00%	1/20/20
Total .....	\$2,315,000	\$2,125,000		

\$3,000,000 Taxable General Obligation Bonds, Series 2010B (Recovery Zone Economic Development Bonds-Direct Payment)

<u>Maturities</u>	<u>Outstanding Amount</u>	<u>Amount Refunded</u>	<u>Redemption Price</u>	<u>Redemption Date</u>
12/15/2029 .....	\$ 540,000(1)	\$ 540,000	100.00%	1/20/20
12/15/2030 .....	780,000(1)	780,000	100.00%	1/20/20
12/15/2031 .....	820,000(1)	820,000	100.00%	1/20/20
12/15/2032 .....	860,000	860,000	100.00%	1/20/20
Total .....	\$3,000,000	\$3,000,000		

(1) Mandatory sinking fund payment.

\$4,280,000 Taxable General Obligation Bonds, Series 2010C (Build America Bonds-Direct Payment)

<u>Maturities</u>	<u>Outstanding Amount</u>	<u>Amount Refunded</u>	<u>Redemption Price</u>	<u>Redemption Date</u>
12/15/2019 .....	\$ 215,000	\$ 0	N/A	N/A
12/15/2020 .....	405,000	405,000	100.00%	1/20/20
12/15/2021 .....	415,000	415,000	100.00%	1/20/20
12/15/2022 .....	425,000	425,000	100.00%	1/20/20
12/15/2023 .....	435,000	435,000	100.00%	1/20/20
12/15/2024 .....	445,000	445,000	100.00%	1/20/20
12/15/2025 .....	460,000	460,000	100.00%	1/20/20
12/15/2026 .....	475,000	475,000	100.00%	1/20/20
12/15/2027 .....	490,000(1)	490,000	100.00%	1/20/20
12/15/2028 .....	490,000(1)	490,000	100.00%	1/20/20
12/15/2029 .....	<u>240,000</u>	<u>240,000</u>	100.00%	1/20/20
Total .....	\$4,495,000	\$4,280,000		

\$9,475,000 General Obligation Refunding Bonds, Series 2011B

<u>Maturities</u>	<u>Outstanding Amount</u>	<u>Amount Refunded</u>	<u>Redemption Price</u>	<u>Redemption Date</u>
12/15/2019 .....	\$ 2,400,000	\$ 0	N/A	N/A
12/15/2020 .....	2,470,000	2,470,000	100.00%	1/20/20
12/15/2021 .....	2,530,000	2,530,000	100.00%	1/20/20
12/15/2022 .....	2,605,000	2,605,000	100.00%	1/20/20
12/15/2023 .....	<u>1,870,000</u>	<u>1,870,000</u>	100.00%	1/20/20
Total .....	\$11,875,000	\$9,475,000		

(1) Mandatory sinking fund payment.

STATE OF ILLINOIS     )  
                                          ) SS  
COUNTY OF LAKE        )

**CERTIFICATION OF ORDINANCE AND MINUTES**

I, the undersigned, do hereby certify that I am the duly qualified and acting City Clerk of the City of Lake Forest, Lake County, Illinois (the “City”), and as such official I am the keeper of the records and files of the City Council of the City (the “City Council”).

I do further certify that the foregoing constitutes a full, true and complete transcript of the minutes of the meeting of the City Council held on the 2nd day of December, 2019, insofar as same relates to the adoption of Ordinance No. 2019-\_\_ entitled:

AN ORDINANCE providing for the issuance of not to exceed \$19,500,000 General Obligation Refunding Bonds, Series 2019, of the City of Lake Forest, Lake County, Illinois, for the purpose of refunding certain outstanding general obligation bonds of said City, providing for the levy and collection of a direct annual tax sufficient to pay the principal of and interest on said bonds, authorizing and directing the execution of an escrow agreement in connection with the issuance of said bonds, and authorizing the sale of said bonds to the winning bidder thereof

a true, correct and complete copy of which said ordinance as adopted at said meeting appears in the foregoing transcript of the minutes of said meeting.

I do further certify that the deliberations of the City Council on the adoption of said ordinance were conducted openly, that the vote on the adoption of said ordinance was taken openly, that said meeting was held at a specified time and place convenient to the public, that notice of said meeting was duly given to all of the news media requesting such notice, that an agenda for said meeting was posted at the location where said meeting was held and at the principal office of the City Council at least 72 hours in advance of the holding of said meeting, that at least one copy of said agenda was continuously available for public review during the entire 72-hour period preceding said meeting, that said agenda contained a separate specific item concerning the proposed adoption of said ordinance, a true, correct and complete copy of the agenda as so posted being attached hereto as *Exhibit A*, that said meeting was called and held in strict compliance with the provisions the Open Meetings Act of the State of Illinois, as amended, and with the provisions of the Illinois Municipal Code, as amended, and that the City Council has complied with all of the applicable provisions of said Act and said Code and its procedural rules in the adoption of said ordinance.

IN WITNESS WHEREOF, I hereunto affix my official signature and the seal of the City, this  
2nd day of December, 2019.

---

City Clerk

[SEAL]

STATE OF ILLINOIS     )  
                                          ) SS  
COUNTY OF LAKE        )

**FILING CERTIFICATE**

I, the undersigned, do hereby certify that I am the duly qualified and acting County Clerk of The County of Lake, Illinois, and as such official I do further certify that on the \_\_\_\_ day of December, 2019, there was filed in my office a duly certified copy of Ordinance No. 2019-\_\_ entitled:

AN ORDINANCE providing for the issuance of not to exceed \$19,500,000 General Obligation Refunding Bonds, Series 2019, of the City of Lake Forest, Lake County, Illinois, for the purpose of refunding certain outstanding general obligation bonds of said City, providing for the levy and collection of a direct annual tax sufficient to pay the principal of and interest on said bonds, authorizing and directing the execution of an escrow agreement in connection with the issuance of said bonds, and authorizing the sale of said bonds to the winning bidder thereof

duly adopted by the City Council of the City of Lake Forest, Lake County, Illinois, on the 2nd day of December, 2019, and approved by the Mayor, and that the same has been deposited in (and all as appearing from) the official files and records of my office.

IN WITNESS WHEREOF, I hereunto affix my official signature and the seal of said County, this \_\_\_\_ day of December, 2019.

\_\_\_\_\_  
County Clerk of The County of Lake, Illinois

[SEAL]

EXTRACT OF MINUTES of a regular public meeting of the City Council of the City of Lake Forest, Lake County, Illinois, held at City Hall, Lake Forest, Illinois, at 6:30 p.m., on the 18th day of November, 2019.

The Mayor called the meeting to order and directed the City Clerk to call the roll. Upon the roll being called, George A. Pandaleon, the Mayor, and the following Aldermen were physically present at said location: \_\_\_\_\_

\_\_\_\_\_

The following Aldermen were allowed by a majority of the members of the City Council in accordance with and to the extent allowed by rules adopted by the City Council to attend the meeting by video or audio conference: \_\_\_\_\_

\_\_\_\_\_

No Alderman was not permitted to attend the meeting by video or audio conference.

The following Aldermen were absent and did not participate in the meeting in any manner or to any extent whatsoever: \_\_\_\_\_

\_\_\_\_\_

The Mayor announced that the next item for consideration was the issuance of not to exceed \$19,500,000 general obligation refunding bonds to be issued by the City pursuant to its home rule powers for the purpose of refunding certain outstanding general obligation bonds of the City for debt service savings, and that the City Council would consider the adoption of an ordinance providing for the issue of said bonds and the levy of a direct annual tax sufficient to pay the principal and interest thereon and authorizing the execution of an escrow agreement in connection therewith. The Mayor then explained that the ordinance sets forth the parameters for the issuance of said bonds and sale thereof by designated officials of the City and summarized the pertinent

terms of said parameters, including the specific parameters governing the manner of sale, length of maturity, rates of interest, purchase price and tax levy for said bonds.

WHEREUPON, Alderman \_\_\_\_\_ moved and Alderman \_\_\_\_\_

seconded the motion that there be introduced for first reading an ordinance entitled:

AN ORDINANCE providing for the issuance of not to exceed \$19,500,000 General Obligation Refunding Bonds, Series 2019, of the City of Lake Forest, Lake County, Illinois, for the purpose of refunding certain outstanding general obligation bonds of said City, providing for the levy and collection of a direct annual tax sufficient to pay the principal of and interest on said bonds, authorizing and directing the execution of an escrow agreement in connection with the issuance of said bonds, and authorizing the sale of said bonds to the winning bidder thereof

(the “*Bond Ordinance*”).

Thereupon the Mayor directed that the roll be called for a vote upon the motion to introduce the Bond Ordinance for first reading.

Upon the roll being called, the following Aldermen voted:

AYE: \_\_\_\_\_

\_\_\_\_\_

NAY: \_\_\_\_\_

ABSENT: \_\_\_\_\_

Whereupon the Mayor declared the motion carried and did direct the City Clerk to record the same in full in the records of the City Council, which was thereupon done.



Other business not pertinent to the adoption of said ordinance was duly transacted at said meeting.

Upon motion duly made and seconded, the meeting was adjourned.

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City Clerk

STATE OF ILLINOIS     )  
                                          ) SS  
COUNTY OF LAKE        )

**CERTIFICATION OF INTRODUCTION OF ORDINANCE AND MINUTES**

I, the undersigned, do hereby certify that I am the duly qualified and City Clerk of the City of Lake Forest, Lake County, Illinois (the “City”), and as such officer I am the keeper of the books, records, files, and journal of proceedings of the City and of the City Council (the “City Council”) of the City.

I do further certify that the foregoing constitutes a full, true and complete transcript of the minutes of the legally convened meeting of the City Council held on the 18th day of November, 2019, insofar as same relates to the introduction for first reading of an ordinance entitled:

AN ORDINANCE providing for the issuance of not to exceed \$19,500,000 General Obligation Refunding Bonds, Series 2019, of the City of Lake Forest, Lake County, Illinois, for the purpose of refunding certain outstanding general obligation bonds of said City, providing for the levy and collection of a direct annual tax sufficient to pay the principal of and interest on said bonds, authorizing and directing the execution of an escrow agreement in connection with the issuance of said bonds, and authorizing the sale of said bonds to the winning bidder thereof

a true, correct and complete copy of which said ordinance as introduced at said meeting appears in the foregoing transcript of the minutes of said meeting.

I do further certify that the deliberations of the City Council on the introduction of said ordinance were taken openly, that the vote on the introduction of said ordinance was taken openly, that said meeting was held at a specified time and place convenient to the public, that notice of said meeting was duly given to all of the news media requesting such notice of said meeting was duly given to all of the news media requesting such notice; that an agenda for said meeting was posted at the location where said meeting was held and at the principal office of the City Council at least 72 hours in advance of the holding of said meeting, that at least one copy of said agenda was continuously available for public review during the entire 72-hour period preceding said meeting, that said agenda contained a separate specific item concerning the proposed adoption of said ordinance, a true, correct and complete copy of the agenda as so posted being attached hereto as *Exhibit A*, that said meeting was called and held in strict compliance with the provisions the Open Meetings Act of the State of Illinois, as amended, and with the provisions of the Illinois Municipal Code, as amended, and that the City Council has complied with all of the applicable provisions of said Act and said Code and its procedural rules in the introduction of said ordinance.

IN WITNESS WHEREOF I have hereunto affixed my official signature and the seal of the City, this 18th day of November, 2019.

---

City Clerk

[SEAL]

The City of Lake Forest  
CITY COUNCIL  
***Proceedings of the Monday, November 4, 2019***  
City Council Meeting - City Council Chambers

CALL TO ORDER AND ROLL CALL: Honorable Mayor Pandaleon called the meeting to order at 6:56pm, and the City Clerk Margaret Boyer called the roll of Council members.

Present: Honorable Mayor Pandaleon, Alderman Beidler, Alderman Morris, Alderman Newman, Alderman Rummel, Alderman Preschlack, Alderman Goshgarian and Alderman Buschmann.

Absent: Alderman Moreno

**CALL TO ORDER AND ROLL CALL**

**PLEDGE OF ALLEGIANCE** was recited by all those present in the Chambers.

**REPORTS OF CITY OFFICERS**

**COMMENTS BY MAYOR**

Mayor Pandaleon read a statement related to former City Manager Bob Kiely, noting that The City of Lake Forest did not seek action in this matter and will refrain from commenting on the topic.

Mayor Pandaleon introduced Lake Forest Caucus President Sheila Henretta. Ms. Henretta reported on the Caucus’s meeting, stating all registered Lake Forest voters are invited to vote on the slate of proposed candidates, keeping an effective, non-partisan government. Additionally this year there will be a Jr. Caucus report given by third graders at the Everett Elementary School.

**A. Approval of the Deed of Gift of the Original 1857 Map of The City of Lake Forest to The Newberry Library in Chicago**

Susan Banks, Communications Manager gave a brief overview of the background and history of the original surveyor’s map from 1857. Art Miller and Jim Optsitnik reported that in January 2019, it was determined by the History Center, the Preservation Foundation and City Staff and Attorney that The Newberry was the proper location for this map. Jim Optsitnik reported on the preservation efforts, options available for copies of the map in digital format and the significance of this map as it relates to Rail Road towns.

The City Council had lengthy discussion about where the best place for the map would be. After discussion staff was asked to look into the Lake County Museum as an option to gift the map.

Alderman Goshgarian made a motion to table this item to another City Council meeting, seconded by Alderman Beidler.

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

**COUNCIL ACTION: Grant Approval of Deed of Gift of the Original 1857 Map of The City of Lake Forest to The Newberry Library in Chicago**

**COMMENTS BY CITY MANAGER**

City Manager Jason Wicha introduced Sally Swarthout, Director of Parks and Recreation. Ms. Swarthout reported on the recent promotion of Tricia Schwall as Manager at Dickinson Hall.

**COMMITTEE REPORTS**

**AUDIT COMMITTEE**

**A. Audit Committee Report-Fiscal Year 2019 Annual Financial Report**

*Audit Committee Chairman Vincent Sparrow, reported that the Comprehensive Annual Financial Report 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 2019 financial statements.*

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

**COUNCIL ACTION: Receipt of the audit report for the fiscal year ended April 30, 2019.**

Alderman Morris made a motion to accept receipt of the audit report for the fiscal year ended April 30, 2019, seconded by Alderman Preschlack. The following voted “Aye”: Alderman Beidler, Morris, Notz, Rummel, Preschlack, Goshgarian and Buschmann. The following voted “Nay”: None. 7-Ayes, 0 Nays, motion carried.

**FINANCE COMMITTEE**

**A. Determination of Non-Binding Estimate of the Amount of Revenue to be generated from Property Taxes for the 2019 Calendar Year in Accordance with the Truth in Taxation Statute and Establishment of a Public Hearing Date for the 2019 Tax Levy (if required)**

Elizabeth Holleb, Finance Director reported that this item was discussed at the October 21, 2019 Finance Committee meeting. A discussion regarding the 2019 tax levy is scheduled for the November 12 Finance Committee budget workshop. The tax levy ordinance will be considered by the City Council on November 18 and again on December 2, 2019.

The 2019 property tax levy estimate, as considered by the Finance Committee on October 21, is as follows:

<b>Levy</b>	<b>2018 Extended</b>	<b>2019 Levy Estimate</b>	<b>% Increase (Decr.)</b>
Aggregate Levy	\$ 30,630,237	\$ 31,881,291	4.08%
Debt Service Levy	1,669,665	1,901,820	13.90%
<b>TOTAL LEVY</b>	<b>\$ 32,299,902</b>	<b>\$ 33,783,111</b>	<b>4.59%</b>

The increase in the aggregate levy is comprised primarily of the following:

- 1.90% overall increase in compliance with the tax cap applicable to 2019 levies under the Property Tax Extension Limitation Law (PTELL),
- an increase due to new construction as estimated by the Lake County Assessor’s Office (not yet available, so will be added at a later date),
- an increase in funding requirements for police and fire pension as established by a 4/30/19 independent actuarial valuation, and
- required debt service levy amounts as established by bond ordinances approved at the time of debt issuance.

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

**COUNCIL ACTION: Determination of an Estimate of the Amount of Revenue to be generated from Property Taxes for the 2019 Calendar Year and establishment of December 2, 2019 as a public hearing date (if required) in Accordance with the Truth in Taxation Statute.**

Alderman Morris made a motion to accept pending approve the determination of an Estimate of the Amount of Revenue to be generated from Property Taxes for the 2019 Calendar Year and establishment of December 2, 2019 as a public hearing date (if required) in Accordance with the Truth in Taxation Statute, seconded by Alderman Goshgarian. The following voted "Aye": Alderman Beidler, Morris, Notz, Rummel, Preschlack, Goshgarian and Buschmann. The following voted "Nay": None. 7-Ayes, 0 Nays, motion carried.

**OPPORTUNITY FOR CITIZENS TO ADDRESS THE CITY COUNCIL ON NON-AGENDA ITEMS**

**ITEMS FOR OMNIBUS VOTE CONSIDERATION**

1. **Approval of the October 21, 2019 City Council Meeting Minutes**
2. **Approval of the Check Register for September 21-October 25, 2019**
3. **Approval of an Amendment to the City Council Schedule of Regular Meetings Previously Adopted by the City Council for the Year 2020**
4. **Approval of a Proclamation Honoring National Indian Heritage Month**
5. **Approval of Health Insurance Contract Renewals and Authorization for the City Manager to Execute Contracts Related to the Renewals**
6. **Award of Bid for the Mayflower Ravine Repair to North Shore Boring in the amount of \$34,710.00 and Kinnucan Tree Experts in the amount of \$45,434.16 for the Combined Project Amount of \$80,144.16**
7. **Authorization to Dispose of City Property; Sale of Existing 1991 Ladder Tower via Gov Deals to the Highest Bidder in the Amount of \$32,500**
8. **Consideration of an Ordinance Approving a Recommendation from the Zoning Board of Appeals. (First Reading, and if Desired by the City Council, Final Approval)**
9. **Consideration of a Recommendation from the Plan Commission in Support of Final Approval of a Plat of Subdivision for Property Located at 279 Scott Street and 931 McKinley Road. (Approval by Motion)**

**COUNCIL ACTION: Approval of the nine (9) Omnibus items as presented**

Mayor Pandaleon again asked members of the Council if they would like to remove any item or take it separately. Hearing none, Mayor Pandaleon asked for a motion to approve the nine (9) Omnibus items as presented.

Alderman Notz made a motion to approve the nine (9) Omnibus items as presented, seconded by Alderman Preschlack. The following voted "Aye": Alderman Beidler, Morris, Notz, Rummel, Preschlack, Goshgarian and Buschmann. The following voted "Nay": None. 7-Ayes, 0 Nays, motion carried.

*Information such as Purpose and Action Requested, Background/Discussion, Budget/Fiscal Impact, Recommended Action and a Staff Contact as it relates to the Omnibus items can be found on the agenda.*

<b>ORDINANCES</b>
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<b>NEW BUSINESS</b>
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<b>ADDITIONAL ITEMS FOR COUNCIL DISCUSSION/COMMENTS BY COUNCIL MEMBERS</b>
----------------------------------------------------------------------------

- 1. EXECUTIVE SESSION pursuant to 5ILCS 120/2 (c) (11), The City Council will be discussing threatened or pending litigation and (1), The City Council will be discussing personnel.**

Alderman Notz made a motion to adjourn into executive session pursuant to 5ILCS 120/2 (c) (11), The City Council will be discussing threatened or pending litigation and (1), The City Council will be discussing personnel, seconded by Alderman Preschlack. The following voted "Aye": Alderman Beidler, Morris, Notz, Rummel, Preschlack, Goshgarian and Buschmann. The following voted "Nay": None. 7-Ayes, 0 Nays, motion carried.

**Adjournment into Executive Session at 7:08 pm**

**Reconvene into Regular Session 9:51 pm**

<b>ADJOURNMENT</b>
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There being no further business Mayor Pandaleon asked for a motion. Alderman Beidler made a motion to adjourn, seconded by Alderman Buschmann. Motion carried unanimously by voice vote at 9:52 pm.

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](http://www.cityoflakeforest.com). Click on I Want To, then click on View, then choose Archived Meetings Videos.*

**FIRST ADDENDUM TO THE LICENSE AGREEMENT BETWEEN THE CITY OF LAKE FOREST AND THE MUSIC INSTITUTE OF CHICAGO**

**THIS FIRST ADDENDUM TO THE LICENSE AGREEMENT BETWEEN THE CITY OF LAKE FOREST AND THE MUSIC INSTITUTE OF CHICAGO** (this “Addendum”) is made this \_\_\_ day of \_\_\_\_\_, 2019, by and between the **CITY OF LAKE FOREST**, an Illinois home-rule and special charter municipal corporation (“**City**”) and **MUSIC INSTITUTE OF CHICAGO**, an Illinois not-for-profit corporation (“**Licensee**”).

**WHEREAS**, the City and Licensee previously entered into that certain License Agreement, dated February 10, 2015 (the “**License Agreement**”); and

**WHEREAS**, pursuant to the License Agreement, the City has granted a license to the Licensee for the use of a portion of the building commonly known as Volwiler Hall, located at 40 E. Old Mill Road in the City of Lake Forest; and

**WHEREAS**, the License Agreement expires under its own terms on December 31, 2019; and

**WHEREAS**, the City and the Licensee desire to extend the term of the License Agreement through June 15, 2021, upon the terms and conditions set forth in this Addendum.

**NOW, THEREFORE**, in consideration of the mutual promises and agreements contained herein, the receipt and sufficiency of which is hereby acknowledged by both Parties, the Parties hereto do promise and agree, as follows:

**SECTION 1. Recitals.** The foregoing recitals shall be, and are hereby, incorporated into and made a part of this Amendment as if fully set forth in this Section 1.

**SECTION 2. Prior Agreement/Conflicts.** In the event of any conflict or inconsistency between the terms and provisions of the Agreement and this Amendment, this Amendment shall govern and apply

**SECTION 3. Extension of License Period.** The License Period provided for under Section 2 of the License Agreement is hereby extended to end on June 15, 2021.

**SECTION 4. Withdrawal of Revocation Notice.** The City hereby withdraws its prior notice of revocation of the License Agreement, dated August 29, 2018.

**SECTION 5. Continued Effect.** Except as expressly modified by this Addendum, the License Agreement shall continue in full force and effect, including, but not limited to, the License Fee provided for under Section 3 of the License Agreement.

[signature page follows]



**IN WITNESS WHEREOF**, the parties hereto have caused this instrument to be executed on the date first above written.

**MUSIC INSTITUTE OF CHICAGO**

**CITY OF LAKE FOREST**, an Illinois  
Municipal Corporation

By: \_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

Jason C. Wicha, City Manager

## LICENSE AGREEMENT

This License Agreement ("License") is entered into on this 10th day of February, 2015, by and between **The City of Lake Forest**, an Illinois home-rule and special charter Municipal Corporation in Lake County, Illinois ("Owner") and **Music Institute of Chicago**, an Illinois not-for-profit corporation. ("Licensee") (collectively, the Owner and Licensee shall hereinafter be referred to as the "Parties").

### Recitals.

A. Owner is the title holder to a certain building commonly known as Volwiler Hall and located at 40 E. Old Mill Road in The City of Lake Forest, County of Lake, and State of Illinois (the "Building").

B. Owner has determined that making space available in the Building for certain uses will serve the public interest of The City of Lake Forest and its residents. Such space will be made available not through the conveyance of any property interest in or to the Building, but by the granting of license rights for the use and occupancy of space within the Building.

C. Owner desires to grant to Licensee the privilege to use, access, and occupy, and Licensee desires to use, access, and occupy, approximately 6,650 square feet of space in the Building as depicted on Exhibit A to this License ("Licensed Area"), subject to and in accordance with the terms of this License.

**NOW, THEREFORE, in consideration of** the mutual promises, covenants, and agreements herein stated, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Parties, Owner desires and agrees to license the Licensed Area to Licensee, and Licensee desires and agrees to license the Licensed Area from Owner pursuant to the provisions set forth herein.

#### **1. Incorporation of Recitals.**

The foregoing Recitals are hereby incorporated into and made a part of this License as if fully set forth herein.

#### **2. License Period.**

The terms and conditions of this License shall apply during the period beginning on January 1, 2015 ("Commencement Date") and ending on December 31, 2019 ("License Period"). The Parties may extend the License Period or modify the terms of this License as provided for herein or by a separate written agreement signed by both Parties.

#### **3. License Fee & Execution of License.**

- a. Licensee shall pay to Owner each year during the License Period a fixed fee of \$43,000 per year, payable in monthly installments. Each installment payment of the License Fee shall be due in advance on the first day of each calendar month during the License Period. Licensee is directed and required to deliver each installment of the License Fee to Owner at the following address: 800 North Field Drive, Lake Forest, IL 60045. If Licensee is delinquent in any monthly

installment of the License Fee due and owing under this License for more than five (5) days, Licensee shall pay to Owner on demand a late charge equal to five percent (5%) of such delinquent sum. The provision for such late charge shall be in addition to all of Owner's other rights and remedies hereunder or at law or in equity and shall not be construed as a penalty. Owner may further adjust the License Fee upon any change in usage of the Licensed Area or any extension of the License Period.

- c. Licensee must provide to the City Manager a copy of the License executed by Licensee and a security deposit of \$3583.00 (the "License Security Deposit"). Owner may at any time or times apply all or any portion of the License Security Deposit in payment of any amounts due to Owner from Licensee, and upon Owner's demand Licensee shall in such case promptly deposit additional sums with Owner to return the balance of the License Security Deposit to \$3,583.00.
- d. The Building and Licensed Area are currently exempt from payment of real estate taxes. If at any time in the future the Building and Licensed Area are assessed and real estate taxes are due, Licensee shall pay all real estate taxes or other charges applicable to or assessed against the Building or Licensed Area, on a pro rata basis considering the size of the Licensed Area in relation to the size of all other licensed areas in the Building that are licensed for use by taxable entities; even though such taxes may not become due and payable until after the expiration or termination of this License. If any such taxes or charges shall have been paid by Owner, Licensee agrees to reimburse Owner within 60 days after presentation of a bill. Licensee shall be liable for all taxes levied or assessed against any personal property or fixtures placed in the Licensed Area, whether levied or assessed against Owner or Licensee.

#### **4. Authorized Uses.**

- a. Licensee may use the Licensed Area for the purpose(s) only: conducting of music classes and related activities for the public consistent with the mission statement of Licensee, a copy of which is attached hereto as Exhibit B. Overnight occupancy of the premises is not permitted. The ending time of any and all public classes and activities shall be 9:00 p.m. Licensee shall have the non-exclusive right to the use of the grounds and parking areas adjacent to Volwiler Hall. No parking shall be permitted on any residential street. In addition, Licensee may use the common areas of the Building for their ordinary and customary uses.
- b. In addition, a maximum number of six (10) group social functions (excepting musical events), including fundraisers and the like, may be held in the Licensed Area per year. Licensee shall give owner prior written notification of any such group events. Owner shall have the right to prohibit any use that it determines is inconsistent with the Special Use Permit (a copy of which is attached hereto as Exhibit C) and/or public interest at the Owner's discretion.
- c. Notwithstanding the foregoing, Licensee shall not store any inflammable or hazardous materials on or in the Licensed Area without the express written authorization of Owner (except for such quantities of standard over-the-counter

cleaning and office supplies as are reasonably necessary to be kept in connection with the normal operation and maintenance of the Licensed Area).

#### **5. Assignments.**

Licensee shall not without owners written consent of the Owner assign all or any portion of the rights or privileges to use or occupy any part of the Licensed Area. Any sub-license between the Licensee and its sub-licensee must have written approval by the Owner. The Owner acknowledges and consents to Licensee's current sub-license arrangement with the Career Resource Center (the "Sub-Licensee") affecting a portion of the Licensed Area. Licensee shall be fully responsible to the Owner for the acts of the Sub-Licensee, and Licensee shall not, without the prior written consent of the Owner, either: (i) expand the Sub-Licensee's current use of the Licensed Area, or (ii) allow another party to sub-license any part of the Licensed Area (including such part currently used by the Sub-Licensee).

#### **6. Surrender of Licensed Area and Repairs.**

- a. At the end of the License Period, Licensee shall no longer exercise the privilege of using or occupying the Licensed Area and shall otherwise surrender the Licensed Area in the same condition as it existed on the Commencement Date, normal wear and tear and damage by fire or other casualty excepted, so long as any fire or casualty is not caused by the Licensee. Licensee shall also return to the Owner all keys to the Building or to the Licensed Area at the end of the License Period.
- b. Licensee shall have the right to remove all personal property from the Licensed Area at the conclusion of the License Period provided that Licensee shall repair, at Licensee's expense, all damage to the Licensed Area caused by such removal, and shall remove all of Licensee's property. Any property not so removed by Licensee as permitted or required herein shall be deemed abandoned and may be stored, removed, and disposed of by Owner at Licensee's expense, and Licensee waives all claims against Owner for any damages resulting from Owner's retention and disposition of such property.
- c. During and at the conclusion of the License Period, and as additional consideration for the granting of this License, Licensee agrees to make, at Licensee's expense, all necessary repairs to the Licensed Area caused by Licensee, its agents, employees, contractors, or invitees or the Sub-Licensee from use and occupancy, normal wear and tear and damage by fire or other casualty excepted, so long as any fire or casualty is not caused by the Licensee.

#### **7. Improvements.**

- a. Licensee shall not make any alterations to the Licensed Area without the prior written consent of the Owner.
- b. Any such improvements shall be made in a workmanlike manner utilizing good quality materials, including partitions, fixtures and equipment required to be affixed or secured to the Licensed Area.

- c. Upon surrender of the Licensed Area, all alterations or improvements constructed by Owner or Licensee shall remain on the Licensed Area as Owner's property, except to the extent (i) Owner requires removal of any such Licensee-made alterations at Licensee's expense prior to the expiration of the License Period or earlier termination of this License, or (ii) Owner and Licensee have otherwise agreed in writing in connection with Owner's consent to any Licensee-made alterations. Licensee shall repair any damage to the Licensed Area caused by such removal, unless Owner elects to complete such repairs itself, in which case Licensee shall reimburse Owner for the costs of such repairs within ten (10) days after Owner's written demand therefor. If Licensee fails to remove any Licensee-made alterations per the requirements of this Paragraph, or fails to repair any damage caused thereby, Owner shall have the right, but not the obligation, to complete such removal and/or repairs at Licensee's expense, and Licensee shall reimburse Owner for same within ten (10) days after Owner's written demand therefor.

## **8. Insurance**

- a. Licensee, at its expense, shall maintain during the License Period: all risk property insurance covering the full replacement cost of all property and improvements installed or placed in the Licensed Area by Licensee at Licensee's expense; worker's compensation insurance with no less than the minimum limits required by law; employer's liability insurance with such limits as required by law; and commercial general liability insurance, with a minimum limit of \$1,000,000 per occurrence and a minimum umbrella limit of \$1,000,000, for a total minimum combined general liability and umbrella limit of \$2,000,000 (together with such additional umbrella coverage as Owner may reasonably require) for property damage, personal injuries, or deaths of persons occurring in or about the Licensed Area. Owner may from time to time require reasonable increases in any such limits. The commercial liability policies shall name Owner as additional insureds (and any other party reasonably requested by Owner), insure on an occurrence and not a claims made basis, be issued by insurance companies that are reasonably acceptable to Owner, not be cancelable unless thirty (30) days' prior written notice is given to Owner, contain a hostile fire endorsement and a contractual liability endorsement and provide primary coverage to Owner (any policy issued to Owner providing duplicate or similar coverage shall be deemed excess over Licensee's policies). Such policies or certificates thereof shall be delivered to Owner by Licensee prior to the Commencement Date and upon each renewal of said insurance.
- b. The all risk property insurance obtained by the Licensee in accordance with this License shall include a waiver of subrogation by the insurers and all rights based upon an assignment from its insured, against either Party, their officers, directors, employees, managers, agents, invitees and contractors, in connection with any loss or damage thereby insured against. Neither Party nor its officers, directors, employees, managers, agents, invitees or contractors shall be liable to the other for loss or damage caused by any risk coverable by all risk property insurance, and each party waives any claims against the other party, and its officers, directors, employees, managers, agents, invitees and contractors for such loss or damage. The failure of a Party to insure its property shall not void this waiver (but such waiver shall not apply to Owner if Licensee fails to obtain and maintain

such all risk policy). Owner and its agents, employees and contractors shall not be liable for, and Licensee hereby waives all claims against such parties for, business interruption and losses occasioned thereby sustained by Licensee or any person claiming through Licensee resulting from any accident or occurrence in or upon the Licensed Area from any cause whatsoever, including without limitation, damage caused in whole or in part, directly or indirectly, by the negligence of Owner or its agents, employees or contractors; but, excluding any accident or occurrence caused directly by the gross negligence or willful misconduct of Owner or its agents, employees or contractors.

## **9. Utilities and Services.**

For those that are separately metered and used solely by the Licensee, Licensee shall pay for all water, gas, electricity, heat, light, power, telephone, sewer, sprinkler services, janitorial services, and other utilities and services used on the Licensed Area, all maintenance charges for utilities, and any storm sewer charges or other similar charges for utilities imposed by any governmental entity or utility provider directly to the provider of such services. In the event Licensee fails to pay for any utilities or services as required under this Paragraph, Owner shall have the right, but not the obligation, upon ten (10) days' prior written notice to Licensee, to pay such utility or service bills on Licensee's behalf and charge Licensee for same (plus a penalty equal to 5% of the past due amount) due and payable upon Owner's written demand therefor. No interruption or failure of utilities or services shall result in the termination of this License or the abatement of License Fees.

## **10. Entry**

Owner shall have the right to enter upon the Licensed Area at reasonable hours following reasonable notice to Licensee (except in an emergency) to inspect the same, provided Owner shall not thereby unreasonably interfere with Licensee's business on the Licensed Area.

## **11. Maintenance, Damage, and Destruction**

- a. Licensee shall at all times keep the Licensed Area clean and in good repair and condition, including the painting thereof. Licensee shall not post, paint, or place on the Licensed Area or Building any advertisement or sign without the prior written approval of the Owner. Except as otherwise expressly provided in this License, Licensee shall bear the full cost of any repair or replacement to any part of the Licensed Area that incurs damage caused by Licensee, its agents, employees, contractors, or invitees.
- b. Owner shall not be liable for any loss or damage caused by Owner's failure to keep the Licensed Area heated or in repair, or for any damage to the property of the Licensee in or about the Building or Licensed Area from water, rain, or snow which may leak or flow into any part of the Building or Licensed Area, or from leakage of pipes, plumbing, heating or cooling apparatus, or any defect on the Licensed Area.
- c. In the event the Licensed Area shall be rendered untenable by fire or other casualty, Owner may at its option, repair the Licensed Area within 90 days or

revoke the License and in such event the License shall cease immediately. The License Fee shall be abated from the date of any casualty and while such damages are under repair, unless such casualty or damage was caused by Licensee, its agents, employees, contractors, or invitees.

- d. If the Licensed Area or any part thereof or any appurtenance thereto is so damaged by fire, casualty or structural defects (such damage or defects not being the result of any act of negligence by Licensee or by any of Licensee's agents, employees, or invitees) that the same cannot be used for Licensee's purposes, then Licensee shall have the right after ninety (90) days following damage to elect by notice to Owner to terminate this License as of the date of such damage. The License Fee shall abate from the date of any casualty through the date of termination of the License or until such damages have been repaired, unless such casualty or damage was caused by Licensee, its agents, employees, contractors, or invitees.
- e. In the event of minor damage to any part of the Licensed Area, Owner may promptly repair such damage; however, Owner shall not be liable for any delays resulting from strikes, governmental restrictions, inability to obtain necessary materials, or labor or other matters, which are beyond the reasonable control of Owner. The License Fee shall be abated from the date of any casualty and while such damages are under repair, unless such casualty or damage was caused by Licensee, its agents, employees, contractors, or invitees.
- f. If the Licensed Area or any other part of the Building is damaged by fire or other casualty resulting directly from any act of negligence by Licensee or by any of Licensee's agents, employees or invitees, the License Fee shall not be diminished or abated while such damages are under repair, and Licensee shall be responsible for the costs of repair not covered by insurance.
- g. The Owner shall be responsible for maintenance of the portions of the Licensed Area, the Building, and the areas adjacent to the Building in accordance with Exhibit D attached to this Agreement. Notwithstanding such responsibility, in the event that the Owner is unable or unwilling to perform such maintenance, Licensee's only remedy is to terminate this Agreement, subject to the provisions of Section 12(b) of this Agreement. Additionally, in lieu of performing maintenance as provided in Exhibit D, the Owner may declare the Licensed Premises or affected portions thereof no longer available for occupancy, and the License Fee shall be prorated accordingly.

## 12. Default

- a. In the event of a default made by Licensee in any of the covenants or conditions to be kept, observed and performed by Licensee, Licensee shall have thirty (30) days after receipt of written notice thereof to cure such default, provided such default is capable of being cured within such time period, or any additional time as may be reasonably required to cure the default in the event thirty (30) days is insufficient, but in no event more than sixty (60) days without the written consent of the Owner. In the event that the Licensee shall fail to cure any default within the time allowed under this paragraph, Owner may declare the License Period ended and terminate the License by giving Licensee ten days' written notice of

such intention, and if Licensee does not remove its property and otherwise discontinue use of the Licensed Area, Owner may remove Licensee's property from the Licensed Area and otherwise prevent Licensee's further use of the Licensed Area or the Building.

- b. In the event of (i) a default made by Owner or (ii) Owner's decision not to perform maintenance activities identified in Exhibit D, which non-performance shall not be a technical default under this Agreement (an "Occupancy Condition"), Owner shall have thirty (30) days after receipt of written notice from Licensee of such Occupancy Condition, provided such Occupancy Condition is capable of being cured within such time period, or any additional time as may be reasonably required to cure the Occupancy Condition in the event thirty (30) days is insufficient, but in no event more than sixty (60) days without the written consent of the Licensee. In the event that the Owner shall fail to cure any Occupancy Condition within the time allowed under this paragraph, Licensee may declare the License Period ended and terminate the License by giving Owner at least ten days' written notice of such intention, and upon such termination Licensee shall remove Licensee's property from the Licensed Area.

### **13. Right to Revoke**

Owner shall have the right to revoke this License upon 270 days' prior written notice to the Licensee. Upon any such termination by Owner, if the License Fee shall have been paid in advance, Owner shall refund to Licensee the portion of such License Fee paid for any time after the effective date of the termination. Licensee shall have the right to relinquish this License upon 120 days' prior written notice to the Owner and delivery of any unpaid balance of the monthly License Fee installments due through the effective date of the termination, which shall become immediately due and payable by Licensee under the terms of the License.

### **14. Indemnification**

Except for the gross negligence or intentional misconduct of Owner, its officers, officials, agents, employees, attorneys, or representatives, and to the extent permitted by law, Licensee agrees to indemnify, defend and hold harmless Owner, and Owner's officers, officials, agents, employees, attorneys, or representatives, from and against any and all losses, liabilities, damages, costs and expenses (including attorneys' fees and court costs) resulting from claims for injuries to any person and damage to or theft or misappropriation or loss of property occurring in, on or about the Licensed Area and arising from the use and occupancy of the Licensed Area or from Licensee's failure to perform any obligations of Licensee under this License or from any activity, work, or thing done, permitted or suffered by Licensee in or about the Licensed Area or due to any other act or omission of Licensee, assignees, invitees, employees, contractors and agents. The furnishing of insurance required hereunder shall not be deemed to limit Licensee's obligations under this Paragraph. The indemnification obligations of Licensee hereunder shall survive the expiration or earlier termination of this License.

### **15. Inspection and Access**



Owner and its agents, representatives, and contractors may enter the Licensed Area at any reasonable time following reasonable notice to Licensee (except in an emergency) to inspect the Licensed Area and to make such repairs as may be required or permitted pursuant to this License and for any other business purpose. Owner may grant easements, make public dedications, designate common areas and create restrictions on or about the Licensed Area, provided that no such easement, dedication, designation or restriction materially interferes with Licensee's use or occupancy of the Licensed Area. At Owner's request, Licensee shall execute such instruments as may be necessary for such easements, dedications or restrictions.

#### **16. Holding Over**

If Licensee continues to occupy or use the Licensed Area after the termination of the License Period, unless otherwise agreed in writing and signed by Owner, such occupancy or use shall be subject to immediate termination by Owner at any time; until such occupancy terminates all of the other terms and provisions of this License shall be applicable during such holdover period, except that Licensee shall pay Owner from time to time, upon demand, as the License Fee for the holdover period, an amount equal to two hundred percent (200%) of the License Fee in effect on the termination date, computed on a monthly basis for each month or part thereof during such holding over. The License Fee for any partial month during the holdover period shall be prorated. All other payments shall continue under the terms of this License. In addition, Licensee shall be liable for all direct and consequential damages incurred by Owner as a result of such holding over. No holding over by Licensee, whether with or without consent of Owner, shall operate to extend this License except as otherwise expressly provided, and this Paragraph shall not be construed as consent for Licensee to continue to occupy or use the Licensed Area following the expiration of the License Period or earlier termination of this License. For purposes of this License, "occupancy of the Licensed Area" shall include, but shall not be limited to, continued placement of materials, signs, debris or other articles or facilities owned by Licensee or permitted to be placed on the Licensed Area by Licensee.

#### **17. Security Service**

Licensee acknowledges and agrees that Owner is not providing any security services with respect to the Licensed Area and that Owner shall not be liable to Licensee for, and Licensee hereby waives any claim against Owner with respect to, any loss by theft or any other damage suffered or incurred by Licensee in connection with any unauthorized entry into the Licensed Area or any other breach of security with respect to the Licensed Area.

#### **18. Force Majeure**

Neither party shall be held responsible for delays in the performance of its obligations hereunder when caused by strikes, lockouts, labor disputes, acts of God, inability to obtain labor or materials or reasonable substitutes therefor, governmental restrictions, governmental regulations, governmental controls, delay in issuance of permits, enemy or hostile governmental action, civil commotion, fire or other casualty, and other causes beyond the reasonable control of such party ("Force Majeure"); provided, however, that Licensee's obligation to pay the License Fee and

all other amounts due and owing under this License shall not be delayed by Force Majeure.

#### **19. Notice**

Any notice required or permitted under this License shall be deemed sufficiently given or served if sent by United States certified mail, return receipt requested, addressed as follows:

**Owner:**                   **The City of Lake Forest**  
220 East Deerpath  
Lake Forest, IL 60045  
Phone: 847-810-3675  
Email: kielyr@cityoflakeforest.com

**Licensee:**               **Music Institute of Chicago**  
Attn: Dr. Mark George  
1702 Sherman Avenue  
Evanston, IL 60201  
Phone: (847) 448 -8309  
Email: mgeorge@musicinst.org

Owner and Licensee shall each have the right from time to time to change the address where notice is to be given to the other party.

#### **20. Waiver**

No waiver of any default of Owner or Licensee hereunder shall be implied from any omission to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver and that only for the time and to the extent therein stated. One or more waivers by Owner or Licensee shall not be construed as a waiver of a subsequent breach of the same covenant, term, or condition.

#### **21. Headings**

The headings used in this License are for convenience of the Parties only and shall not be considered in interpreting the meaning of any provision of this License.

#### **22. Successors**

The provisions of this License shall extend to and be binding upon Owner and Licensee and their respective legal representatives, successors, and assigns.

#### **23. Compliance with Law**

Licensee and Owner each shall comply with all laws, orders, ordinances, and other public requirements now or hereafter affecting the Licensed Area.

#### **24. Severability**

If any clause or provision of this License is illegal, invalid or unenforceable under present or future laws, then and in that event, it is the intention of the Parties that the remainder of this License shall not be affected thereby. It is also the intention of the Parties to this License that in lieu of each clause or provision of this License that is illegal, invalid or unenforceable, there be added, as a part of this License, a clause or provision as similar in terms to such illegal, invalid or unenforceable clause or provision as may be possible and be legal, valid and enforceable.

**25. Entire Agreement**

This License constitutes the complete agreement of the Owner and Licensee with respect to the subject matter hereof. No representations, inducements, promises or agreements, oral or written, have been made by Owner or Licensee, or anyone acting on behalf of Owner or Licensee, which are not contained herein, and any prior agreements, promises, negotiations, or representations are superseded by this License. This License may not be amended except by an instrument in writing signed by the Parties hereto.

IN WITNESS WHEREOF, the Parties have executed this License, in duplicate, as of the day and year first above written.

**Owner**

The City of Lake Forest



By: Robert R. Kieley, JR  
Its: City Manager

JAN. 26, 2015  
Date

**Licensee**

Music Institute of Chicago



By: Mark George  
Its: PRESIDENT AND CEO

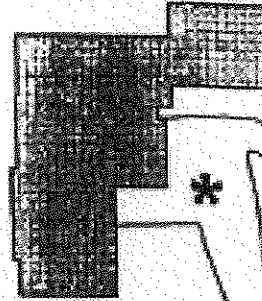
2/19/2015  
Date

EXHIBIT A  
LICENSED AREA

Grove School



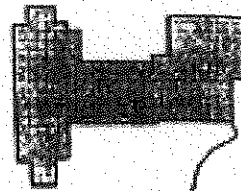
Grainger Hall  
120 E. Old Mill



City  
Garage



Stirling Hall  
60 E. Old Mill



Dickinson Hall  
100 E. Old Mill

Volwiler Hall  
40 E. Old Mill



Bennett Hall  
50 E. Old Mill



\* = Parking Available

OLD MILL ROAD

## EXHIBIT B

### MISSION STATEMENT OF LICENSEE

**Our mission is to provide the foundation for a lifelong engagement with music by:**

- Offering the highest quality music education for all ages and levels of ability.
- Reaching individuals with music education where opportunities are limited.
- Supporting growth of therapy through music and the arts as a community service for individuals with special needs.
- Supporting lifelong musical learning in every community.
- Building upon a proud tradition of developing the exceptional performer.

#### **Our Vision**

The Music Institute of Chicago is dedicated to transforming lives through music. We lead our community toward a lifelong engagement with music through activities that teach, motivate and inspire people to be better.

- More than entertainment or ambient sound, music is a vehicle for understanding; communication and self-improvement, as intrinsic to the human experience as language.
- Through lessons, classes, ensembles and concerts, the Music Institute of Chicago nurtures and guides students of all ages toward a greater connection with their musical instinct.
- The joyful process of making music, listening to music and learning about music yields enormous benefits. Our students make themselves better and have a positive impact on the world.

# *Music Institute of Chicago Mission Statement*

The Music Institute of Chicago (MIC) believes that the enjoyment of music, the knowledge of music, and the development of skills in creating and performing music enhance the quality of life and nourish the human spirit.

Therefore, the mission of MIC is to provide the foundation for a lifelong enjoyment of music.

Specifically, MIC will:

- Provide the highest quality music education for all ages and all levels of ability.
- Reach selected individuals with music education where such opportunities are limited.
- Support the growth of therapy through music and the arts as a community service for individuals with special needs.
- Strengthen the emphasis on lifelong music learning.
- Build upon a proud tradition of developing the exceptional performer.

*The Music Institute of Chicago does not discriminate on the basis of race, color, age, nationality, sex, ethnic origin, disability, religious belief, or any other protected category, in its admission, financial aid or other educational policies or employment policies.*

Internal Revenue Service  
District Director

Department of the Treasury

P. O. Box 2508  
Cincinnati, OH 45201

January 11, 1999

Person to Contact:

Robert Molloy

Telephone Number:

877-829-5500

Fax Number:

513-684-5936

Federal Identification Number:

36-2374224

Music Institute of Chicago  
300 Green Bay Road  
Winnetka, IL 60093-4009

Dear Madam:

We have received your Articles of Amendment to the Articles of Incorporation filed with the State of Illinois on October 9, 1998, indicating that your name had changed from Music Center of the North Shore to Music Institute of Chicago.

In February 1957, we issued a letter that recognized your organization as exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code. That letter is still in effect.

Based on information submitted with the application, we classified your organization as one that is not a private foundation within the meaning of section 509(a) of the Code because it is an organization described in sections 509(a)(1) and 170(b)(1)(A)(ii). That classification was based on the assumption that your organization's operations would continue as stated in the application. If your organization's purposes, character, method of operations, or sources of support have changed, please let us know so we can consider the effect of the change on the organization's exempt status and foundation status.

Revenue Procedure 75-50, published in Cumulative Bulletin 1975-2 on page 587, sets forth guidelines and record keeping requirements for determining whether private schools have racially nondiscriminatory policies as to students. Your organization must comply with this revenue procedure to maintain its tax-exempt status.

Your organization is required to file Form 990, Return of Organization Exempt from Income Tax, only if its gross receipts each year are normally more than \$25,000. If a return is required, it must be filed by the 15th day of the fifth month after the end of the organization's annual accounting period. The law imposes a penalty of \$20 a day, up to a maximum of \$10,000, when a return is filed late, unless there is reasonable cause for the delay.

All exempt organizations (unless specifically excluded) are liable for taxes under the Federal Insurance Contributions Act (social security taxes) on remuneration of \$100 or more paid each employee during a calendar year. Your organization is not liable for the tax imposed under the Federal Unemployment Tax Act (FUTA).

Organizations that are not private foundations are not subject to the excise taxes under Chapter 42 of the Code. However, they are not automatically exempt from other federal excise taxes.

Donors may deduct contributions to your organization as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to your organization or for its use are deductible for federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.



Music Institute of Chicago  
36-2374224

Your organization is not required to file federal income tax returns unless it is subject to the tax on unrelated business income under section 511 of the Code. If your organization is subject to this tax, it must file an income tax return on the Form 990-T, Exempt Organization Business Income Tax Return. In this letter, we are not determining whether any of your organization's present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

Because this letter could help resolve any questions about your organization's exempt status and foundation status, you should keep it with the organization's permanent records.

If you have any questions concerning this matter, you may write or telephone us at the address or telephone number shown in the heading of this letter.

This letter affirms your organization's exempt status.

Sincerely,

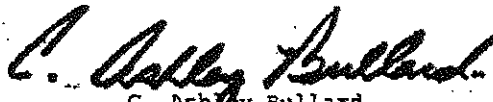
  
C. Ashley Bullard  
District Director

EXHIBIT C  
SPECIAL USE PERMIT

The City of Lake Forest  
An Ordinance

**Granting a Special Use Permit for Property Located at 40 E. Old Mill Road – Grove School**

WHEREAS, The City of Lake Forest, has filed a petition for property located at 40 E. Old Mill Road, Grove School legally described as follows:

*That part of the South West Quarter of the South West quarter of Section 9, Township 43 North, Range 12, East of the 3<sup>rd</sup> P.M., lying Westerly of the right of way of the Chicago and North Western Railroad and Northerly of the public road or highway running through said quarter quarter Section, the center line of which said public road is described approximately as commencing at a point 10 chains and 30 links West of the South East corner of said quarter quarter Section and running thence North Easterly to a point in the East line of said quarter quarter Section, 730.5 feet South of the North East corner thereof, in Lake County, Illinois.*

WHEREAS, The City of Lake Forest, has petitioned for a Special Use Permit in accordance with the regulations of Section 46-24 of the Lake Forest Zoning Code to allow a Cultural Campus and;

WHEREAS, the Zoning Board of Appeals of The City of Lake Forest held public hearings on June 28, July 26 and August 25, 1999 to review the petition for a Special Use Permit as provided by law, and submitted to the City Council a report of its findings, a copy of which is attached hereto and made a part hereof as Exhibit A, recommending the enactment of an ordinance granting the requested Special Use Permit subject to conditions of approval attached hereto and made a part hereof as Exhibit B and;

WHEREAS, the City Council concurs with the findings of the Zoning Board of Appeals.

NOW, THEREFORE, BE IT ENACTED BY THE CITY COUNCIL OF THE CITY OF LAKE FOREST, ILLINOIS:

Section 1: As required by Section 46-24 of the Lake Forest Zoning Code is hereby granted to allow for a Cultural Campus in accordance with the site plan attached as Exhibit C subject to the conditions as set forth in the attached Exhibit B.

Section 2: This ordinance shall be in full force and effect from and after its passage and approval.

Passed this 16<sup>TH</sup> day of SEPTEMBER, 1999

Barbara S. Douglas  
City Clerk

Approved this 16<sup>TH</sup> day of SEPTEMBER, 1999

[Signature]  
Mayor

ATTEST:

Barbara S. Douglas  
City Clerk

Attachments: Exhibits A,B,C

ordgrove

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**EXHIBIT A**  
**Findings in Support of a Special Use Permit**

1. The proposed Cultural Campus at Grove School will not negatively impact the general public in that the intensity and type of uses will be similar to other special uses located in residential districts.
2. The Cultural Campus itself is well screened by existing vegetation from the adjacent residential properties to the west and south.
3. The Cultural Campus will provide the opportunity to renovate and preserve the historic buildings, the historic site and open space consistent with long standing City goals.
4. The neglected Grove School site will be improved and maintained in a manner that will not negatively impact the property values of the surrounding properties or be injurious to the uses on those properties.
5. The Cultural Campus will not impede the orderly development or improvement of surrounding properties.
6. The required utilities, roads and drainage are already in place or will be upgraded as needed to serve the site.
7. No Changes are proposed to ingress and egress to the overall site.
8. The special use will conform to the applicable regulations of the R-4 District except as modified by the City Council.

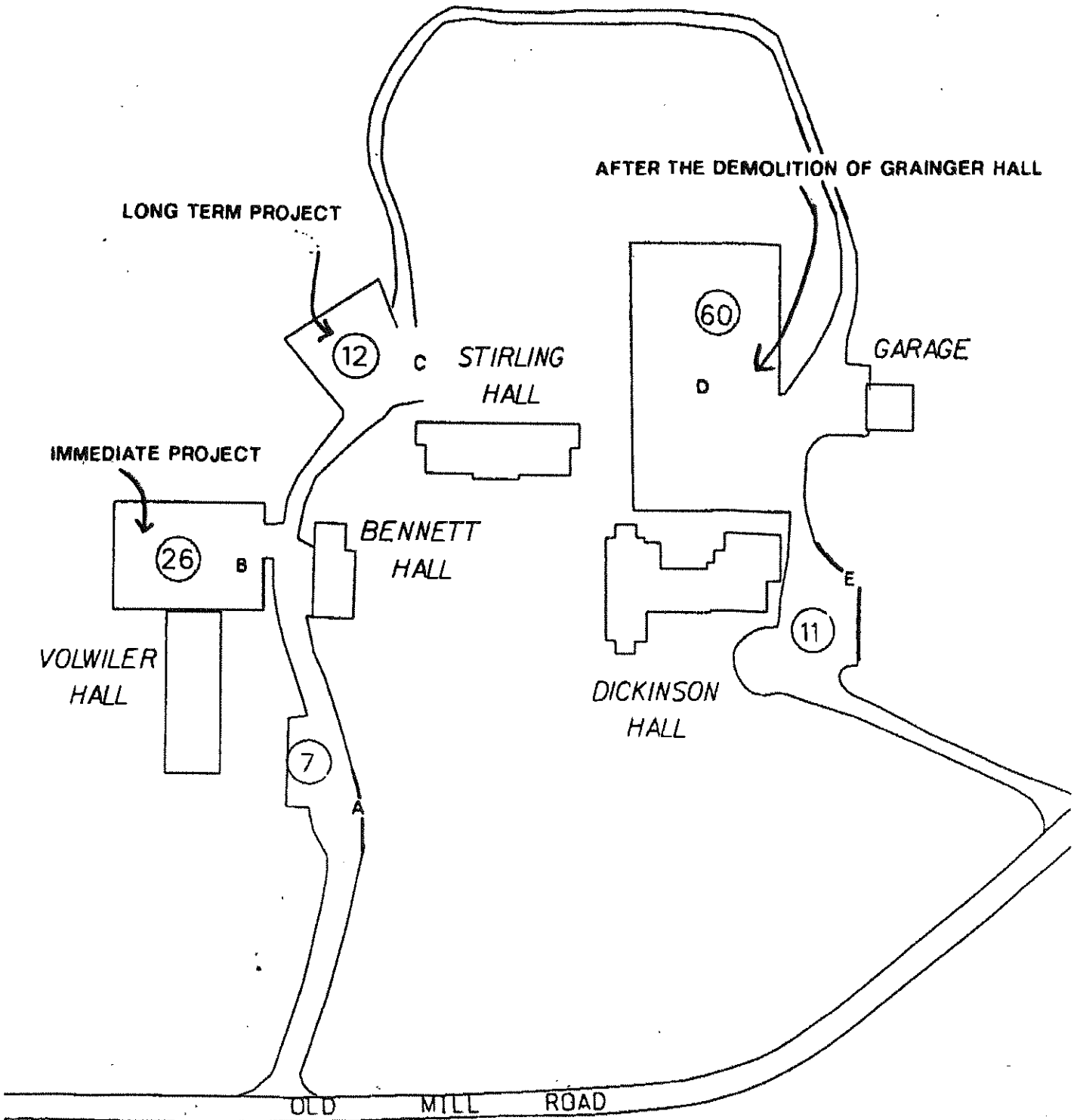
EXHIBIT B  
Conditions of Approval

1. The Cultural Campus is intended to permit uses that are generally consistent with the theme of providing education, exposure and experiences to community members in the areas of art, music, humanities and society. The intent of the Cultural Campus is to provide a home for primarily day time uses that benefit the community.
2. Public activities and classes at Grove School shall end no later than 9:00 p.m. with the exception of occasional events as permitted by the Lease Agreements.
3. The buildings at Grove School shall be leased or managed by civic organizations, City Boards or Commissions and not-for-profit groups after review and approval of the proposed uses and lease by the City Council. Through the Lease Agreements, the City Council shall:
  - Consider the cumulative use of the site in the evening hours and select a tenant mix such that all tenants are not high users of the site in the evening hours.
  - Establish 9 p.m. as an ending time for public classes and activities with exceptions only as specified in the Lease Agreements.
  - Specify the number of social functions, such as fund raisers, that may be held per year by each lease holder and require that prior notification of such events shall be provided to the City.
  - Specify that no parking is permitted on any neighboring residential street, even those that are not signed as "No Parking."
4. At the time that lighting, parking lot landscape and signage plans are considered by the Building Review Board, special consideration shall be given to ensuring that the residential character of the neighborhood is preserved. In particular, attention shall be given to the types and intensity of lighting proposed, the location and aiming of the fixtures, the height of the light poles and a requirement that lighting levels be reduced at night through the use of timers.
5. Grainger Hall shall be demolished and replaced with a parking lot in the general vicinity of the building within 2 years from the date of City Council final approval of this Special Use Permit. In the interim period, Grainger Hall shall not be leased for use.
6. No off site parking, on neighboring residential streets, shall be permitted for any uses conducted at the Grove School site. Old Mill Road, east of Ridge Road shall be signed as a no parking area.
7. Road improvements on the Grove School site, to address safety concerns and facilitate snow removal, improvements to existing parking areas and the addition of parking lots immediately north of Volwiler Hall and in place of Grainger Hall shall occur within 1 year of final approval of the Special Use Permit by the City Council. Plans for the new parking lots shall be subject to the review and approval of the City Engineer and the City Forester to ensure that off site drainage impacts do not negatively impact the overall grove of trees.
8. Consideration shall be given as to whether an on site street connection between Northcroft Park and Grove School is warranted when the earliest of the following occurs:
  - A master plan for Northcroft Park is developed by the City's Park and Recreation Board.
  - Additional parking, beyond the approximately 90 parking spaces currently planned, is proposed for construction.
  - A new building or significant addition, in excess of 1,000 square feet, is planned.
  - The City Council determines that the level of use of the Cultural Campus warrants study of a street interconnection.
  - When the vehicle trips per day on Old Mill Road, east of Ridge Road, average 400 trips per day or greater, for a two week period. At that time, no further leases shall be entered into by the City pending re-consideration of a second means of access to Grove School.

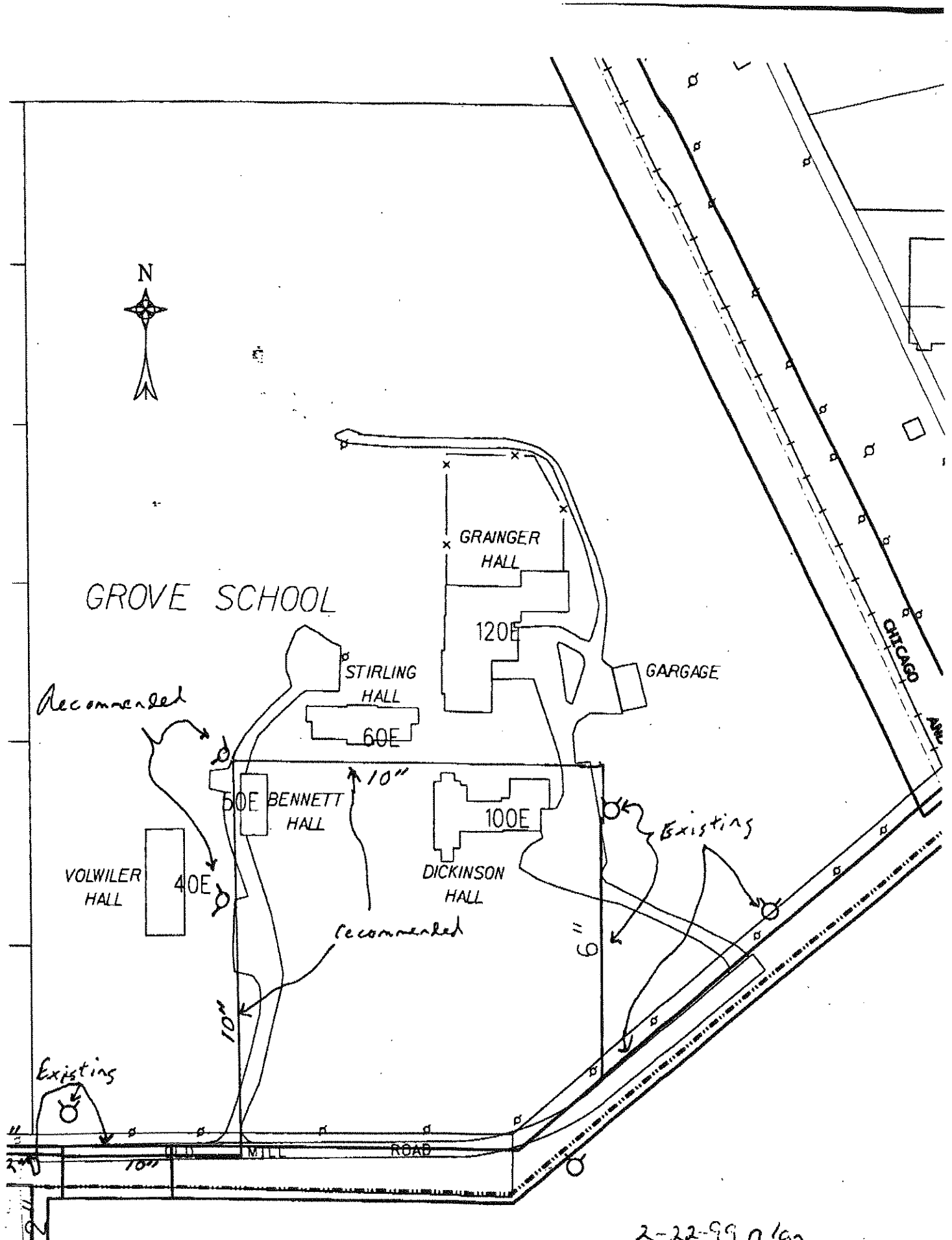
9. A zone change shall be considered within 1 year of final City Council approval of the Special Use Permit to rezone the northern portion of the Grove School site, the area that will become part of Northcroft Park, and the eastern portion of the Grove School site, the connection to the Heller Nature Preserve, from R-4, Single Family Residential to OA, Open Area.
10. Within 5 years after final approval of the Special Use Permit, the conditions of approval shall be reviewed by the City Council to determine if refinement to the conditions, the addition of conditions or the removal of conditions is warranted. At the discretion of the City Council, the review of conditions may be delegated to the Zoning Board of Appeals for reconsideration and a recommendation. Final action to amend the conditions shall be by the City Council.
11. Construction of new buildings or facilities, significant additions to existing buildings (in excess of 1000 square feet) or a use not consistent with the Cultural Campus concept as described in this report shall require an amendment to the Special Use Permit.
12. Old Mill Road, east of Ridge Road shall not be widened except as part of an overall City street widening program

Revised August 23, 1999

AFTER THE DEMOLITION OF GRAINGER HALL



GROVE SCHOOL CULTURAL CAMPUS  
(PRELIMINARY PLAN)



2-22-99 plan





110 East Laurel • Lake Forest, Illinois 60045 • (847) 234-2600

## ZONING BOARD OF APPEALS REPORT

<b>TO:</b>	Honorable Mayor and City Council
<b>DATE:</b>	August 24, 1999
<b>FROM:</b>	Chairman Reynolds and the Zoning Board of Appeals
<b>SUBJECT:</b>	<i>Special Use Permit to allow a Cultural Campus to be established at Grove School</i>

### PETITIONER

City of Lake Forest  
220 E. Deerpath  
Lake Forest, IL 60045

### PROPERTY LOCATION

40 E. Old Mill Road

### ZONING DISTRICT

R-4 Residential District

Representative: City Manager Robert R. Kiely, Jr.

### BOARD OF APPEALS ACTION TO DATE

On June 28, 1999, the Zoning Board of Appeals heard a presentation and public testimony on this petition. The matter was before the Board at that time for information only and no Board action was taken at the meeting.

On July 26, 1999, the Zoning Board of Appeals held a second public hearing on this petition. The Board reviewed an initial draft of conditions of approval for the requested Special Use Permit. After hearing public testimony, the Board directed staff to revise the conditions based on the Board discussion and to distribute the draft conditions to neighboring property owners. A meeting notice and a copy of the draft conditions was mailed to more than 50 residential property owners in the vicinity of Grove School on August 10, 1999. In addition, the Board requested that a more detailed conceptual parking site plan be provided. A revised site plan was prepared based on input from City staff in engineering, streets, facilities maintenance and the City Manager's office.

On August 23, 1999, the Zoning Board of Appeals held a third public hearing on this petition. The Board reviewed the draft conditions that were prepared by staff in response to the Board's discussion. The Board heard testimony on the conditions. The majority of citizen concern focused on the issues of hours of operation, the increase in traffic on the neighboring residential streets and the need for a street connection to the north. The Board discussed the recommended conditions and made modifications and additions to several of the conditions before voting 4 to 1 to recommend approval of the Special Use Permit to the City Council. The findings supporting the Board's recommendation are detailed at the end of this report and the recommended conditions of approval are attached to the report.

### Public Comment

Standard legal notice for this petition was published in the newspaper. In addition, public notices, for all three Zoning Board of Appeals meetings were sent to surrounding property owners in excess of the requirements of the Code and the standard practice of the City. An expanded, Grove School

interested parties mailing list was used to distribute the notices. All of the letters received by the Board are included in the City Council packet.

#### SUMMARY OF THE REQUEST

The request for a Special Use Permit for a Cultural Campus at Grove School is the result of the work of various committees and numerous public meetings. Although the Zoning Code permits community buildings, operated by a municipality, as an outright use in the R-4 zoning district, the City Council forwarded this petition to the Zoning Board of Appeals for consideration as a Special Use to ensure that appropriate conditions of approval are put into place.

Approximately the northern 12 acres of the Grove School site will be added to Northcroft Park. The City's Park and Recreation Board is charged with developing an overall plan for the park. As with parks throughout the City, and consistent with the Code, a Special Use Permit is not required for a park and, therefore, the park property is not part of this request. In addition, approximately one acre of property at the eastern edge of the Grove School site, was identified in the past as the "Virginias' Woods" in recognition of two women involved with past uses of the property. The Blue Ribbon Committee recommended that the wooded area be preserved as a link to the adjacent Heller Nature Preserve to the south. Based on that direction, the site plan limits the scope of this Special Use Permit for a Cultural Campus to approximately 12-1/2 acres, the area including the buildings and the Quad area.

#### KEY ISSUES FROM THE JULY BOARD MEETING

*The complete minutes from all three Zoning Board of Appeals meetings are included in the City Council packet for more detailed information.*

##### *Hours of Operation*

In response to public testimony, the Zoning Board of Appeals changed the time limitation on the use of the site from 10:00 p.m. to 9:00 p.m. Staff originally recommended that a 10 p.m. ending time be established for classes and activities at the Cultural Campus for consistency with Gorton Community Center and to allow the flexibility necessary to facilitate the success of the Cultural Campus. The condition recommended by the Board establishes 9:00 p.m. as an ending time, with exceptions only as spelled out in the Lease Agreements.

##### *Revised Preliminary Site Plan*

The site plan attached to the Special Use Permit shows the parking improvements planned for the short term and the long term. Upon approval of the Special Use Permit, a parking lot immediately north of Volweiler Hall will be constructed. After the demolition of Grainger Hall, a new parking lot will be located at approximately the foot print of that building. In the future, based on demonstrated need, a new parking lot will be constructed to the west of Stirling Hall. The plan could ultimately provide a total of approximately 115 parking spaces on the site. Currently, there are approximately 25 parking spaces on the site. In addition, existing parking areas and driveways will be improved to facilitate circulation on the site.

The Zoning Board of Appeals requested this more detailed site plan in response to neighborhood concerns that users of the Cultural Campus not be permitted to park on the neighboring residential streets. As recommended by the Board, Old Mill Road, east of Ridge Road would be signed as "No Parking" and Lease Agreements would stipulate that users are not permitted to park on the neighboring streets.

*Street Connection to the North*

The Zoning Board of Appeals heard from several of the neighboring property owners that a street connection to the north should be provided. The Board expressed a desire for the street connection as the preferred option for dealing with the issue of increased traffic that would be generated by the Cultural Campus. To provide some certainty with respect to further consideration of a street connection to the north, the Board developed a set of triggers that would initiate further study of this issue. The Board recognized that the cost of a street connection is significant, and that it must be warranted based on the traffic volumes and that ultimately, the decision to extend a street to the north will be the decision of the City Council.

*Completeness of the Petition*

The Zoning Board of Appeals heard testimony that the petition for the Special Use Permit was not complete. In the case of this petition, numerous public meetings, committee discussions and studies have been completed all of which have established a more detailed background than is normally available prior to the Board's consideration of a Special Use Permit. The findings of the Board, in support of the Special Use Permit, detailed below, are based on conclusions drawn from the many months of public discussion of this issue. As with any petition, detailed requirements to address drainage issues and tree preservation will be established, if necessary, through review of grading and site improvement plans by the Engineering and City Forestry staff.

The findings conclude that the Cultural Campus will not substantially diminish property values in the neighborhood. The Board recognized that Grove School has existed at this site for a long time, pre-dating most of the homes in the area. The granting of a Special Use Permit, with conditions of approval, will establish certainty with respect to the future of the site. For many years, the future of this site has been uncertain, a condition that by itself has likely impacted the value of properties in the area. The controls that will be put into place through the conditions of approval are intended to retain the residential character of the surrounding neighborhood.

**FINDINGS OF FACT IN SUPPORT OF A SPECIAL USE PERMIT**

Based on a review of the information submitted by the petitioner, review of the history of this site, physical inspection of the property, consideration of applicable portions of the Zoning Code, consideration of other Special Uses and the staff recommendation, the Zoning Board of Appeals submits the following findings in support of a Cultural Campus at Grove School.

1. The proposed Cultural Campus at Grove School will not negatively impact the general public in that the intensity and type of uses will be similar to other special uses located in residential districts.
2. The Cultural Campus itself is well screened by existing vegetation from the adjacent residential properties to the west and south.
3. The Cultural Campus will provide the opportunity to renovate and preserve the historic buildings, the historic site and open space consistent with long standing City goals.
4. The neglected Grove School site will be improved and maintained in a manner that will not negatively impact the property values of the surrounding properties or be injurious to the uses on those properties.
5. The Cultural Campus will not impede the orderly development or improvement of surrounding properties.

6. The required utilities, roads and drainage are already in place or will be upgraded as needed to serve the site.
7. No changes are proposed to ingress and egress to the overall site.
8. The special use will conform to the applicable regulations of the R-4 District except as modified by the City Council.

**GROVE SCHOOL SPECIAL USE PERMIT  
CONDITIONS OF APPROVAL  
AS RECOMMENDED BY THE ZONING BOARD OF APPEALS**

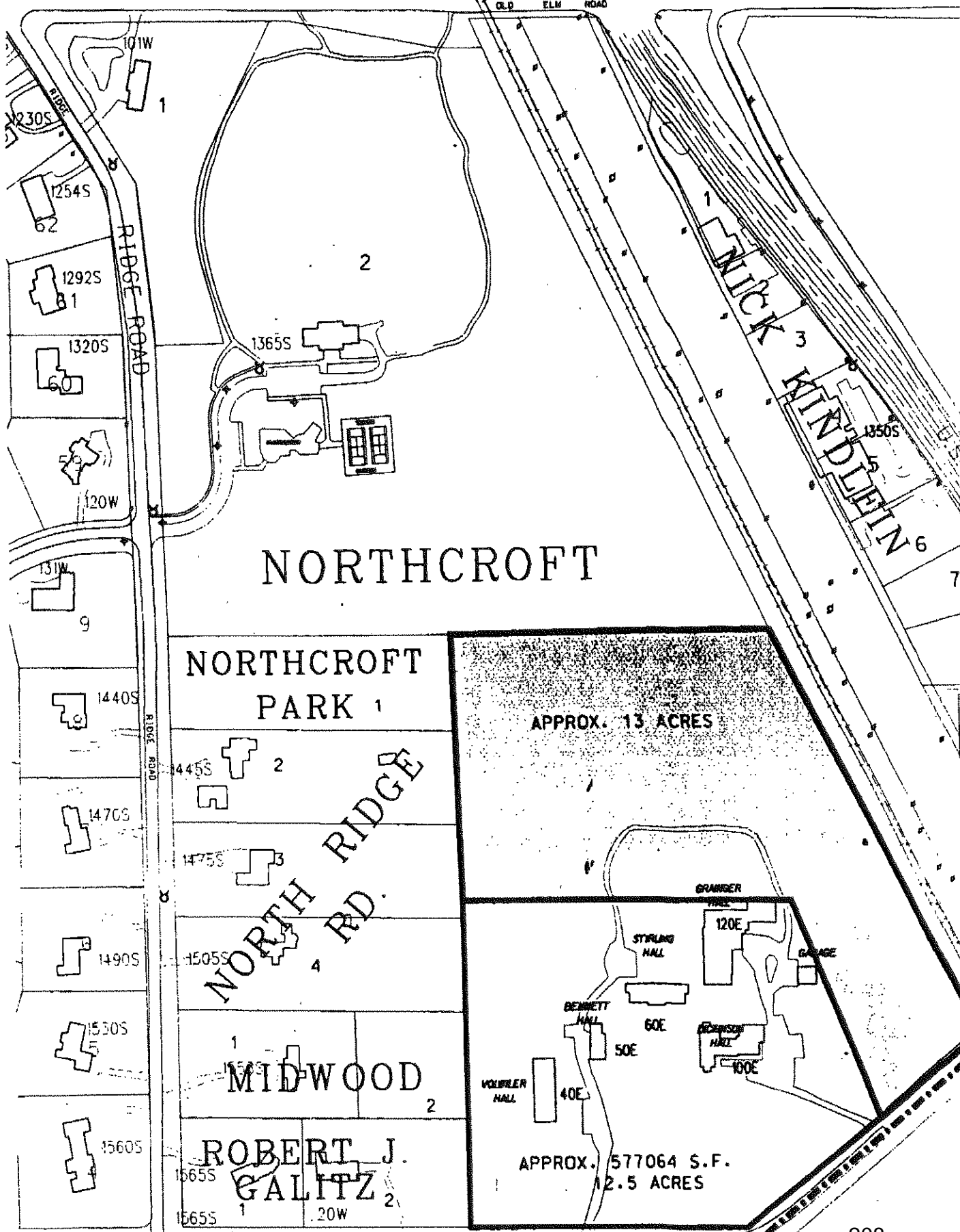
1. The Cultural Campus is intended to permit uses that are generally consistent with the theme of providing education, exposure and experiences to community members in the areas of art, music, humanities and society. The intent of the Cultural Campus is to provide a home for primarily day time uses that benefit the community.
2. Public activities and classes at Grove School shall end no later than 9:00 p.m. with the exception of occasional events as permitted by the Lease Agreements.
3. The buildings at Grove School shall be leased or managed by civic organizations, City Boards or Commissions and not-for-profit groups after review and approval of the proposed uses and lease by the City Council. Through the Lease Agreements, the City Council shall:
  - Consider the cumulative use of the site in the evening hours and select a tenant mix such that all tenants are not high users of the site in the evening hours.
  - Establish 9 p.m. as an ending time for public classes and activities with exceptions only as specified in the Lease Agreements.
  - Specify the number of social functions, such as fund raisers, that may be held per year by each lease holder and require that prior notification of such events shall be provided to the City.
  - Specify that no parking is permitted on any neighboring residential street, even those that are not signed as "No Parking."
4. At the time that lighting, parking lot landscape and signage plans are considered by the Building Review Board, special consideration shall be given to ensuring that the residential character of the neighborhood is preserved. In particular, attention shall be given to the types and intensity of lighting proposed, the location and aiming of the fixtures, the height of the light poles and a requirement that lighting levels be reduced at night through the use of timers.
5. Grainger Hall shall be demolished and replaced with a parking lot in the general vicinity of the building within 2 years from the date of City Council final approval of this Special Use Permit. In the interim period, Grainger Hall shall not be leased for use.
6. No off site parking, on neighboring residential streets, shall be permitted for any uses conducted at the Grove School site. Old Mill Road, east of Ridge Road, shall be signed as a no parking area.

7. Road improvements on the Grove School site, to address safety concerns and facilitate snow removal, improvements to existing parking areas and the addition of parking lots immediately north of Volwiler Hall and in place of Grainger Hall shall occur within 1 year of final approval of the Special Use Permit by the City Council. Plans for the new parking lots shall be subject to the review and approval of the City Engineer and the City Forester to ensure that off site drainage impacts do not negatively impact the overall grove of trees.
8. Consideration shall be given as to whether an on site street connection between Northcroft Park and Grove School is warranted when the earliest of the following occurs:
  - A master plan for Northcroft Park is developed by the City's Park and Recreation Board.
  - Additional parking, beyond the approximately 90 parking spaces currently planned, is proposed for construction.
  - A new building or significant addition, in excess of 1,000 square feet, is planned.
  - The City Council determines that the level of use of the Cultural Campus warrants study of a street interconnection.
  - When the vehicle trips per day on Old Mill Road, east of Ridge Road, average 400 trips per day or greater, for a two week period. At that time, no further leases shall be entered into by the City pending re-consideration of a second means of access to Grove School.
9. A zone change shall be initiated within 1 year of final City Council approval of the Special Use Permit to rezone the northern portion of the Grove School site, the area that will become part of Northcroft Park, and the eastern portion of the Grove School site, the connection to the Heller Nature Preserve, from R-4, Single Family Residential to OA, Open Area.
10. Within 5 years after final approval of the Special Use Permit, the conditions of approval shall be reviewed by the City Council to determine if refinement to the conditions, the addition of conditions or the removal of conditions is warranted. At the discretion of the City Council, the review of conditions may be delegated to the Zoning Board of Appeals for reconsideration and a recommendation. Final action to amend the conditions shall be by the City Council.
11. Construction of new buildings or facilities, significant additions to existing buildings (in excess of 1000 square feet) or a use not consistent with the Cultural Campus concept as described in this report shall require an amendment to the Special Use Permit.

12. Old Mill Road, east of Ridge Road shall not be widened except as part of an overall City street widening program

Revised September 1, 1999

140W 124W 86W 76W 60W 20W 10W 108E 124E 138E



# NORTHCROFT

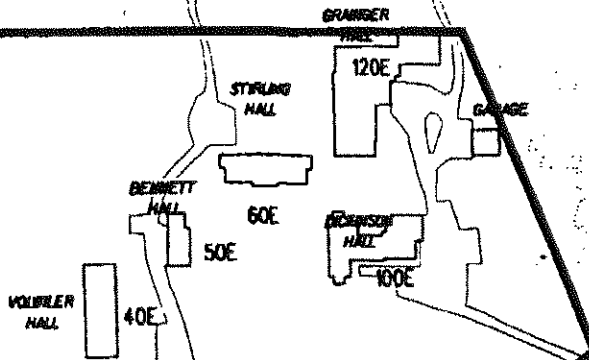
NORTHCROFT  
PARK 1

APPROX. 13 ACRES

NORTH RIDGE  
RD.

MIDWOOD

ROBERT J.  
GALITZ



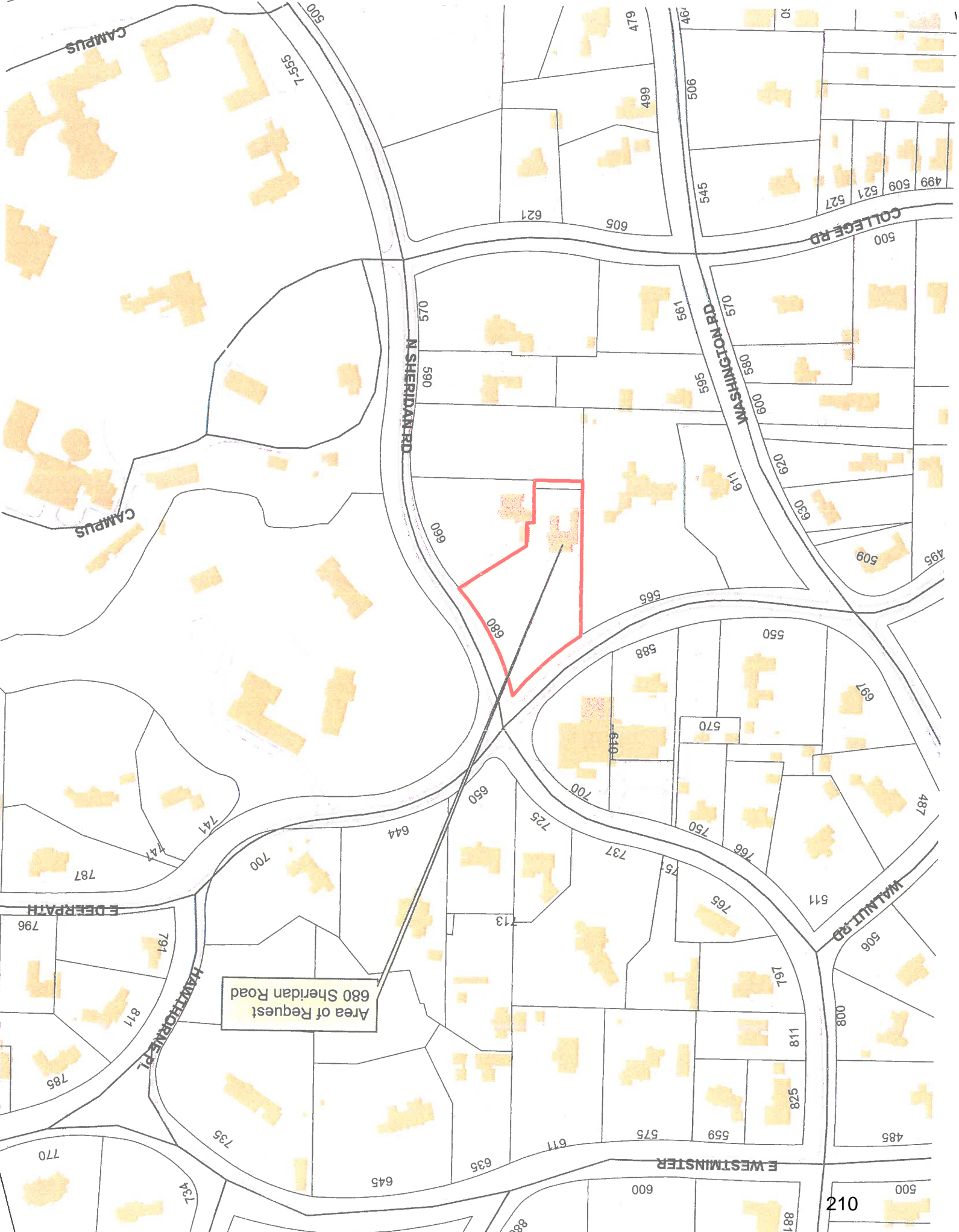
APPROX. 577064 S.F.  
12.5 ACRES



EXHIBIT D

OWNER'S MAINTENANCE AREAS

ITEMS	City of Lake Forest Responsibility	Music Institute of Chicago Responsibility
<b>Exterior</b>		
Landscape Maintenance	X	
Snow Removal: Road & Parking Lots	X	
Snow Removal: Building Sidewalks		X
Building Envelope: (e.g. windows, doors, roof, gutters & masonry)	X	
<b>Interior</b>		
Janitorial Services		X
Painting/Decorating/Drywall Maintenance		X
Minor Maintenance (e.g. bulb replacement, door hardware, restroom fixtures, railings, stair treads, furnace filter replacement & drinking fountains)		X
HVAC	X	



Area of Request  
680 Sheridan Road

THE CITY OF LAKE FOREST

ORDINANCE NO. 2019 - \_\_\_\_

AN ORDINANCE GRANTING A FLOOR AREA EXCEPTION FOR  
THE PROPERTY LOCATED AT 680 N. SHERIDAN ROAD

**WHEREAS**, Henson and Anna Robinson ("**Owners**") are the owners of that certain real property commonly known as 680 N. Sheridan Road, Lake Forest, Illinois and legally described in Exhibit A, attached hereto ("**Property**"); and

**WHEREAS**, the Property has been designated as a Local Landmark or included in a Local Historic District pursuant to Chapter 155 of the City Code; and

**WHEREAS**, the Property is located in the R-3, Single Family Residence Zoning District; and

**WHEREAS**, the Owner desires to construct various improvements, including a rear, one-story addition ("**Improvements**") as depicted on the site plan and architectural drawings that are attached hereto as Group Exhibit B ("**Plans**"); and

**WHEREAS**, in order to construct the Improvements, Section 155.07 of the City Code requires the Owner to obtain a Certificate of Appropriateness ("**CoA**") from the Historic Preservation Commission ("**HPC**");

**WHEREAS**, the Improvements as depicted on the Plans would exceed the maximum floor area allowances set forth in Section 150.148(D), which apply to new construction on, or additions and alterations to existing construction on, residential property; and

**WHEREAS**, pursuant to notice duly published, the HPC reviewed and evaluated the Plans at a public hearing held on July 24, 2019; and

**WHEREAS**, the HPC, having fully heard and having considered the evidence and testimony by all those attending the public hearing who wished to testify, made the following findings:

1. the Property is located within the R-3 District under the City Code,

2. Owner proposes to construct the Improvements as depicted on the Plans,
3. as depicted on the Plans, the Improvements exceed the maximum floor area allowances set forth in Section 150-148(D) of the City Code,
4. the Improvements are consistent with the design standards in Section 150.147 of the City Code,
5. the Property is located in a local historic district or is designated as a Local Landmark and the Improvements are consistent with the standards in the Historic Preservation Ordinance, and approval of the Improvements as depicted on the Plans would further the purpose of the Historic Preservation Ordinance,
6. the HPC has determined that the Plans qualify for a Certificate of Appropriateness under the standards set forth in Section 155.08 of the City Code;
7. the location, massing and architectural detailing of the Improvements will mitigate the appearance of excessive height and mass of the structures and as a result, the proposed development of the Improvements as set forth on the Plans is in keeping with the streetscape and overall neighborhood,
8. the Improvements are sited in a manner that minimizes the appearance of mass from the streetscape or neighboring residences due to the placement of the existing vegetation. In addition, the proposed Improvements will not have a significant negative impact on the light to and views from neighboring homes.
9. the height and mass of the Improvements will generally be compatible with the height and mass of structures on adjacent lots, buildings on the street and on adjacent streets, and other residences and garages in the same subdivision,
10. the evidence presented indicates that the construction of the Improvements, if undertaken in conformity with this Ordinance, the recommended conditions, and the Plans, will meet the standards and requirements of Sections 150.147 and 150.148 of the City Code,

and recommended that the City Council approve the Application and the Plans and grant an exception to the maximum allowable floor area consistent with the Plans, subject to the terms and conditions hereinafter set forth; and

**WHEREAS**, the Mayor and City Council, having considered Owners' request for exceptions to the maximum floor area requirements set forth in Section 150.148 of the City Code and the findings and recommendations of the HPC, have determined that it is in the best interests of the City and its residents to grant such exceptions, subject to the terms and conditions hereinafter set forth; and

**WHEREAS**, the Mayor and City Council further determine in the exercise of the City's home rule powers that it is in the best interests of the City and its residents to grant Owners' request for exceptions to the otherwise applicable maximum floor area requirements, 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: Maximum Floor Area Exception Granted.** Pursuant to Section 155.08 of the City Code, and subject to the limitations therein and the conditions set forth in Section Three of this Ordinance, the City Council does hereby grant an exception to the maximum floor area requirements set forth in Section 150.148(D) of the City Code, as more fully depicted on the Plans, by allowing the Improvements which together with other structures on the Property will have a maximum square footage not to exceed 6,198 square feet, 4% over the allowable square footage.

**SECTION THREE: Conditions on Approval.** The approval granted pursuant to Section Two of this Ordinance shall be, and is hereby, conditioned upon and limited by the following conditions, the violation of any of which shall, in the discretion of the Mayor and City Council, render void the approvals granted by this Ordinance:

- A. **No Authorization of Work.** This Ordinance does not authorize commencement of any work on the Property. Except as otherwise specifically provided in writing in advance by the City, no work of any kind shall be commenced on the Property pursuant to the approvals granted in this Ordinance except only after all permits, approvals, and

other authorizations for such work have been properly applied for, paid for, and granted in accordance with applicable law.

- B. Compliance with Laws. Chapters 150, regarding building, 156, regarding subdivisions, 159, regarding zoning, and 155, regarding historic preservation, 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. Compliance with the Plans. The Improvements must be developed on the Property in substantial compliance with the Plans.
- E. 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.
- F. Other Conditions. The improvements shall be substantially in conformance with the Commission's deliberations as reflected on Exhibit C, Certification of Appropriateness, attached hereto.

**SECTION FOUR: Effective Date.** This Ordinance shall be in full force and effect from and after its passage, approval, and publication in pamphlet form in the manner provided by law; provided, however, that this Ordinance shall, in the discretion of the City Council, be of no force or effect if Owners have (i) executed and (ii) thereafter filed with the City Clerk, within 60 days following the passage of this Ordinance, the unconditional agreement and consent, in the form attached hereto as Exhibit D and by this reference made a part hereof, to accept and abide by each and all of the terms, conditions, and limitations set forth herein. 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 \_\_\_\_\_, 2019.

AYES: ( )

NAYS: ( )

ABSENT: ( )

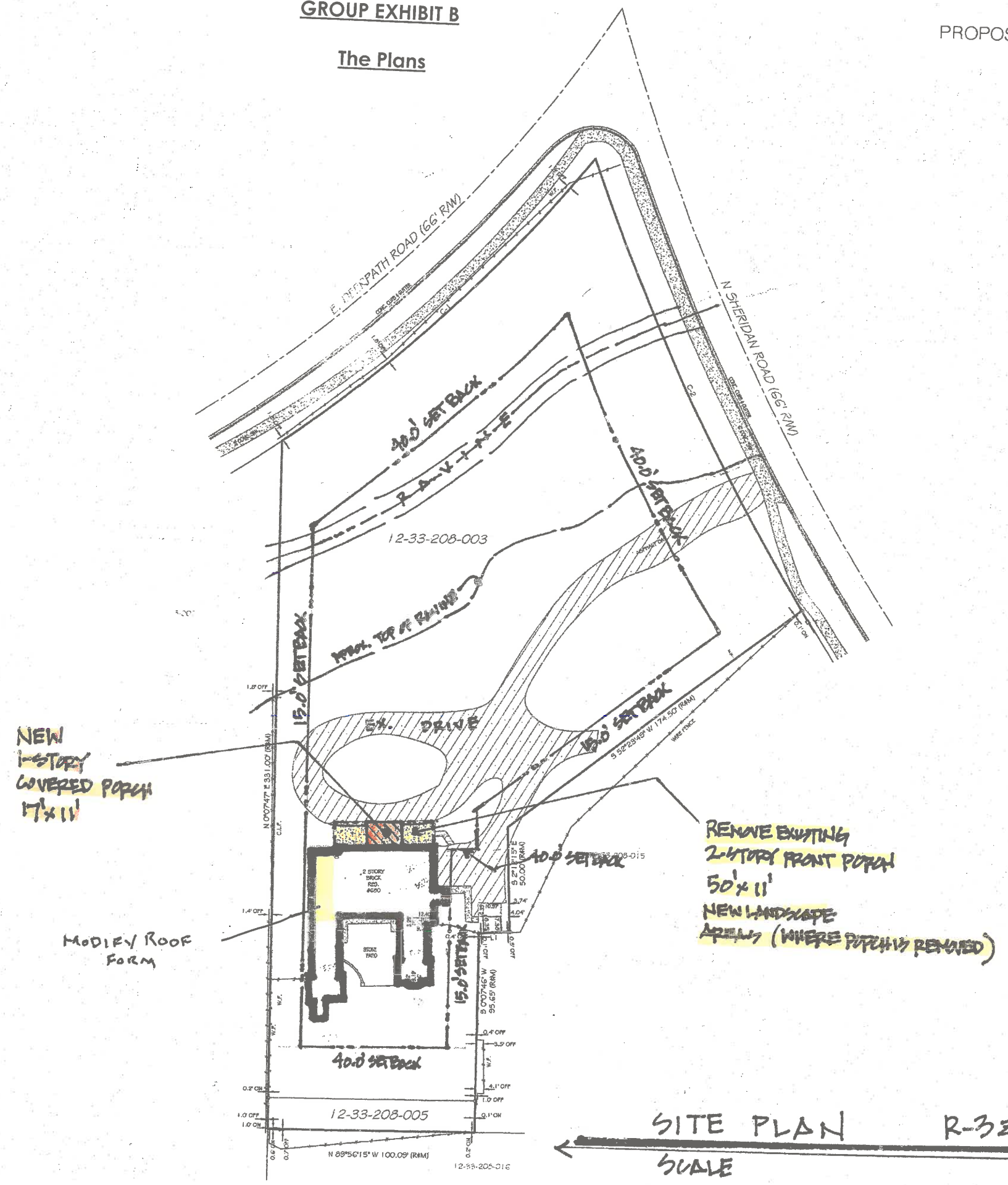
ABSTAIN: ( )

PASSED THIS \_\_ DAY OF \_\_\_\_\_, 2019.

ATTEST:

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
City Clerk



NORTH

SITE PLAN R-3 ZONING  
SCALE 1" = 50.0'

REVIEW ONLY - NOT FOR CONSTRUCTION

ROBINSON RESIDENCE

680 NORTH SHERIDAN ROAD  
LAKE FOREST, IL 60045  
CITY, ILLINOIS ZIP

APL 6-21-19

24575 COMMERCE DR.  
SUITE 600  
VILLAGE IL 60073  
MAIN: 847-457-2400  
WWW.ASPECTDESIGNINC.COM  
IL LICENSE # 184-0056

ASPECT DESIGN INC.  
ARCHITECTS

PROJECT # 191117  
DRAWN BY: JIL

S-1  
216  
1 OF TOTAL SHEETS





2 FRONT ELEVATION  
A 03

SCALE: 1/4" = 1'-0"

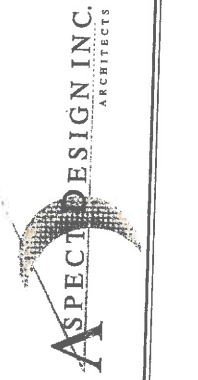
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REVIEW ONLY-NOT FOR CONSTRUCTION

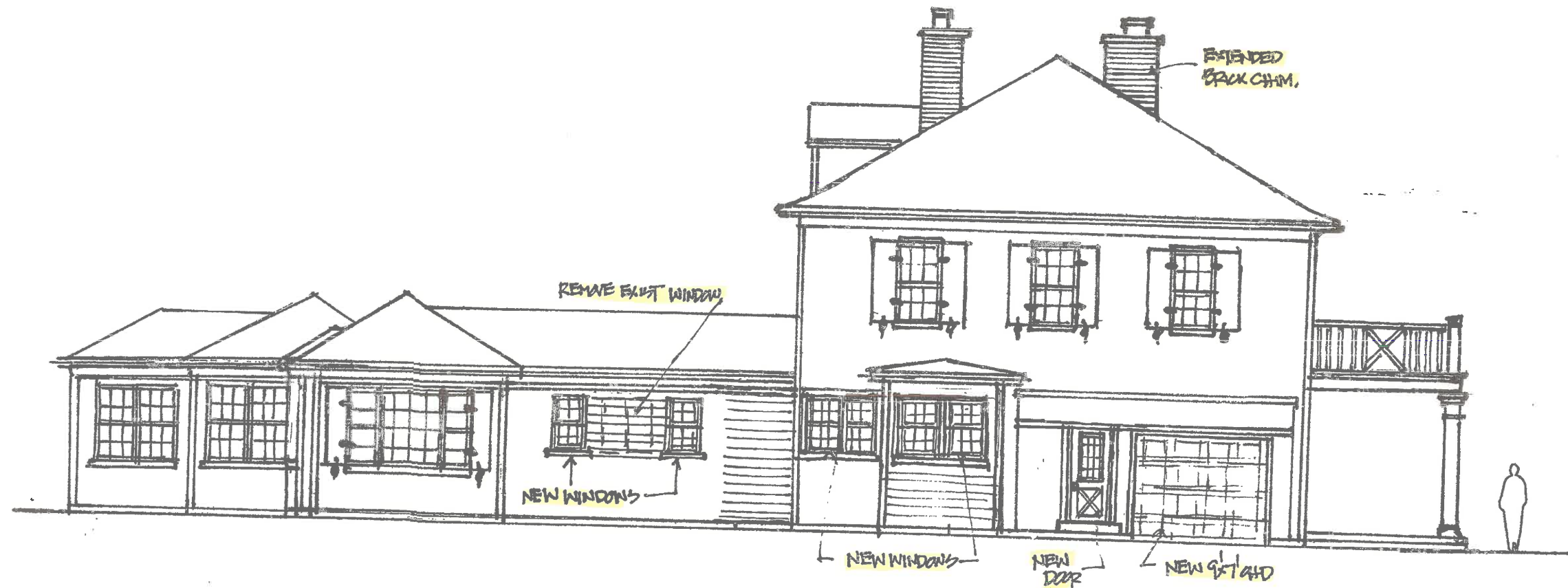
ROBINSON RESIDENCE  
680 NORTH SHERIDAN ROAD  
LAKE FOREST, IL 60045  
CITY, ILLINOIS ZIP

REVIEW	03/28/2019
REVIEW	04/19/2018
REVIEW	07/11/2019

26574 COMMERCE DR.  
SUITE 607  
VOLO, IL 60073  
MAIN: 847-457-2500  
WWW.ASPECTDESIGNINC.COM  
IL LICENSE # 1440654



PROJECT #	AD19113
DRAWN BY:	COM/MB
ROBINSON RESIDENCE FRONT ELEVATION	
A203	
# 3 OF	TOTAL SHEETS



LEFT SIDE ELEVATION - PROPOSED

(EAST)

SCALE

1/8" = 1'-0"

REVIEW ONLY - NOT FOR CONSTRUCTION

ROBINSON  
RESIDENCE

680 NORTH SHERIDAN ROAD  
LAKE FOREST, IL 60045  
CITY, ILLINOIS ZIP

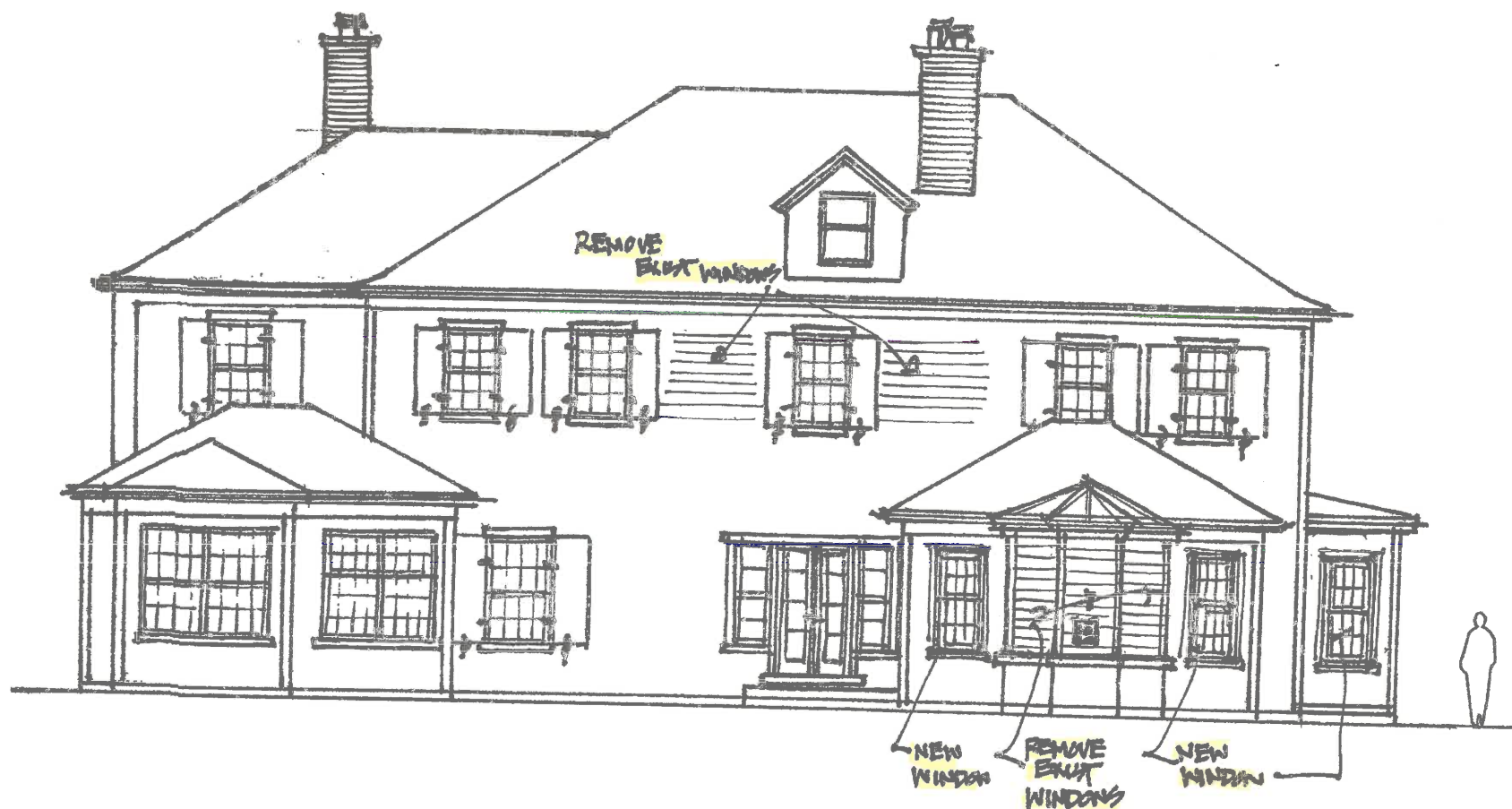
11/2 601.4

2675 COMMERCE DR.  
SUITE 607  
LAKE FOREST, IL 60045  
TEL: 847-477-2500  
WWW.ASPECTDESIGN.COM

ASPECT DESIGN INC.  
ARCHITECTS

PROJECT # 101917  
DRAWN BY: JHL

APR 8 218



REAR ELEVATION - PROPOSED

(SOUTH)

SCALE

1/8" = 1'-0"

REVIEW ONLY - NOT FOR CONSTRUCTION

ROBINSON  
RESIDENCE

680 NORTH SHERIDAN ROAD  
LAKE FOREST, IL 60045  
CITY, ILLINOIS ZIP

HPC 6219

2674 COMMERCE DR.  
SUITE 607  
VILLI, IL 60073  
MAIN: 847-497-2500  
WWW.ASPECTDESIGNINC.COM  
IL LICENSE # 114-0054

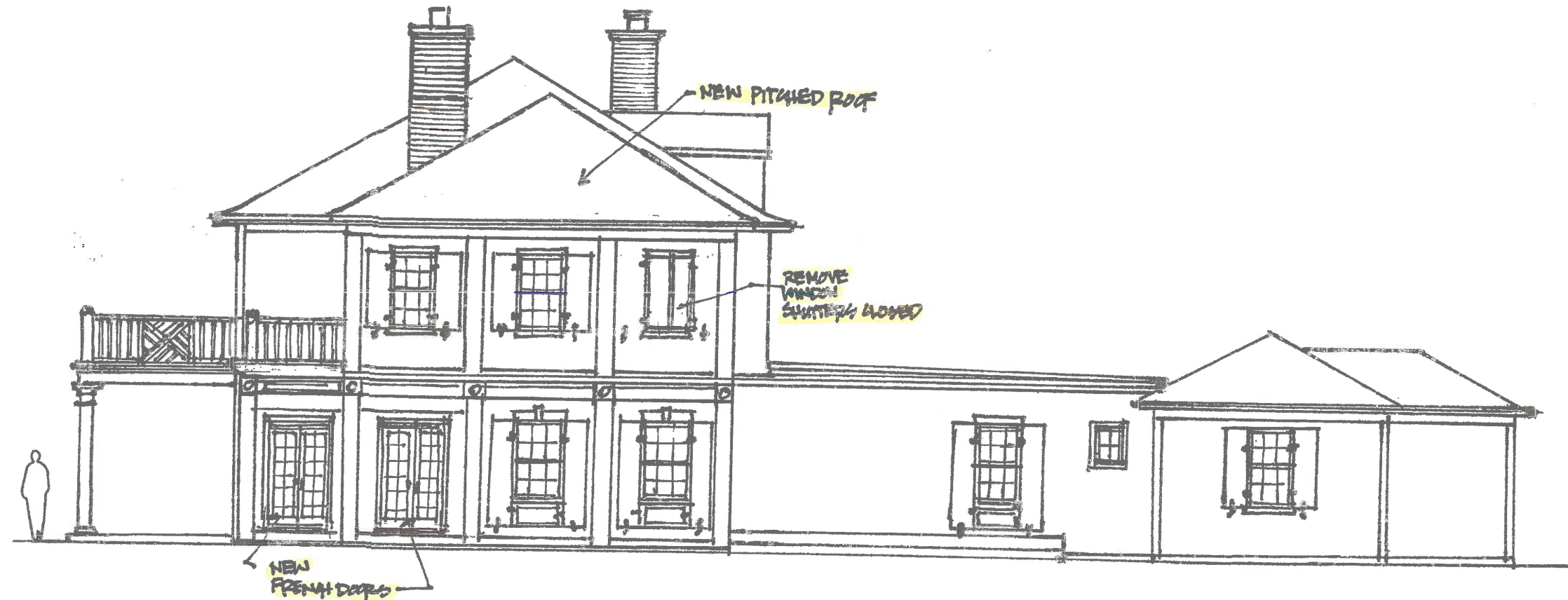
DESIGN INC.  
ARCHITECTS



PROJECT # AR-10  
DRAWN BY: JIL

AR-10  
219

10 OF TOTAL SHEETS



RIGHT SIDE ELEVATION - PROPOSED

(WEST)

SCALE

$\pm 1/8" = 1'-0"$

REVIEW ONLY - NOT FOR CONSTRUCTION

ROBINSON  
RESIDENCE

680 NORTH SHERIDAN ROAD  
LAKE FOREST, IL 60045  
CITY, ILLINOIS ZIP

2672 COMMERCE DR.  
SUITE 607  
Volo, IL 60073  
MAIN: 847-457-2500  
IL EX-208811440001

ASPECT  
DESIGN INC.  
ARCHITECTS



PROJECT # 201912  
DRAWN BY: JIL

AR-9  
220

9 OF TOTAL SHEETS