THE CITY OF LAKE FOREST CITY COUNCIL AGENDA

Monday, November 7, 2022, 6:30 pm 220 E. Deerpath, Lake Forest, IL 60045

Honorable Mayor, George PandaleonJames E. Morris, Alderman First WardJim Preschlack, Alderman Third WardNancy P. Novit, Alderman First WardAra Goshgarian, Alderman Third WardMelanie Rummel, Alderman Second WardRaymond Buschmann, Alderman Fourth WardEdward U. Notz, Jr., Alderman Second WardEileen Looby Weber, Alderman Fourth Ward

CALL TO ORDER AND ROLL CALL 6:30 pm

PLEDGE OF ALLEGIANCE

REPORTS OF CITY OFFICERS

1. COMMENTS BY MAYOR

- A. Introduction of Niamh Bruce, Mayor for a Day
- **B.** GFOA Triple Crown Award Presentation and Recognition of Finance Department

2. COMMENTS BY THE CITY MANAGER

- A. Community Spotlight - Native Voices Initiative Carol Summerfield, Lake Forest Lake Bluff History Center
- B. Public Works Capital Projects Recap -Michael Thomas, Director of Public Works
- C. Looking Forward Planning for the Future of Our Central Business District -Introduction of Website -Upcoming Community Workshop

3. OPPORTUNITY FOR CITIZENS TO ADDRESS THE CITY COUNCIL

4. COMMITTEE REPORTS

AUDIT COMMITTEE REPORT

1. Audit Committee Report and Presentation of the Fiscal Year 2022 Annual Comprehensive Financial Report

PRESENTED BY: Tara Janos, Audit Committee Chair STAFF CONTACT: Diane Hall, Assistant Finance Director (847-810-3614)

PURPOSE AND ACTION REQUESTED: Staff requests receipt of the audit report for the fiscal year ended April 30, 2022.

BACKGROUND/DISCUSSION: The Annual Comprehensive Financial Report for the fiscal year ended April 30, 2022 is provided beginning on **page 14**. A bound copy of the report is available upon request and an electronic copy will be made available on the City web site following City Council acceptance of the report. The document has been reviewed by the Audit Committee with Baker Tilly Virchow Krause, the City's independent audit firm, and has been accepted by the Audit Committee. The City has received an unmodified opinion on its Fiscal Year 2022 financial statements.

The City has been awarded the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association for forty-three (43) consecutive years. This year's report will once again be submitted to GFOA for consideration of this award.

The Audit Committee met four times in 2022 and highlights of those meetings as well as the audit report will be presented this evening by Audit Committee Chair Tara Janos.

COUNCIL ACTION: Receipt of the audit report for the fiscal year ended April 30, 2022.

5. ITEMS FOR OMNIBUS VOTE CONSIDERATION

1. Approval of October 17, 2022, City Council Meeting Minutes

A copy of the minutes can be found beginning on page 206.

COUNCIL ACTION: Approval of October 17, 2022, City Council Meeting Minutes

2. Approval of the Check Register for the Period of September 24 - October 28, 2022

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

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

shall, upon request to the City Manager or Director of Finance, receive a copy of the warrant list detail as recommended by the Finance Committee Chairperson. The City Council may approve the warrant list as so recommended by the Finance Committee Chairperson by a concurrence of the majority of the City Council as recorded through a roll call vote.

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

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

	Fund	Invoice	Payroll	Total
101	General	836,054	2,266,215	3,102,269
501	Water & Sewer	147,570	270,081	417,651
220	Parks & Recreation	243,534	670,012	913,546
311	Capital Improvements	2,722,619		2,722,619
202	Motor Fuel Tax	17,432		17,432
230	Cemetery	42,239	58,514	100,753
210	Senior Resources	10,494	43,035	53,529
510	Deerpath Golf Course	58,819	4,374	63,193
601	Fleet	128,274	87,297	215,571
416 - 433	Debt Funds			0
248	Housing Trust			0
201	Park & Public Land	30,488		30,488
	All other Funds	1,394,586	273,351	1,667,937
		\$5,632,109	\$3,672,878	\$9,304,987

Check Register for September 24- October 28, 2022

The subtotal labeled "All other Funds" includes Self Insurance Fund Medical/Dental claims expenses of \$863,428.

<u>COUNCIL ACTION</u>: Approval of the Check Register for the Period of September 24 – October 28, 2022

3. Approval of Health Insurance Contract Renewals for Calendar Year 2023

STAFF CONTACT: Amber Campbell, Director of Human Resources (847-810-3532)

PURPOSE AND ACTION REQUESTED: PCA Committee and staff are recommending the following renewals of the City's various health insurance vendors:

The City provides a self-funded medical and dental plan and insured life insurance, transplant coverage, and reinsurance (stop loss) for large claims and total liability. The cost is determined by forecasts based on actual claims, fixed costs for administration, reinsurance, and costs for life insurance. The City periodically requests bids for administration and stop loss insurance. Staff is preparing to conduct a more comprehensive review of benefit plan alternatives in FY24. Human Resources is not recommending changes this year for strategic considerations as the plan is meeting expectations.

Cigna has provided Life Insurance since 2004, providing a contract that allows for a custom designed package developed with Benefit Committee input of employer provided insurance, and supplemental coverage that is able to be continued after leaving the City. The City has a contract which automatically renews. No premium increase has been received, although Cigna has the ability to change the rate with advance notice. The contract was last bid in 2014, and Cigna remained the best option. The costs are determined on a pooled basis, and were last changed in 2018.

The City purchases Stop Loss insurance for individual claims and total plan liability. Insurance consultant Wright Benefit Strategies (WBS) recommended bidding stop loss this year after a full RFP and moving to Sun Life effective in 2021. We typically bid this service approximately every two to three years, as more bidding and changing carriers reduces leverage in negotiations in difficult claim years and puts the City at greater risk of large exclusions, rate increases, or both. The City contracts administration services and PPO Managed Care services through PBA, which includes Cigna PPO. Staff is recommending retaining PBA and Cigna managed care services.

The City contracts with Asset Health to manage our Think Healthy Wellness plan programming and website, which employees use to access learning, resources and tracking tools. Staff recommends retaining Asset Health for a successive one-year term.

Bidding other services is not recommended at this time due to existing multi-year contracts, favorable renewals and contractual features relating to our benefit structure.

PROJECT REVIEW/RECOMMENDATIONS:

Reviewed	Date	Comments
Personnel, Compensation and Administration (PCA) Committee	10/28/22	Reviewed and recommended for City Council approval

BUDGET/FISCAL IMPACT: Recommendations based on renewal quotes:

- **Retain Cigna for Life Insurance Coverage** Cigna provides a unique contract design and is meeting expectations. Cigna has not provided notice of renewal.
- Retain Professional Benefit Administrators (PBA) for Administration and Billing Services PBA bills per capita fees, including Cigna PPO fees. The fee increase reflects additional services required by the No Surprises Act, requiring the Plan to disclose reimbursement rates for services, among other requirements. PBA is a low-cost provider for administration of the City health and dental plan, including claims administration and coordination of medical plan services and the City flexible spending account. WBS bid TPA services in 2020, and PBA's cost were low in comparison to bids. Staff and the City's insurance consultant recommend retaining PBA based on their service and the nature of the City's benefit structure. PBA is meeting expectations.
- Retain preferred provider network administration with CIGNA through PBA Cigna provides networks and managed care services through a contracted relationship

with PBA. CIGNA provides broad access and favorable discounts. Services are meeting expectations.

• Change to Symetra for Stop Loss Coverage and Retain Optum Health for Transplant coverage. WBS manages placement of Specific reinsurance for large claims and Aggregate reinsurance for total claims in a calendar year. The City entered a new contract with Sun Life in 2021. WBS recommended bidding stop loss coverage for the 2023 plan year. Three carriers provided bids below Sun Life. Sun Life is requesting an increase in premiums, while Symetra provided a bid that will reduce stop loss premiums from the current level, and reduce assumed risk by the City. WBS recommends moving to Symetra for stop loss coverage at the \$170,000 deductible. Optum provides a separate Transplant policy, which helps protect the Stop Loss experience by carving out transplant expenses. Optum rates are increasing 6%, the first increase since 2020. WBS recommends retaining Optum carve out coverage.

Stop Loss	Current Sun Life 170k deductible 2022	Renewal: Sun170k deductible	Symetra \$170k deductible
Specific & Aggregate Premium	\$733,688	\$816,852	\$702,878

• Retain Serve You Rx Pharmacy Benefit Administration for Prescription Drug Card for an additional one-year term. Serve You Pharmacy Card services are provided through a contract that renews annually. The City last bid this coverage in 2018, and Serve You provided the most favorable contract. WBS negotiated an increase in discounts, and rebates for 2023. The changes are expected to reduce costs through better discounts and increased rebates. Serve You services are meeting expectations. Staff and the City's benefit consultant WBS recommend retaining Serve You.

Summary Pricing	Serve You	Serve You
Serve You Rx	Current	Renewal Costs
Dispensing Fees (Retail	\$1,741	\$1,509
Only)		
Brand Discount Retail/Mail	18%/24%	18.5%/24%
Order		
Generic Discount	78%/82%	78.25%/83%
Retail/Mail Order		
Rebates Paid to Plan	\$(141,870)	\$(171,075)

Retain Asset Health services for Think Healthy Wellness Program

Staff is recommending renewing the contract for wellness services through Asset Health, a leading provider of wellness technology and administration for 1 million members including fortune 500 companies. Asset Health provides consulting, participant administration through a website, health and wellbeing learning exercises, activity "challenges" (time sensitive activities designed to reinforce positive behaviors linked to improved health), as well education by self-determined and programmatic learning. The services are meeting expectations for reduced staff time in administration, improved communication, and education resources available to participants, while reducing health cost growth over time. The service has been well received by employees and is actively managed through our Employee Wellness Committee. Through reporting from Asset Heath and the City's health plan, WBS has observed that costs may be trending lower than other employers through reduced utilization. Results suggest the City continues to see positive behavioral change and lower health plan utilization particularly for drugs compared to other plans. Participation is widespread among employees. The City did not bid the service this year due to the unique and integrated nature of the service to the relatively new Think Healthy wellness program, which has been in its current form since 2018.

o Retain Benistar Medicare Supplement and Part D Plans as Retiree Benefit

Effective since 2018, the City makes available a separate fully insured Retiree Medical and Drug program for retirees eligible for Medicare through Benistar. Retirees pay 100% of the cost. The City provides billing remittance and Benistar provides customer service and coordination of a Harford Medicare Supplement Plan, and an Express Scripts Part D prescription drug plan. This policy is less costly for retirees over 65 and is fully insured, so the city has no liability. The plans are subject to annual cost adjustments for Medicare Supplement and Part D Drug Coverage. Staff recommends continuing to offer this coverage.

Age Band-Medical	Current	January 1, 2023
65-69	\$128.00	\$134.28
70-74	\$147.16	\$154.37
75-79	\$171.30	\$179.70
80-84	\$193.50	\$202.98
85 and over	\$203.55	\$213.53
Express Scripps Part D	\$235.00	\$246.00

Summary Budget Impact:

Funding Source: Self-Insurance Fund	Current	Amount	Budgeted?
Spread over FY23 and FY24 budgets		Requested	
Cigna Life Insurance	\$29,251	\$29,251	Yes
Summary Pricing Serve You Rx			Yes
Dispensing Fees (Retail Only)	\$1,741	\$1,509	Yes
Summary Pricing PBA Admin Fees &	\$151,951	\$161,077	Yes
CIGNA PPO			
Summary Pricing Sun Life Stop Loss			
 Specific & Aggregate Premium 	\$733,688	\$702,878	Yes
 Transplant Premium (Optum) 	\$30,133	\$31,929	Yes
Summary Pricing Asset Health Wellness	\$30,000	\$30,000	Yes
Total Annual Plan Costs	\$976,764	\$956,644	

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

If no, indicate the specific exception or waiver requested:

Administrative Directive 3-5, Section 6.11 – Existing Relationship

<u>COUNCIL ACTION</u>: Approval of Health Insurance Contract Renewals for Calendar Year 2023

4. Approval of the FY23 Personnel Policies and Practices

STAFF CONTACT: Amber Campbell, Director of Human Resources (847-810-3532)

PURPOSE AND ACTION REQUESTED: The Personnel Compensation Administration (PCA) Committee is seeking City Council approval of the FY23 Personnel Policies.

BACKGROUND/DISCUSSION: As a part of the FY23 budget process City Council approved the recommendation to increase the amount paid for 20+ years of service from \$75 to \$90 per year of service. The Police MAP contract effective FY22-FY25 adjusted longevity and for 20+ years of service from \$75 to \$90 per year of service.

Personnel policy language has been updated to reflect \$90 for the 20+ year of service level.

Personnel	Page #
Personnel Policies and Practices 2022 (All changes noted in Italics in the	
document)	
• 2.3.14 Longevity Pay – Increased the amount paid for 20+ years of	11
service from \$75 to \$90 (last increased in 2016)	

PROJECT REVIEW/RECOMMENDATIONS:

Reviewed	Date	Comments
PCA Committee	10/28/2022	Reviewed individually and recommends approval

BUDGET/FISCAL IMPACT: The budget impact for employees with 20+ years of service is \$22,777 and is included in the current FY23 budget.

<u>COUNCIL ACTION</u>: Approval of the FY23 Personnel Policies and Practices Changes

5. Approval of Revised Employment Agreement for City Manager Wicha

STAFF CONTACT: Amber Campbell, Director of Human Resources, 847-810-3530

PURPOSE AND ACTION REQUESTED: Consistent with recent Mayor and City Council discussion, approval of an updated Employment Agreement for City Manager Jason Wicha is requested.

BACKGROUND/DISCUSSION: The City Manager's current Employment Agreement, which was most recently revised in July 2020, includes a City residency requirement with a corresponding residence loan. In recognition of City Manager Wicha's performance and years of service to the City, the amended Employment Agreement provides a gradual annual reduction in the

balance of the residence loan through May 1, 2032, contingent upon City Manager Wicha's continued employment with the City.

In addition, the City Manager's annual salary is being adjusted to be consistent with the midrange of salaries in comparable communities, which reflects the City Council's broader guidance on employee compensation.

BUDGET/FISCAL IMPACT:

Sufficient funding is available within the FY23 budget for the salary adjustment and loan forgiveness. Beginning on **page 210** of your packet is a copy of the revised Employment Agreement.

COUNCIL ACTION: Approval of Revised Employment Agreement for City Manager Wicha

6. Approve the contract to Camp Nageela Midwest, dba Camp Henry Horner in the amount of \$35,000.

STAFF CONTACT: Todd Nahigian, CROYA Manager 810-3982

PURPOSE AND ACTION REQUESTED: The CROYA Board and Staff are recommending approval of a contract with Camp Nageela Midwest, dba Camp Henry Horner in the amount of \$35,000.

BACKGROUND/DISCUSSION: CROYA High School weekend Retreats date back to 1987 with over 5,000 high school students attending over 30 years. CROYA youth and staff consider the Retreats the most meaningful and impactful programs CROYA provides. Over the years, the CROYA Staff has investigated multiple camps in Illinois and Wisconsin, after a previously attended camp stopped hosting groups during the school year. CROYA staff found Camp Henry Horner in Ingleside, IL, which provides the highest quality experience while maintaining reliability. CROYA began attending Camp Henry Horner in the Fall of 2016, and has continued this valuable tradition. Their facilities, location, service quality, price and overall experience are a great fit for CROYA. The Camp Henry Horner staff is accessible and responsive to our needs. The total cost of the two annual retreats has typically been below \$25,000. In FY2022, City Council approved CROYA's request of \$30,000 for the 2 Retreats. This was necessary because we increased the number of participants and the costs went up. The circumstances are similar this year, as the cost of the Fall, 2022 and Spring, 2023 Retreats will be over \$25,000.

BUDGET/FISCAL IMPACT: CROYA currently charges students \$180 each to attend a Retreat. Revenue for the 2 Retreats during this fiscal year is estimated to be \$30,000. There are other expenses for the retreat, but I wanted to acknowledge that the cost of the Retreat site, lodging and meals is commensurate with the revenue CROYA receives.

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

Administrative Directive 3-5, Section 6.1I – Existing Relationship

Below is an estimated summary of Project budget:

FY2023 Funding Source	Amount	Amount	Budgeted?
	Budgeted	Requested	Y/N
101-1601-483.60-17	\$30,000	\$35,000	(Y) The additional Retreat participants will cover the non-budgeted amount.

<u>COUNCIL ACTION</u>: Approval of the contract to Camp Nageela Midwest, dba Camp Henry Horner in the amount of \$35,000

7. Consideration of a Request to Waive the Fidelity Bond Requirement in Connection with Holding a Raffle in the City of Lake Forest for Lake Forest College Chapter of the American Marketing Association and Lake Forest College Athletics (Approval by Motion)

STAFF CONTACT: Margaret Boyer, City Clerk (847.810.3674)

PURPOSE AND ACTION REQUESTED: Staff requests City Council consideration of waiving the fidelity bond requirement in connection with a proposed raffle from Lake Forest College Chapter of the American Marketing Association and Lake Forest College Athletics.

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

At this time Lake Forest College Chapter of the American Marketing Association and Lake Forest College Athletics are requesting a waiver of the bond requirement and has submitted a request. A copy of the requests can be found beginning on **page 215**

BUDGET/FISCAL IMPACT: N/A

<u>COUNCIL ACTION:</u> Consideration of a Request to Waive the Fidelity Bond Requirement in Connection with Holding a Raffle in the City of Lake Forest for Lake Forest College Chapter of the American Marketing Association and Lake Forest College Athletics. (Approval by Motion)

8. Determination of a Non-Binding Estimate of the Amount of Revenue to be Generated from Property Taxes for the 2022 Calendar Year and Establishment of December 5, 2022 as a Public Hearing Date (if required) in Accordance with the Truth in Taxation Statute

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

PURPOSE AND ACTION REQUESTED: Staff requests City Council approval of a non-binding estimate of the amount of revenue to be generated from property taxes in calendar year 2022 and setting of a public hearing date if this estimate exceeds 105% of the prior year's tax extension in accordance with State Statutes.

BACKGROUND/DISCUSSION: Under the Truth in Taxation Act, the City Council is required to determine the estimated amount of money to be raised by taxation twenty (20) days prior to

the adoption of the annual tax levy. The amount determined is an estimate, and may be increased or decreased under the statute, provided that any increase does not exceed 105% of the prior year's tax extension without the required notice and public hearing. This estimate is preliminary and initiates the public process for the 2022 tax levy by establishing an estimated amount from which staff can prepare a proposed levy ordinance.

The 2022 property tax levy estimate, as considered by the Finance Committee on October 17, is as follows:

Levy	2021 Extended	2022 Levy Estimate	% Increase (Decr.)
Aggregate Levy	\$ 34,137,742	\$ 35,816,761	4.92%
Debt Service Levy	1,839,687	1,825,725	76%
PTAB/CE Recapture	266,960	N/A	
TOTAL LEVY	\$ 36,244,389	\$ 37,642,486	3.86%

The tax levy cap applicable to the 2022 tax levy is **5.0%**. The 2022 tax levy estimate reflects:

- Assessed valuation estimates provided by the Lake County Assessor's Office (up 2.4%),
- required funding for police and fire pension purposes as established by a 4/30/22 independent actuarial valuation and reflecting the Pension Funding Policy approved 8/3/20, as well as additional funding as recommended by the Lake Forest Pension Subcommittee to accelerate implementation of the 15-year open amortization model,
- Required debt service levy amounts as established by bond ordinances approved at the time of debt issuance,
- Capital Improvements Fund levy consistent with FY23-27 Five-Year Forecast, increased by \$350,000 to phase in impacts of potential future bond issue for athletic field improvements,
- 5.0% PTELL increase on library and parks/recreation levy line items which have consistently been limited to PTELL, and
- An estimate of new growth, which impacts the General Fund and Library operating levies.

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

A discussion regarding the 2022 tax levy is scheduled for the November 14 Finance Committee budget workshop. The tax levy ordinance will be considered by the City Council on November 21 and again on December 5, 2022.

6					
	Reviewed	Date	Comments		
	Finance Committee	10/17/22	Reviewed 2022 Tax Levy Estimate		
	City Council	8/3/20	Approval of revised Pension Funding Policy		

PROJECT REVIEW/RECOMMENDATIONS:

<u>COUNCIL ACTION</u>: Determination of a Non-Binding Estimate of the Amount of Revenue to be Generated from Property Taxes for the 2022 Calendar Year and Establishment of December 5, 2022 as a Public Hearing Date (if required) in Accordance with the Truth in Taxation Statute.

9. Consideration of an Ordinance Approving a Recommendation from the Building Review Board. (First Reading, and if Desired by the City Council, Final Approval)

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

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

BACKGROUND/DISCUSSION:

549 King Muir Road – The Building Review Board recommended approval of a building scale variance to allow the addition of a mudroom and covered entrance at the rear of the home. No public testimony was presented to the Board on this petition. (Board vote: 6 - 0, approved)

The Ordinance approving the petition as recommended by the Building Review Board, with key exhibits attached, is included in the Council packet beginning on **page 217**. The Ordinance, complete with all exhibits, is available for review in the Community Development Department.

<u>COUNCIL ACTION</u>: If determined to be appropriate by the City Council, waive first reading and grant final approval of the Ordinance approving the petition in accordance with the Building Review Board's recommendation.

COUNCIL ACTION: Approval of the nine (9) omnibus items as presented.

6. OLD BUSINESS

7. NEW BUSINESS

8. ADDITIONAL ITEMS FOR DISCUSSION/ COMMENTS BY COUNCIL MEMBERS

1. EXECUTIVE SESSION pursuant to 5ILCS120/2(c), 11 The City Council will be discussing pending litigation

Adjournment into Executive Session

Reconvene into Regular Session

9. ADJOURNMENT

A copy of the Decision Making Parameters is included beginning on **page 13** of this packet.

Office of the City Manager

November 2, 2022

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





THE CITY OF LAKE FOREST

DECISION-MAKING PARAMETERS FOR CITY COUNCIL, AND APPOINTED BOARDS & COMMISSIONS Adopted June 18, 2018

The City of Lake Forest Mission Statement:

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

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

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

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

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

Annual Comprehensive Financial Report



City of Lake Forest, Illinois

For the Year Ended April 30, 2022

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

Fiscal Year Ended April 30, 2022

City of Lake Forest Finance Department

Elizabeth Holleb, Finance Director Diane Hall, Assistant Finance Director

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April 30, 2022

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October 20, 2022

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

The Annual Comprehensive Financial Report of the City of Lake Forest (City) for the year ended April 30, 2022, is hereby submitted as mandated by both local ordinances and state statutes. These ordinances and statutes require that the City issue annually a report on its financial position and activity presented in conformance with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with generally accepted auditing standards by an independent firm of certified public accountants.

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

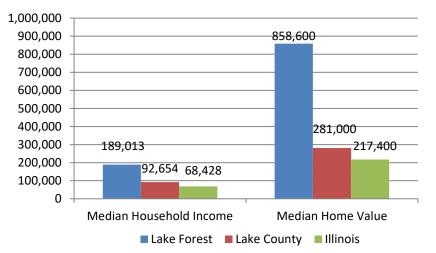
The City of Lake Forest utilizes an independent Audit Committee for reviewing the audit process and to report and make recommendations to the City Council. The Audit Committee members are Lake Forest residents having expertise in the area of financial administration and auditing.

The City's financial statements have been audited by Baker Tilly US, LLP, a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City of Lake Forest for the fiscal year ended April 30, 2022, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon their audit, that there was a reasonable basis for an unmodified opinion that the City's financial statements for the fiscal year ended April 30, 2022, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

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

Profile of The City of Lake Forest

The City of Lake Forest was incorporated as a city under a charter granted by the Illinois State Legislature in 1861 and amended in 1869. Lake Forest is a residential community of 19,375 people and has a land area of 17.18 square miles. It is situated on Lake Michigan, thirty miles north of downtown Chicago in Lake County. In its American Community Survey, 2016-2020 estimates, the U.S. Census Bureau reported the City had a median household income and median home value significantly higher than comparable figures for Lake County and the State of Illinois:



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

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

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

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

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

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

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

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

Factors Affecting Financial Condition

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

- Unemployment levels in Lake Forest are well below the levels for Lake County and the State of Illinois. For calendar year 2021, the City's annual average unemployment rate was estimated to be 3.8%, compared to 5.3% for Lake County and 6.1% for the State of Illinois.
- The consumer confidence index is closely monitored by economists because consumer spending accounts for 70% of the United States' economic activity. In August 2022, the index was 103.2, up from 95.3 in July, and comparing unfavorably to the August 2021 index of 115.2. The index remains above 90, the minimum level associated with a healthy economy. An index above 100 signals growth.

As revenues declined in 2008-2010 due to national economic conditions, the City has proactively reduced operating expenses to ensure a balanced budget and compliance with the City's fiscal policies. Since personnel costs represent approximately 73.35% of the General Fund operating budget, it has been necessary to achieve cost savings through reduced personnel. In fiscal years (FY) 2004-2023, the City has reduced budgeted full time employees by 46 positions (17.6%), returning the City's total employee count below FY1992 levels.

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

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

Approximately half of the City's General Fund revenues come from property taxes, which continue to be a stable revenue source. The other major funding sources of sales tax, income tax, utility taxes and building permit revenues met FY2022 budget estimates in aggregate. Effective May 1, 2014, the City implemented a new sanitation fee that generates \$930,000 per year. This revenue is currently deposited to the General Fund. Effective May 1, 2017, the City implemented a new Public Safety Pension Fee to increase public awareness of the challenges in meeting police and fire pension obligations. Effective July 1, 2019, the City increased the Home Rule Sales tax from .5% to 1% to fund capital improvement projects.

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

administration fee of 2% on home rule sales tax collections (reduced to 1.5% for SFY19). The State has returned to 100% funding of the City's portion of income tax distributions, which has been incorporated into the FY23 budget. The City Council and staff continue to budget conservatively and discuss fiscal scenarios for future years should the State continue to tap local revenues to balance its budget or in the event the State imposes property tax limitations on local units of government.

In order to assist the business community and enhance sales tax revenues, economic development initiatives are conducted through the Community Development Department. The City works with the Lake Forest/Lake Bluff Chamber of Commerce and representatives of the business districts in Lake Forest. The City is committed to attracting desired businesses and to promote the viability of the business districts.

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

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

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

In Fiscal Year 2016, the City Council adopted revisions to the Fiscal Policy effective for FY2017 and continuing through FY2022. The revised policy clarified the applicability of the Property Tax Extension Limitation Law to the City, established a policy for setting aside reserves to meet the City's Other Post-Employment Benefits (OPEB) liability, revised the financing parameters for establishment of Special Service Areas, and committed to minimizing reliance on State and/or Federal revenues to fund core services.

In March 2020, the world was dramatically affected by the COVID-19 pandemic. While the General Fund revenues were not greatly affected by COVID-19, other areas of the City were significantly impacted. The City budgeted reduced sales tax and income tax revenue for FY2021. Both sales tax and income tax exceeded FY21 budget projections. The Police and Fire Pension investments resulted in larger losses as of April 30, 2020. Investments rebounded in FY21, resulting in returns in excess of 25%. The City's Parks and Recreation programs were placed on hold in March 2020 resulting in the cancellation of many of the spring and summer programs reducing the revenue of the fund. Programs remained at reduced capacities throughout FY21. The Parks and Recreation Fund improved in FY2022, as programs returned with greater capacities. The City's golf course was shut down in March 2020 and was able to open at a limited capacity as of May 1. A revised FY21 preliminary budget was presented to the City for approval, reflecting changes based on anticipated reductions in consumer driven revenue. The Golf Course thrived by offering outside services for residents. The City continues to seek grant opportunities to assist with the financial impact of the pandemic. The City successfully applied for CARES funding and received \$899,471, through Lake County. The City has been awarded \$2.6 million in America Rescue Plan Act (ARPA) funds to be received in FY22 and FY23. To date, the City has received \$227,899 in Federal Emergency Management Agency (FEMA) funding to assist with COVID-19 expenses.

Long–Term Financial Planning. The City is funding infrastructure expenditures primarily on a pay-asyou-go basis from dedicated revenues. A real estate transfer tax is imposed on residential and commercial real estate transactions and is deposited into the Capital Improvements Fund. The transfer tax of \$4.00 per \$1,000 of value is levied on the buyer of the real estate. FY2022 real estate transfer tax revenue totaled \$2.6 million, which is \$1.2 million over budget. Significant fluctuations occur in this revenue source due to changes in economic conditions, and more specifically the housing market. The City will remain conservative in projecting this revenue source and in spending monies on capital projects.

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

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

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

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

Pension Benefits. Escalating costs for employee pension benefits will continue to pose financial challenges to the City. Sworn police and fire personnel receive retirement and disability benefits from the Police Pension Fund and Firefighters' Pension Fund, respectively. Both of these plans are defined benefit, single-employer plans administered by boards of trustees. The defined benefits and employee contribution levels are governed by Illinois Compiled Statutes and may only be amended by the Illinois General Assembly. Police participants are required to contribute 9.91% of their base salaries and fire participants are required to contribute 9.91% of their base salaries and fire participants are required to contribute 9.455% of their base salaries. The City is required to contribute the remaining amounts necessary to finance each plan as determined by an independent actuary. As of April 30, 2022, the most recent actuarial valuation date, the funded ratio for the Police Pension Plan is 56.4% and for the Firefighters' Pension Plan is 70.39%. Funding ratios were negatively impacted by investment returns of -1.89% for the Police Pension Fund and -5.19% for the Firefighters' Pension Fund in FY22.

All other employees of the City who work over 1,000 hours per year are covered by the Illinois Municipal Retirement Fund (IMRF), a statewide pension plan. Benefit provisions and funding requirements are established by State statutes and may only be changed by the Illinois General Assembly. Employees participating are required to contribute 4.5% of their annual wages and the City is required to contribute the remaining amounts necessary to fund the coverage of its employees in the plan. As of December 31, 2021 due to a 2021 investment return of 16.6%, the funded ratio for IMRF is 113.47%, including the actuarial accrued liability for retirees which is 100% funded.

In early 2010, a bill was signed by the Governor with an effective date of January 1, 2011, approving a "twotier" system, where current employees keep their existing pension plans, but new hires will join a less expensive new system. IMRF was included in the bill but not the Police and Firefighters' pension plans. By the end of 2010, the Illinois General Assembly approved police and firefighter pension reform legislation effective January 1, 2011. The law does not affect the pensions of all employed police officers and firefighters - only those hired after January 1, 2011. Although cost savings from both bills will not be seen immediately, it does provide the City long-term financial relief.

Implementation of GASB Statement No. 67, *Financial Reporting for Pension Plans,* for Fiscal Year 2015 and No. 68, *Accounting and Financial Reporting for Pensions*, for Fiscal Year 2016 has resulted in significant changes to the reporting of pension obligations in the City's financial statements. In anticipation

of these statements taking effect, the City made adjustments to the mortality table and interest rate assumptions for its police and fire pension fund actuarial valuations. These changes reduced the funded ratio of the plans but were intended to put the City in an even stronger position going forward. These changes are in addition to historically overfunding the annual pension cost compared to minimum requirements per State Statutes.

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

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

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

Major Initiatives

The City is committed to maintaining the quality of life and preserving the character and heritage of Lake Forest. The City will continue to adhere to its prudent financial management practices and remain focused on sustaining long-term financial stability. For FY2022, the most significant initiatives were as follows:

- In January 2015, the City Council approved ordinances adopting a Tax Increment Financing (TIF) District on a 10-acre site at the north end of the Commercial Business District. In FY2016, the City completed required demolition of existing structures and remediation of the site. In April 2016, the City Council approved a First Amendment to the Purchase/Sale Agreement, redevelopment agreement, final plat of subdivision and Final Development Planned Development Ordinance. The plan includes 165 total units 12 single family homes, 42 condominium units and 111 apartments. As of April 30, 2022 construction of the three apartment buildings is complete and fully occupied. The first of the two condominiums are complete with all 24 units sold. Construction of the second building has not started. Seven single family homes have been sold and permits for two additional homes have been issued. In FY22, the first Note payment of \$500,000 from Tax Increment proceeds for the sale of the property to a developer was made.
- In March 2021, the City Council authorized \$1.1 million to improve Ringwood Ravine.
- In August 2021, the City Council authorized \$336,000 to improve Veterans Park.
- In September 2021, the City issued General Obligation (GO) Refunding Bonds, Series 2021 to refinance 2013 GO Bonds. Savings over the life of the bonds will exceed \$1.6 million.
- In September 2021, the City received the first of two payments from the American Rescue Plan Act. The City will receive a total of \$2.6 million to fund a qualifying storm sewer project.
- In October 2021, the Ragdale Foundation donated in excess of two acres to the City to enhance the Ragdale campus.

- Public Act 101-0610, effective January 1, 2020, mandates the consolidation of investment assets for all local police and fire pension funds for investment purposes only. In November 2021, the City's Fire Pension Board transferred its investment assets to the consolidated fire investment fund. A similar transfer of Police Pension Fund investment assets was completed in June 2022.
- In March and July 2022, the City Council authorized transferring from FY2022 General Fund surplus, \$1,000,000 to the Parks and Public Land Fund, \$500,000 to the Housing Trust Fund, \$650,000 to the Self Insurance Fund and \$3,400,000 to the Capital Improvement Fund for future projects.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to The City of Lake Forest for its annual comprehensive financial report for the fiscal year ended April 30, 2021. This was the 43rd consecutive year that the City of Lake Forest has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

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

Respectfully submitted,

- Wala

Jason Wicha City Manager

Elizabeth a. Holleb

Elizabeth A. Holleb Finance Director

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Lake Forest Illinois

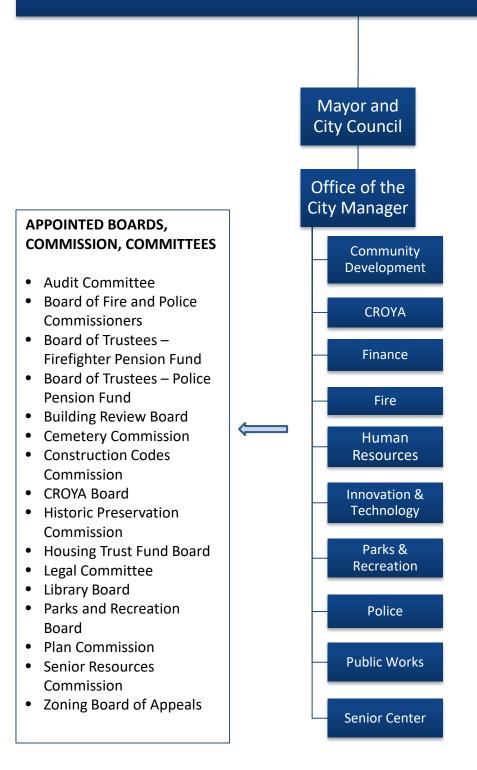
For its Annual Comprehensive Financial Report For the Fiscal Year Ended

April 30, 2021

Christopher P. Monill

Executive Director/CEO

Voters and Residents of The City of Lake Forest



List of Principal Officials

Year Ended April 30, 2022

LEGISLATIVE

City Council

George Pandaleon, Mayor

Jennifer Karras

James E. Morris

Jim Preschlack

Raymond P. Buschmann

Melanie Rummel

Ted Notz

Ara Goshgarian

Eileen Weber

AUDIT COMMITTEE

Vince Sparrow, Chairman

Tighe Magnuson

William McFadden

Mark Dillon

Tara Janos

George Pandaleon, Mayor (ex-officio)

James E. Morris, Finance Committee Chairman (ex-officio)

EXECUTIVE

Jason Wicha, City Manager

DEPARTMENT OF FINANCE

Elizabeth Holleb, Director of Finance

Diane Hall, Assistant Finance Director



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Independent Auditors' Report

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

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the remaining fund information of the City of Lake Forest, Illinois (the City), as of and for the year ended April 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the remaining fund information of the City as of April 30, 2022 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (GAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. The financial statements of Lake Forest Library were not audited in accordance with *Government Auditing Standards*.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that rise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and GAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and GAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 20, 2022 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Baker Tilly US, LLP

Oak Brook, Illinois October 20, 2022

CITY OF LAKE FOREST, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

APRIL 30, 2022

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

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

Financial Highlights

- The City's net position increased \$18.3 million for the fiscal year ending April 30, 2022 (FY22). Governmental net position increased \$15.3 million and business-type net position increased \$3 million.
- The governmental activities revenue increased by \$4.1 million (6.6%) due to increased taxes, capital grants/contributions, charges for services and intergovernmental taxes, offset by decreases to investment income. The expenses increased by \$.7 million (1.4 %) due primarily to adjustments related to pensions and reduced expenses.
- The business-type activities revenue increased by \$1.8 million (1.7%) primarily due to an increase in charges for services in the Water and Sewer Fund. The City's business-type activity expenses decreased by \$.9 million (9.4%) due primarily to pension adjustments and non-capitalized improvements.
- The total cost of all City programs decreased from \$60.5 million in FY21 to \$60.3 million in FY22 a decrease of \$.2 million or .1% attributable to decreased expenses, pension adjustments and non-capitalized improvements.

USING THE FINANCIAL SECTION OF THE ANNUAL COMPREHENSIVE REPORT

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

Government-Wide Financial Statements

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

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

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

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

APRIL 30, 2022

Fund Financial Statements

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

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

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

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

Infrastructure Assets

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

GOVERNMENT-WIDE STATEMENT

Statement of Net Position

The City's combined net position increased by \$18.3 million for FY22 – from \$235.6 million to \$253.9 million. The analysis following will look at net position and net expenses of governmental and business-type activities separately. The total net position for the governmental activities increased by \$15.3 million – from \$186.6 million to \$201.9 million. The business-type activities net position increased by \$3.0 million – from \$49.0 million to \$52.0 million. Table 1 reflects the condensed Statement of Net Position compared to FY21. Table 2 will focus on the changes in net position of the governmental and business-type activities.

CITY OF LAKE FOREST, ILLINOIS MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) APRIL 30, 2022

	Statement of	Net Positi	on						
As of April 30, 2021 and 2022 (in millions)									
	(10113)	Busir	ness-					
	Governmental Activities		Type Activities		Total Primary Government				
	2021	2022	2021	2022	2021	2022			
Current and Other Assets	\$117.8	\$140.2	\$13.5	\$16.5	\$131.3	\$156.6			
Capital Assets	193.2	192.0	52.9	51.3	246.1	243.4			
Total Assets	311.0	332.2	66.4	67.8	377.4	400.0			
Deferred Outflows	10.1	8.5	0.2	0.3	10.3	8.8			
Long- Term Liabilities	76.7	83.0	15.2	13.2	91.9	96.2			
Other Liabilities	7.8	9.7	1.0	0.8	8.8	10.5			
Total Liabilities	84.5	92.7	16.2	14.0	100.7	106.7			
Deferred Inflows	50.0	46.1	1.3	2.1	51.3	48.2			
Net Position:									
Net Investment in									
Capital Assets	164.8	165.8	38.1	38.6	202.9	204.4			
Restricted	36.5	57.7	0.6	2.0	37.1	59.7			
Unrestricted	(14.7)	(21.6)	10.3	11.4	(4.4)	(10.2)			
Total Net Position	\$186.6	\$201.9	\$49.0	\$52.0	\$235.6	\$253.9			

Table 1

For more detailed information see the Statement of Net Position.

Normal Impacts

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

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

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

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

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

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

CITY OF LAKE FOREST, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

APRIL 30, 2022

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

Current Year Impacts

The City's \$18.3 million increase in combined net position (which is the City's bottom line) was the result of the governmental activities net position increasing by \$15.3 million and the business-type activities net position increasing by \$3.0 million.

The governmental activities total assets increased by \$21.2 million (6.8%) and the governmental activities total liabilities increased by \$8.2 million (9.7%). With the implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and GASB Statement No. 75, *Accounting and Financial Report for Postemployment Benefits Other Than Pensions* long-term liabilities now include the net pension liability and OPEB liability previously only disclosed in the notes to the financial statements. The increase in total assets is primarily due to available cash balances and net pension assets. The increase in total liabilities is due primarily to increases in long term obligations relating to pension liabilities. See additional information in the Long-Term Obligations and Employees' Retirement System sections of the Notes to Financial Statements and the Debt Outstanding section of the MD&A.

The decrease in deferred outflows of \$1.6 million related to pensions, and a decrease in deferred inflows of \$3.9 million related to pensions, OPEB and an increase in property taxes levied for future periods.

Net investment in capital assets increased by \$1.0 million (>.1%) due to donation of land to the City and the pay down of G.O. Bonds that funded the capital assets. Restricted net position increased \$21.2 million largely due to excess fund balance from the General Fund transferred to the Capital Improvement Fund and Parks and Public Land Fund to fund current year capital improvements (\$5.6 million) and restricted net positions related to employee retirements (\$12.8 million). Unrestricted net position decreased by \$6.9 million primarily due to the net effect of GASB 68 reporting of pension liabilities and GASB 75 reporting of OPEB liabilities.

The net position of business-type activities increased by \$3.0 million, from \$49.0 million to \$52.0 million. The primary change in assets of the business-type activities was an increase in capital assets and an increase in restricted net position for employee retirements.

Long-term liabilities decreased by \$2.0 million due to scheduled maturities of debt obligations. Net investment in capital assets increased by \$.5 million due to bond-funded capital improvements, restricted net position increased by \$1.4 million and unrestricted net position increased by \$1.1 million. The majority of the unrestricted net position can be used by the City to finance water and sanitary sewer operations. The City has a policy of maintaining 33% of revenue plus one year's debt service plus \$500,000 as a reserve in its water fund. The annual operating cost for this program is approximately \$7.7 million per year and interest expense on bonds is \$.5 million.

Changes in Net Position

The City's combined change in net position was an increase of \$18.3 million in FY22. The City's total revenues increased by \$5.9 million, primarily driven by increased property taxes and intergovernmental taxes. The City's cost of all programs decreased by \$.2 million, largely attributable to pension adjustments, as well as non-capitalized improvements.

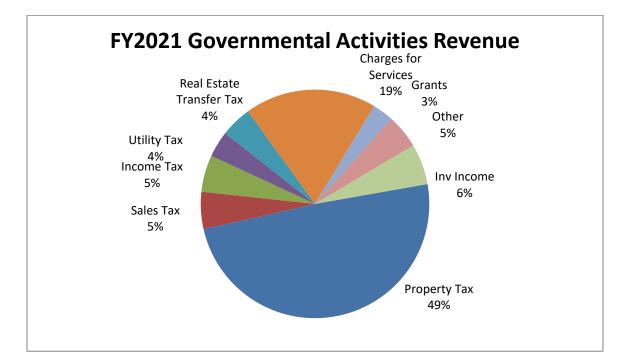
The chart on the following page compares the revenue and expenses for the current and previous fiscal year.

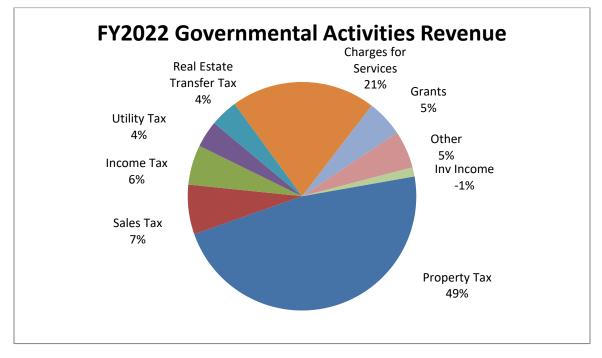
APRIL 30, 2022

Table 2 Changes in Net Position For the Fiscal Year Ended April 30, 2021 and 2022 (in millions)

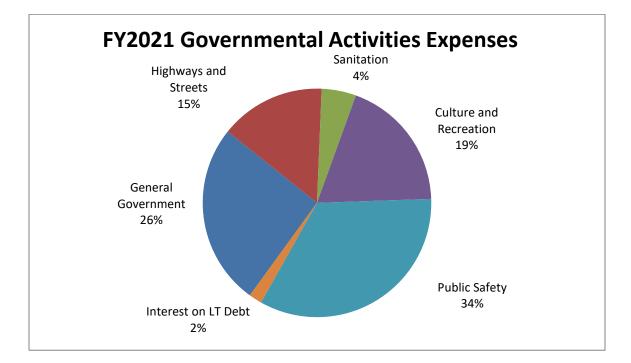
(in millions)								
	Govern	mental	Busines	s-Type	Total Primary			
	Activ	Activities		ities	Gover	nment		
	2021	2022	2021	2022	2021	2022		
REVENUE								
Program Revenue								
Charges for Services	\$11.5	\$13.9	\$10.4	\$11.5	\$21.9	\$25.4		
Grants and Contributions								
Operating	1.1	1.2	0.0	0.0	1.1	1.2		
Capital	0.8	2.4	0.0	0.6	0.8	3.0		
General Revenue								
Property Taxes	30.4	32.1			30.4	32.1		
Other Taxes	6.3	7.4			6.3	7.4		
Intergovernmental - Taxes	6.9	8.1			6.9	8.1		
Interest Revenue	3.6	(0.9)	0.1	0.1	3.7	(0.8)		
Other	1.3	1.8	0.3	0.4	1.6	2.2		
Total Revenue	61.9	66.0	10.8	12.6	72.7	78.6		
EXPENSES								
Governmental Activities								
General Government	12.9	11.2			12.9	11.2		
Highways and Streets	7.5	6.9			7.5	6.9		
Sanitation	2.4	1.9			2.4	1.9		
Culture and Recreation	9.5	9.2			9.5	9.2		
Public Safety	16.8	20.6			16.8	20.6		
Interest	0.9	0.9			0.9	0.9		
Business-Type Activities								
Water and Sewer			8.5	7.4	8.5	7.4		
Golf			2.0	2.2	2.0	2.2		
Total Expenses	50.0	50.7	10.5	9.6	60.5	60.3		
Excess before Transfers	11.9	15.3	0.3	3.0	12.2	18.3		
Transfers In (out)	0.0	0.0	0.0	0.0	0.0	0.0		
Change in Net Position	11.9	15.3	0.3	3.0	12.2	18.3		
Net Position - Beginning	174.7	186.6	48.7	49.0	223.4	235.6		
Net Position - Ending	\$186.6	\$201.9	\$49.0	\$52.0	\$235.6	\$253.9		

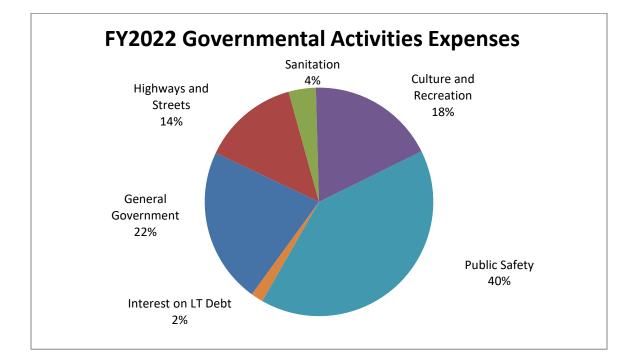
APRIL 30, 2022





APRIL 30, 2022





APRIL 30, 2022

Normal Impacts

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

Revenues

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

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

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

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

Expenses

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

Increase/Decrease in Authorized Personnel – changes in service demand may cause the City Council to increase/decrease authorized staffing. Staffing costs (salary and related benefits) represent nearly 70% of the City's general fund operating costs.

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

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

Current Year Impacts

Governmental Activities

Revenue

For the fiscal year ended April 30, 2022, revenues from governmental activities totaled \$66.0 million, increasing \$4.1 million compared to FY21. The primary changes occurred in Property Taxes (up \$1.7 million), Charges for Services (up \$2.4 million), Grants and Contributions (up \$1.7 million), Sales Taxes (up \$1.5 million), Income Taxes (up \$.6 million), Interest Revenue (down \$4.5 million), Other Taxes (up \$.6 million) and coronavirus relief funds (down \$.3 million). The increase in Charges for Services was largely due to the reinstatement of Recreation programs cancelled in FY21 due to COVID-19 and Cemetery lot sales. Sales Taxes increase was due primarily to recovery from the pandemic's effect on business operations. Investment income decreased due to losses on investments. Property tax revenue continues to be the City's single largest revenue source, contributing \$32.1 million (48.6 %) of governmental activities revenue.

Property tax revenues combined with sales tax, the local utility tax, shared state income tax and real estate transfer tax revenues total \$45.9 million and represent 69% of the total governmental activities' revenue.

CITY OF LAKE FOREST, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

APRIL 30, 2022

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

The City's 2021 equalized assessed valuation decreased .1% compared to the prior year and totaled \$2,381,873,010. Although the City became a home rule municipality in November 2004, the City has historically self-imposed the Illinois Property Tax Extension Limitation Laws (PTELL), otherwise known as the tax cap, to the extent possible. The increase of approximately 5.5% over FY21 in property taxes was generated as a result of the City Council adopting a 3.97% increase in the levy and new growth. The City received \$1.3 million from the Laurel/Western Redevelopment TIF District, which are not included in the City Council approved tax levy. While the tax cap applicable to this levy was 2.3%, the levies for debt service, Police and Fire Pensions and capital improvements combined exceeded the tax cap.

Investment income decreased by \$4.5 million, from \$3.6 million to \$-.9 million. The City's strategy for investing did not change but the City was impacted by falling market conditions primarily in the Cemetery Fund.

Expenses

For the fiscal year ended April 30, 2022, expenses for governmental activities totaled \$50.7 million, an increase of \$.7 million (1.4%). The increase is due in large part to pension adjustments and Recreation programs rebounding after the pandemic. Increases in personnel costs, which represent nearly 73.3% of the General Fund operating costs, continue to outpace revenue growth. With high demand for skilled employees in both the public and private sectors in this region, it is important that the City provide competitive compensation levels for our employees. The FY22 expenses included funding for the City's performance-based employee compensation package plus a 2.5% general salary adjustment.

Business-type Activities

Revenue

Total revenue for the business-type activities increased by \$1.8 million (16.7%) primarily due to an increase of charges for services in the Water and Sewerage Fund and Golf Course Fund and contributions of \$.5 million in the Golf Course Fund. The additional revenue in the Water and Sewerage Fund facilitated keeping the water rates flat for FY23.

Expenses

The City's business-type activity expenses decreased by \$.9 million (9.4%) primarily due to decreased operating expenses in the Water and Sewerage Fund.

CITY OF LAKE FOREST, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

APRIL 30, 2022

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

Governmental Funds

At April 30, 2022, the governmental funds (as presented on the balance sheet) reported a combined fund balance of \$74.1 million which is an \$9.3 million (14.3%) increase from the beginning of the year (\$64.8 million). This increase was largely driven by excess of revenues over expenditures in the General Fund, Capital Improvement Fund, Motor Fuel Tax Fund and Laurel/Western Redevelopment TIF and decrease of revenue to the Cemetery Fund. The City Council elected to transfer from the General Fund an additional \$3.4 million of the FY22 operating surplus to the Capital Improvement Fund to provide additional funding for capital improvements, \$1.0 million was transferred to the Parks and Public Land Fund to support future capital projects, \$.5 million was transferred to the Affordable Housing Fund to support future projects and \$.6 million to the Self Insurance Fund to restore reserves. The Motor Fuel Tax fund received additional funding from a Rebuild Illinois Grant received from the state. Of the total fund balance of \$74.1 million, \$<.1 million is not available for continuing City services and capital projects, and \$45.2 million, which is a \$1.1 million (3.9%) increase over the prior year.

Major Governmental Funds

The General Fund is the City's primary operating fund and the largest source of day-to-day service delivery. The total Fund Balance of the General Fund increased by \$.6 million or 2.1% from FY21 (from \$28.4 million to \$29.0 million). The General Fund revenues increased by \$3.0 million (7.7%) due primarily to higher property taxes and intergovernmental revenues, including sales tax and income tax revenue offset by decreases in grants and contribution revenue. The General Fund expenditures increased by \$1.5 million (4.4%) due to personnel costs. The excess of revenues over expenditures (before transfers) for FY22 of \$6.7 million was \$1.5 million greater than FY21 \$5.2 million. The other financing sources (uses) for FY22 of \$6.1 million was lower than FY21 \$6.4 million due to one-time revenues being transferred to other funds in FY21 to provide assistance for COVID-19 reduced revenues.

Property taxes increased \$.7 million, intergovernmental revenues increased \$1.5 million, charges for services increased \$.5, while grants and contributions decreased \$.7 million due to the City receiving CARES Act funding in FY21 for COVID-19 impacts on City expenses. Although the City became a home rule unit in November 2004, the City has historically self-imposed the Illinois Property Tax Extension Limitation Law (PTELL), otherwise known as the tax cap. As noted previously, the 2020 levy extension (FY22 revenue) allowed for a 3.97% increase as well as new equalized assessed valuation growth.

General Fund expenditures increased overall due to personnel cost increases. General government increased 4.8%, highways and streets increased 11.5% (personnel; snow and ice control), public safety increased 4.4% and sanitation remained constant.

APRIL 30, 2022

T I I A

Table 3								
General Fund Budgetary Highlights								
(in millions)								
	Original	Final						
General Fund	Budget	Budget	Actual					
Revenues:								
Taxes	\$23.4	\$23.4	\$17.9					
Intergovernmental	5.5	5.5	8.1					
Other	8.8	8.8	16.1					
Total	37.7	37.7	42.1					
Expenditures and Transfers:								
Expenditures	40.8	41.0	35.4					
Transfers (Net)	0.7	0.6	6.1					
Total	41.5	41.6	41.5					
Change in Fund Balance	(\$3.8)	(\$3.9)	\$0.6					

Actual General Fund revenues were higher than budgeted revenues by \$4.4 million during FY22. The primary variance resulted from income tax, sales tax and building permits exceeding projections. Actual General Fund expenditures and transfers were lower than the final budget by \$.1 million. It is the City's policy to add 10%, which is \$3.8 million of contingency funding to the budget appropriation. The contingency amount is only for specific uses as determined by the City Council and was used to transfer excess revenues over expenditures to other funds to be used for future projects. Additional information can be found on the schedule of revenues, expenditures, and changes in fund balance – budget and actual.

The Parks and Recreation Fund accounts for the parks and recreation programs. Services include forestry and parks maintenance operations, a fitness center, dance academy, and a variety of other indoor and outdoor programs. The Fund Balance of the Parks and Recreation Fund increased by \$.5 million, from \$1.4 million to \$1.9 million. The Parks and Recreation Fund revenues increased by \$1.9 million due to reinstatement of programs cancelled as the result of COVID-19. Expenses increased by \$.8 million due to reinstatement of programs cancelled as the result of COVID-19. Total other financing sources (uses) were \$.8 million in FY21, but \$<.1 million in FY22, due to a onetime transfer in FY21 from the General Fund to assist with COVID-19 related impacts.

The Capital Improvements Fund is reported as a Major Fund for FY22 and is used to account for revenues associated with City building and infrastructure projects. Fund balance of this fund increased by \$6.1 million in FY22. Compared to FY21, revenue increased by \$.1 million due to increases in sales tax offset by decreases in contributions and real estate transfer tax. Total expenditures decreased by \$.5 million in the capital outlay category. Transfers in of \$4.7 million for FY22 consisted of one-time fund balance transfer of \$3.4 million from the General Fund for one-time capital improvements and \$.5 million from the Laurel/Western Redevelopment TIF for the first note repayment associated with the sale of the City owned property to a developer.

The Cemetery Fund is reported as a Major Fund in FY22 and is used to account for the operations of the Cemetery Commission. Fund balance for this fund decreased by \$.7 million in FY22. Compared to FY21, revenues decreased \$3.9 million due to increases in charges for services, \$.6 million from cemetery lot sales, offset by decreases to investment income of \$4.5 million for losses on investment returns. Expenses remained constant in FY22.

APRIL 30, 2022

CAPITAL ASSETS

Table 4 Capital Assets at Year End - 2021 and 2022 Net of Depreciation

(in millions)							
	Govern	mental	Busines	s-Type	Total Primary		
	Activ	ities	Activi	ities	Government		
	2021	2022	2021	2022	2021	2021	
Land and Improvements	\$40.6	\$42.9	\$0.5	\$0.7	\$41.1	\$43.6	
Infrastructure - Land	66.7	66.7			66.7	66.7	
Construction in Progress	0.1	0.1	0.0	0.9	0.1	1.0	
Infrastructure	50.9	48.6			50.9	48.6	
Buildings	16.3	16.2	8.4	7.4	24.7	23.6	
Improvements	14.3	13.2	31.1	30.1	45.4	43.3	
Machinery and Equipment	4.3	4.3	1.4	1.1	5.7	5.4	
Sanitary Sewers	0.0	0.0	11.5	11.1	11.5	11.1	
Total	\$193.2	\$192.0	\$52.9	\$51.3	\$246.1	\$243.3	

At the end of FY22, the City had a combined total of \$243.3 million invested in a broad range of capital assets. This amount represents a net decrease (including additions and deductions) of \$2.8 million. The net decrease is attributable to a \$1.2 million in governmental activities and a \$1.6 million decrease in the business-type activities.

The decrease in the governmental activities was due to depreciation exceeding additions by \$.9 million. The decrease in business-type activities was due primarily to \$1.6 million of depreciation exceeding additions.

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

Change in Capital Assets (in millions)						
	Governmental	Business-Type				
	Activities	Activities	Total			
Beginning Balance	\$193.2	\$52.9	\$246.1			
Additions						
Not Depreciable	2.3	0.3	2.6			
Depreciable	1.9	0.5	2.4			
Construction in Progress	0.0	0.9	0.9			
Retirements						
Depreciable	(0.1)	0.0	(0.1)			
Depreciation	(5.3)	(3.3)	(8.6)			
Retirements	0.0	0.0	0.0			
Ending Balance	\$192.0	\$51.3	\$243.3			

CITY OF LAKE FOREST, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

APRIL 30, 2022

The increase in Governmental Activities Not Depreciable assets of \$2.3 million was due to a donation of property from the Ragdale Foundation.

Debt Outstanding

The City had \$37.7 million of general obligation bonds outstanding at April 30, 2022. Of this amount \$19.6 million were payable from property taxes and the remainder were self-supporting. The City abates the property tax levies for these debt issues annually.

The City's per capita debt ratio for all direct and overlapping debt with other governmental units was \$4,924 and \$3,914 if self-supporting debt is excluded.

The City operated as a home rule community for FY22. The City was granted home rule status via a referendum held on November 2, 2004. Under home rule authority, the City does not have a legal debt limit. For more detailed information on long-term debt activity, see the notes to the financial statements.

As of April 30, 2022, the City's net pension liability is \$52.6 million, an increase of \$8.5 million compared to the \$44.1 million balance as of April 30, 2021. Additional information regarding the net pension liability can be found in Note 4.

As of April 30, 2022, the City's OPEB liability is \$2.1 million, a decrease of \$.2 million compared to the \$2.3 million balance as of April 30, 2021. Additional information regarding the OPEB liability can be found in Note 4.

Economic Factors

Unemployment levels in Lake Forest are well below the levels for Lake County and the State of Illinois. For calendar year 2021, the City's annual average unemployment rate was estimated to be 3.8%, compared to 5.3% for Lake County and 6.1% for the State of Illinois.

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

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

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

BASIC FINANCIAL STATEMENTS

Statement of Net Position April 30, 2022

		Prir	Component Unit			
	Governmental Activities		Business- Type Activities	Total	L	ake Forest Library
Assets and Deferred Outflows of Resources						
Assets						
Cash and cash equivalents	\$	75,101,100	\$ 11,754,399	\$ 86,855,499	\$	7,193,111
Investments		9,058,582	-	9,058,582		-
Receivables (net):						
Property taxes		31,597,331	-	31,597,331		4,417,017
Other taxes		430,632	-	430,632		24,562
Accounts		1,386,656	1,506,260	2,892,916		-
Loans		4,318	-	4,318		-
Other		7,043,293	130	7,043,423		-
Due from other governmental units		2,401,865	-	2,401,865		-
Internal balances		(1,056,992)	1,056,992	-		-
Inventories		589,309	90,216	679,525		-
Prepaid items		748,187	166,518	914,705		-
Net pension asset		12,844,903	1,957,016	14,801,919		1,477,936
Due from fiduciary funds		38,713	-	38,713		-
Capital assets:						
Capital assets not being depreciated Capital assets being depreciated, net of		109,668,130	1,618,024	111,286,154		238,500
accumulated depreciation		82,370,013	49,668,597	132,038,610		2,311,482
Total assets		332,226,040	67,818,152	400,044,192		15,662,608
Deferred Outflows of Resources						
Deferred charge on refunding		151	214	365		-
Deferred outflows related to pensions Deferred outflows related to total OPEB		8,256,147	240,071	8,496,218		202,218
liability		267,588	24,895	292,483		5,301
Total deferred outflows of resources		8,523,886	265,180	8,789,066		207,519

Statement of Net Position April 30, 2022

	Primary Government						Component Unit		
	G	overnmental Activities		Business- Type Activities		Total		ake Forest Library	
Liabilities, Deferred inflows of Resources and Net Position									
Liabilities Accounts payable Accrued liabilities Accrued interest payable Deposits Unearned revenue Due to fiduciary funds Noncurrent liabilities: Due within one year	\$	2,525,840 1,558,607 304,891 1,407,129 3,877,747 74,076 2,367,956	\$	294,071 89,118 163,782 - 348,292 - 1,981,252	\$	2,819,911 1,647,725 468,673 1,407,129 4,226,039 74,076 4,349,208	\$	85,718 60,348 - - - - 18,309	
Due in more than one year Total liabilities		80,579,595 92,695,841		<u>11,175,986</u> 14,052,501		<u>91,755,581</u> 06,748,342		223,520 387,895	
		92,095,041		14,052,501		00,740,342		307,093	
Deferred Inflows of Resources Property taxes levied for future periods Deferred inflows related to pensions Deferred inflows related to total OPEB liability		31,597,333 14,060,874 <u>499,315</u>		- 2,017,383 46,452		31,597,333 16,078,257 545,767		4,417,017 1,523,526 19,134	
Total deferred inflows of resources		46,157,522		2,063,835		48,221,357		5,959,677	
Net Position Net investment in capital assets Restricted for: Culture and recreation Highways and streets Public safety Cemetery purposes Affordable housing Capital projects Debt service Employee retirement Unrestricted		165,811,050 4,378,607 2,395,746 1,632,878 10,643,506 2,183,485 22,371,936 1,289,569 12,844,903 (21,655,117)		38,585,070 - - - - - 1,957,016 11,424,910		204,396,120 4,378,607 2,395,746 1,632,878 10,643,506 2,183,485 22,371,936 1,289,569 14,801,919 (10,230,207)		2,536,673 - - - - - - - - - - - - - - - - - - -	
Total net position	\$	<u>201,896,563</u>	\$	51,966,996		253,863,559	\$	9,522,555	

Statement of Activities

Year Ended April 30, 2022

		Program Revenues			Net (sition					
						Net (Expenses) Revenues and Changes in Net Po Primary Government					
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total	Lake Forest Library			
Primary Government Governmental activities: General government Highway and streets	\$	2,726,225	\$ 149,650 773,723	\$	(3,003,430)	-	\$ (4,793,688) (3,003,430)	\$			
Sanitation Culture and recreation Public safety Interest on long-term debt	1,959,547 9,205,623 20,578,227 871,548	1,040,338 2,885,644 2,946,021 	230,417 10,241		(919,209) (6,089,562) (17,621,965) <u>(871,548</u>)	-	(919,209) (6,089,562) (17,621,965) (871,548)	- - 			
Total governmental activities	50,725,980	13,894,310	1,164,031	2,368,237	(33,299,402)		(33,299,402)				
Business-type activities: Waterworks and Sewerage Deerpath Golf Course	7,441,106 2,161,621	9,695,464 1,824,684	-	554,466		2,254,358 217,529	2,254,358 217,529				
Total business-type activities	9,602,727	11,520,148		554,466		2,471,887	2,471,887	<u> </u>			
Total primary government	\$ 60,328,707	\$ 25,414,458	\$ 1,164,031	\$ 2,922,703	(33,299,402)	2,471,887	(30,827,515)				
Component Unit Lake Forest Library	<u>\$3,165,420</u> General Revenues	\$ 59,895	\$ 44,898	<u>\$</u>	-	-	-	(3,060,627)			
	Taxes: Property Home rule sales Utility Real estate trans Other				32,149,905 1,795,817 2,562,347 2,652,110 441,292		32,149,905 1,795,817 2,562,347 2,652,110 441,292	4,375,175 - - - -			
	Intergovernmental, Sales Income Telecommunicati Replacement Coronavirus relie Other Investment income	on f fund			2,964,912 3,829,655 723,424 396,217 227,899 1,793,870 (883,765)	- - 374,139 56,757	2,964,912 3,829,655 723,424 396,217 227,899 2,168,009 (827,008)	- - 101,341 - - 37,504			
	Total gene	eral revenues			48,653,683	430,896	49,084,579	4,514,020			
	Transfers				(52,500)	52,500		-			
	Total gene	eral revenues and tra	ansfers		48,601,183	483,396	49,084,579	4,514,020			
		net position			15,301,781	2,955,283	18,257,064	1,453,393			
	Net Position, Beginn				186,594,782	49,011,713	235,606,495	8,069,162			
		•			\$ 201,896,563	\$ 51,966,996	\$ 253,863,559	\$ 9,522,555			
	Net Position, Ending	I			φ 201,030,000	φ 01,000,000	¥ 200,000,009	Ψ 3,022,000			

Balance Sheet Governmental Funds April 30, 2022

	General		Parks and Recreation		General Cemetery		Capital Improvemen	<u>nts</u>
Assets								
Cash and cash equivalents Investments	\$ 29,7	40,933 -	\$	2,442,609 -	\$	1,570,466 9,058,582	\$ 23,711,1	52 -
Receivables (net): Property taxes Other taxes	4	52,635 30,632		6,456,670 -		-	1,525,6	-
Accounts Loans Other		88,974 4,318 00,000		287,067 - -		-	10,6 ⁻	15 - -
Due from other governments Due from other funds Due from fiduciary funds	1,7	26,218		30,726 125,000		- - 38,713	439,90	09 -
Inventories		- 91,038						_
Total assets	<u>\$ 54,8</u>	34,748	\$	9,342,072	\$	10,667,761	<u>\$ 25,687,3</u>	<u>50</u>
Liabilities, Deferred Inflows of Resources and Fund Balances								
Liabilities Accounts payable Accrued liabilities		95,501 10,292	\$	283,383 92,213	\$	19,046 5,209	\$ 435,90	64 -
Deposits Unearned revenue Due to fiduciary funds	1,7	57,256 81,263 74,076		3,873 624,712 -		- -	28,00 1,331,77	
Total liabilities	4,3	18,388		1,004,181		24,255	1,795,73	<u>39</u>
Deferred Inflows of Resources Property taxes levied for a future period Unavailable revenues	21,5	52,635		6,456,670 -		-	1,525,6 25,10	
Total deferred inflows of resources		<u>52,635</u>		6,456,670			1,550,83	<u>36</u>
Fund Balances Nonspendable		91,038		-		-		-
Restricted Unassigned	28,8	- 72,687		1,881,221 		10,643,506	22,340,7	75 _
Total fund balances	28,9	<u>63,725</u>		1,881,221		10,643,506	22,340,7	<u>75</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 54,8</u>	34,748	\$	9,342,072	\$	10,667,761	<u>\$ 25,687,3</u>	<u>50</u>

Go	Nonmajor overnmental Funds		Total
\$	9,430,603 -	\$	66,895,763 9,058,582
	2,062,352 - -		31,597,331 430,632 1,386,656
	1,105,853 205,012 - -		4,318 1,305,853 2,401,865 125,000 38,713 91,038
<u>\$</u>	12,803,820	<u>\$</u>	<u>113,335,751</u>
\$	268,370	\$	1,602,264

Э	208,370 5,145 18,000 139,997	\$ 1,602,264 612,859 1,407,129 3,877,747
		74,076
	431,512	7,574,075
	2,062,354 -	31,597,333 <u>25,162</u>
	2,062,354	31,622,495
	- 10,309,954 -	91,038 45,175,456 <u>28,872,687</u>
	10,309,954	74,139,181
\$	12,803,820	<u>\$ 113,335,751</u>

Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
April 30, 2022

Total Fund Balances, Governmental Funds	\$ 74,139,181
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental funds are not financial resources and, therefore, are not reported in the funds.	192,038,143
Some receivables that are not currently available are reported as unavailable revenues in the fund financial statements but are recognized as revenue when earned in the government-wide statements.	25,162
The net pension asset does not relate to current financial resources and is not reported in the governmental funds. Less amount reported in the internal service fund below.	12,844,903 (623,708)
Deferred outflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds. Less amount reported in the internal service fund below.	8,256,147 (77,171)
Deferred inflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds. Less amount reported in the internal service fund below.	(14,060,874) 642,948
Deferred outflows of resources related to total OPEB liability do not relate to current financial resources and are not reported in the governmental funds. Less amount reported in the internal service fund below.	267,588 (7,972)
Deferred inflows of resources related to total OPEB liability do not relate to current financial resources and are not reported in the governmental funds. Less amount reported in the internal service fund below.	(499,315) 14,876
Some liabilities, including long-term debt, are not due and payable in the current period and, therefore, are not reported in the funds. Bonds and notes payable Compensated absences Accrued interest Unamortized debt premium Net pension liabilities Total OPEB liability Less internal service fund long-term liabilities	(25,192,203) (2,138,078) (304,891) (1,035,041) (52,632,390) (1,949,839) 93,277
A deferred charge on refunding represents a consumption of net position that applies to a future period and, therefore, is not reported in the funds.	151
Internal service funds are reported in the statement of net position as governmental activities.	 12,095,669
Net Position of Governmental Activities	\$ 201,896,563

Statement of Revenues, Expenditures and Changes in Fund Balances -Governmental Funds Year Ended April 30, 2022

	General	Parks and Recreation	General Cemetery	Capital Improvements
Revenues				
Taxes:				
Property	\$ 20,785,650	6 \$ 6,434,953	\$-	\$ 1,543,453
Other taxes	2,900,69		-	3,788,550
Intergovernmental	8,058,224		-	-
Licenses and permits	3,460,452		-	-
Fines, forfeitures and penalties	256,68		-	-
Charges for services	4,893,680		1,354,260	198,013
Grants and contributions	238,424		15,325	62,411
Investment income (loss)	122,020		(1,182,676)	87,418
Miscellaneous revenues	1,341,542		50	960
		00,000		
Total revenues	42,057,370	<u> </u>	186,959	5,680,805
Expenditures				
Current:				
General government	10,913,88		734,653	535,401
Highways and streets	2,853,140		-	1,141,352
Sanitation	2,573,258		-	10,423
Culture and recreation		- 8,979,517	-	4,911
Public safety	18,965,034		-	-
Capital outlay	62,779	9 180,176	161,954	2,488,782
Debt service:				
Principal retirement			-	-
Interest and fiscal charges				
Total expenditures	35,368,098	<u> </u>	896,607	4,180,869
Excess (deficiency) of revenues over				
expenditures	6,689,278	<u> </u>	(709,648)	1,499,936
			<u> </u>	
Other Financing Sources (Uses)				
Transfers in		- 23,500	-	4,650,000
Transfers out	(6,082,48	1) (50,000)	-	-
Refunding debt issued			-	-
Premium on debt issued			-	-
Payment to refunded bonds escrow agent				
Total other financing sources (uses)	(6,082,48	<u>1) (26,500)</u>		4,650,000
Net change in fund balances	606,79	7 445,453	(709,648)	6,149,936
Fund Balances, Beginning	28,356,928	3 1,435,768	11,353,154	16,190,839
Fund Balances, Ending	<u>\$ 28,963,72</u>	<u>5 \$ 1,881,221</u>	<u>\$ 10,643,506</u>	<u>\$ 22,340,775</u>
, J				

G	Nonmajor overnmental Funds	Total
\$	3,385,843 731,377 1,198,688 - 722,693 237,437 38,099 375,501	\$ 32,149,905 7,420,624 9,381,665 3,460,452 256,681 9,915,260 803,304 (919,400) 1,777,933
	6,689,638	64,246,424
	128,930 - - 756,255 499,576 267,194	12,312,871 3,994,492 2,583,681 9,740,683 19,464,610 3,160,885
	2,009,665 <u>957,831</u>	2,009,665 <u>957,831</u>
	4,619,451	54,224,718
	2,070,187	10,021,706
	2,117,794 (1,361,313) 7,590,000 511,784 (8,101,528)	6,791,294 (7,493,794) 7,590,000 511,784 <u>(8,101,528</u>)
756,737		(702,244)
	2,826,924	9,319,462
	7,483,030	64,819,719
\$	10,309,954	<u>\$ 74,139,181</u>

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities Year Ended April 30, 2022

Net Change in Fund Balances, Total Governmental Funds	\$ 9,319,462
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of net position the cost of these assets is capitalized and they are depreciated over their estimated useful lives and reported as depreciation expense in the statement of activities. Capital outlay is reported as an expenditure in the fund financial statements but is capitalized in the government-wide financial statements Depreciation is reported in the government-wide financial statements	4,134,414 (5,262,216)
Receivables not currently available are reported as revenue when collected or currently available in the fund financial statements but are recognized as revenue when earned in the government-wide financial statements. Unavailable revenue	(6,287)
Debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. Debt issued	(7,590,000)
Principal repaid	10,029,665
Governmental funds report debt premiums and discounts as other financing sources or uses. However, in the statement of net position, these are reported as additions to or deductions from long-term debt. These are allocated over the period the debt is outstanding in the statement of activities and are reported as interest expense.	
Debt premium	(327,661)
Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. Compensated absences Accrued interest on debt Amortization of deferred charge on refunding Net pension asset Deferred outflows of resources related to pensions Deferred inflows of resources related to pensions Net pension liability Deferred outflows of resources related to OPEB Liability Deferred inflows of resources related to OPEB Liability Deferred inflows of resources related to OPEB Liability Deferred inflows of resources related to OPEB Liability Internal Service funds are used by management to charge self insurance costs to individual funds. The change in net position of the internal service fund reported with governmental activities	29,686 (44,830) 28,516 9,070,986 (1,539,458) 4,956,238 (8,504,873) (32,974) (104,739) 108,808 (237,884)
Change in Net Position of Governmental Activities	\$ 15,301,781
	 · · · ·

Statement of Net Position Proprietary Funds April 30, 2022

	Business-Type Activities - Enterprise Funds			
	Waterworks and Sewerage	Nonmajor Enterprise Fund - Deerpath Golf Course	Total	Governmental Activities - Internal Service Funds
Assets				
Current assets:				
Cash and cash equivalents	\$ 11,306,942	\$ 447,457	\$ 11,754,399	\$ 8,205,337
Receivables:				
Accounts	1,504,768	1,492	1,506,260	-
Other	130	-	130	5,737,440
Inventories	-	90,216	90,216	498,271
Prepaid items		166,518	166,518	748,187
Total current assets	12,811,840	705,683	13,517,523	15,189,235
Noncurrent assets:				
Net pension asset	1,924,038	32,978	1,957,016	623,708
Capital assets:				
Capital assets not being depreciated	1,522,507	95,517	1,618,024	-
Capital assets being depreciated	116,011,893	6,087,502	122,099,395	48,047
Less accumulated depreciation	(68,472,812)	(3,957,986)	(72,430,798)	(48,047)
Total noncurrent assets	50,985,626	2,258,011	53,243,637	623,708
Total assets	63,797,466	2,963,694	66,761,160	15,812,943
Deferred Outflows of Resources				
Deferred charge on refunding	214	-	214	-
Deferred outflows related to pensions	228,150	11,921	240,071	77,171
Deferred outflows related to total OPEB liability	24,489	406	24,895	7,972
Total deferred outflows of resources	252,853	12,327	265,180	85,143

Statement of Net Position Proprietary Funds April 30, 2022

	Business-Type Activities - Enterprise Funds			
	Waterworks and Sewerage	Nonmajor Enterprise Fund - Deerpath Golf Course	Total	Governmental Activities - Internal Service Funds
Liabilities				
Current liabilities:				
Accounts payable	\$ 171,311	\$ 122,760	\$ 294,071	\$ 923,576
Accrued liabilities	75,065	14,053	89,118	945,748
Accrued interest payable	160,469	3,313	163,782	-
Unearned revenue	18,648	329,644	348,292	-
General obligation bonds	1,888,607	87,645	1,976,252	-
Compensated absences Due to other funds	4,981	19 125,000	5,000 125,000	-
Due to other fullus		125,000	125,000	
Total current liabilities	2,319,081	682,434	3,001,515	1,869,324
Noncurrent liabilities:				
Long-term debt:				
General obligation debt payable	10,629,874	95,639	10,725,513	-
Compensated absences	261,122	7,951	269,073	35,186
Total OPEB liability	178,441	2,959	181,400	58,091
- ,	· · · · ·	· · · · · · · · · · · · · · · · · · ·	<i>,</i>	<i>,</i>
Total noncurrent liabilities	11,069,437	106,549	11,175,986	93,277
Total liabilities	13,388,518	788,983	14,177,501	1,962,601
Deferred Inflows of Resources				
Deferred inflows related to pensions	1,983,389	33,994	2,017,383	642,948
Deferred inflows related to total OPEB liability	45,695	757	46,452	14,876
			10,102	
Total deferred inflows of resources	2,029,084	34,751	2,063,835	657,824
Net Position				
Net investment in capital assets	36,543,321	2,041,749	38,585,070	_
Restricted for:	30,343,321	2,041,749	30,303,070	-
Employee retirement	1,924,038	32,978	1,957,016	623,708
Unrestricted	10,165,358	77,560	10,242,918	12,653,953
•••			<u> </u>	
Total net position	<u>\$ 48,632,717</u>	<u>\$ 2,152,287</u>	50,785,004	<u>\$ 13,277,661</u>
Adjustments to reflect the consolidation of				
internal service funds activities related to				
enterprise funds.			1,181,992	
			\$ 51,966,996	
Net position business-type activities			<u>φ 31,900,990</u>	

Statement of Revenues, Expenses and Changes in Net Position Proprietary Funds Year Ended April 30, 2022

	Business-Type Activities - Enterprise Funds			
	Waterworks and Sewerage	Nonmajor Enterprise Fund - Deerpath Golf Course	Total	Governmental Activities - Internal Service Funds
Operating Revenues				
Charges for services	\$ 9,845,800	\$ 1,822,996	\$ 11,668,796	\$ 9,987,594
Connection fees	219,227	-	219,227	-
Miscellaneous	4,576	1,688	6,264	
Total operating revenues	10,069,603	1,824,684	11,894,287	9,987,594
Operating Expenses				
General and administrative	1,771,706	694,959	2,466,665	9,361,017
Operations and maintenance	2,402,363	1,169,159	3,571,522	-
Depreciation and amortization	2,967,360	327,977	3,295,337	
Total operating expenses	7,141,429	2,192,095	9,333,524	9,361,017
Operating income (loss)	2,928,174	(367,411)	2,560,763	626,577
Nonoperating Revenues (Expenses)				
Investment income	54,316	2,441	56,757	35,635
Other	-	4,137	4,137	-
Interest expense	(305,982)	(3,729)	(309,711)	-
Paying agent fees	(905)	<u>(8)</u>	<u>(913</u>)	
Total nonoperating revenues				
(expenses)	(252,571)	2,841	(249,730)	35,635
Income (less) hefers contributions and				
Income (loss) before contributions and transfers	2,675,603	<u>(364,570</u>)	2,311,033	662,212
Contributions and Transfers				
Capital contributions	-	554,466	554,466	-
Transfers in	2,500	50,000	52,500	650,000
Total contributions and transfers	2,500	604,466	606,966	650,000
Change in net position	2,678,103	239,896	2,917,999	1,312,212
Net Position, Beginning	45,954,614	1,912,391	47,867,005	11,965,449
Net Position, Ending	<u>\$ 48,632,717</u>	<u>\$ 2,152,287</u>	50,785,004	<u>\$ 13,277,661</u>
Adjustment to change in net position to reflect the consolidation of internal service funds activities related to enterprise funds			37,284	
Change in net position of business-type activities			<u>\$ 2,955,283</u>	

Statement of Cash Flows Proprietary Funds Year Ended April 30, 2022

	<u>Business-Type Activities - Enterprise Funds</u> Nonmajor Enterprise			Governmental
	Waterworks and Sewerage	Fund - Deerpath Golf Course	Total	Activities - Internal Service Funds
Cash Flows From Operating Activities Received from customers Paid to suppliers for goods and services Paid to employees for services Other revenue	\$ 10,045,946 (2,373,882) (2,465,682)	\$ 1,764,572 (1,272,122) (708,629) <u>4,137</u>	\$ 11,810,518 (3,646,004) (3,174,311) <u>4,137</u>	\$ 8,711,103 (8,997,227) (823,431)
Net cash flows from operating activities	5,206,382	(212,042)	4,994,340	(1,109,555)
Cash Flows From Investing Activities Investment income	54,316	2,441	56,757	35,635
Net cash flows from investing activities	54,316	2,441	56,757	35,635
Cash Flows From Noncapital Financing Activities Transfers from (to) other funds	2,500	50,000	52,500	650,000
Net cash flows from noncapital financing activities	2,500	50,000	52,500	650,000
Cash Flows From Capital and Related Financing Activities				
Principal paid Interest paid Acquisition and construction of capital	(1,782,347) (513,447)	(89,600) (13,284)	(1,871,947) (526,731)	-
assets Capital contributions Other, paying agent fees	(1,176,611) - <u>(905</u>)	(507,138) 554,466 <u>(8</u>)	(1,683,749) 554,466 <u>(913</u>)	- - -
Net cash flows from capital and related financing activities	<u>(3,473,310</u>)	(55,564)	<u>(3,528,874</u>)	<u> </u>
Net change in cash and cash equivalents	1,789,888	(215,165)	1,574,723	(423,920)
Cash and Cash Equivalents, Beginning	9,517,054	662,622	10,179,676	8,629,257
Cash and Cash Equivalents, Ending	<u>\$ 11,306,942</u>	\$ 447,457	<u>\$ 11,754,399</u>	<u>\$ 8,205,337</u>

Statement of Cash Flows Proprietary Funds Year Ended April 30, 2022

	Business-Type Activities - Enterprise Funds			
	Waterworks and Sewerage	Nonmajor Enterprise Fund - Deerpath Golf Course	Total	Governmental Activities - Internal Service Funds
Reconciliation of Operating Income (Loss) to Net Cash Flows From Operating Activities				
Operating income (loss)	\$ 2,928,174	\$ (367,411)	\$ 2,560,763	\$ 626,577
Nonoperating revenue Adjustments to reconcile operating income (loss) to net cash flows from operating activities:	- -	4,137	4,137	- -
Depreciation Changes in assets and liabilities:	2,967,360	327,977	3,295,337	-
Accounts receivable	(18,076)	(1,255)	(19,331)	(1,276,491)
Inventories	(10,070)	10,936	10,936	(82,392)
Prepaid items	_	(75,773)		(123,910)
Net pension asset	(1,353,584)	· · · · · · · · · · · · · · · · · · ·	· · · /	(441,796)
Deferred outflows related to pensions	(1,000,001) (64,929)	(, ,		(24,671)
Deferred outflows related to OPEB	3,315	49	3,364	1,048
Accounts payable	28,481	(38,126)	,	(63,661)
Accrued liabilities		(,,	-	48,206
Accrued salaries	27,002	1,599	28,601	-, -
Deferred inflows related to pensions	692,644	12,369	705,013	231,345
Deferred inflows related to OPEB	9,194	160	9,354	3,034
Deferred revenue	(5,581)	(58,857)	(64,438)	-
Compensated absences	4,382	2,087	6,469	(3,152)
Total OPEB liability	(12,000)	(156)	(12,156)	(3,692)
Net cash flows from operating activities	<u>\$ 5,206,382</u>	<u>\$ (212,042</u>)	<u>\$ 4,994,340</u>	<u>\$ (1,109,555</u>)

Noncash Capital and Related Financing Activities

None

Statement of Fiduciary Net Position Fiduciary Funds April 30, 2022

		Private pose Trust Fund	Pe	ension Trust Funds
Assets				
Cash	\$	-	\$	962,467
Money markets		33,801		242,727
Investments:				
U.S. Treasury obligations		-		7,961,878
Municipal/corporate bonds		-		5,822,089
Equity securities		389,404		-
Mutual funds		297,451		22,987,786
Real estate investment fund		-		5,072,527
Firefighters pension investment fund		-		46,304,968
Receivables:				
Interest		-		74,197
Prepaid items		-		11,968
Due from other funds		-		74,076
Total assets		720,656		89,514,683
Liabilities				
Accounts payable		-		26,794
Due to primary government		<u>38,713</u>		
Total liabilities		38,713		26,794
Net Position				
Restricted for pension benefits		-		89,487,889
Restricted for other purposes		<u>681,943</u>		
	\$	681,943	\$	89,487,889
Total net position	Ψ	001,040	Ψ	00,401,000

Statement of Changes in Fiduciary Net Position Fiduciary Funds Year Ended April 30, 2022

	Private Purpose Trust Fund	Pension Trust Funds
Additions Contributions: Employer Employee	\$ - -	\$ 5,778,247 <u> 818,428</u>
Total contributions		6,596,675
Investment income: Interest Net appreciation (depreciation) in fair value of investments	10,249 (94,434)	1,178,996 (4,490,387)
Total Investment Income (loss)	(84,185)	(3,311,391)
Less Investment expense		(145,496)
Net Investment Income (loss)	<u>(84,185</u>)	<u>(3,456,887</u>)
Miscellaneous	<u> </u>	100
Total additions	(84,185)	3,139,888
Deductions Pension benefits and refunds Other administrative expenses	- 38,915	6,593,092 103,650
Total deductions	38,915	6,696,742
Change in fiduciary net position	(123,100)	(3,556,854)
Net Position, Beginning	805,043	93,044,743
Net Position, Ending	<u>\$ 681,943</u>	<u>\$ 89,487,889</u>

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1. Summary of Significant Accounting Policies

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

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

Reporting Entity

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

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

Discretely Presented Component Unit

Lake Forest Library

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

Fiduciary Component Units

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

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

Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

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

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

Fund Financial Statements

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

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

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

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

The City reports the following major governmental funds:

General Fund

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

Special Revenue Funds

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

General Cemetery Fund is used to account for the operations of the cemetery commission. Financing is provided by the proceeds from cemetery lot sales, user charges and donations.

Capital Projects Fund

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

Enterprise Fund

The City reports the following major enterprise fund:

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

Notes to Financial Statements April 30, 2022

The City reports the following nonmajor governmental and enterprise funds:

Special Revenue Funds

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

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

Debt Service Fund

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

Capital Projects Fund

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

Laurel/Western Redevelopment TIF

Enterprise Fund

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

Deerpath Golf Course

In addition, the City reports the following fund types:

Internal Service Funds

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

Fleet Self Insurance Liability Insurance

Private-Purpose Trust Fund

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

Cemetery Trust

Notes to Financial Statements April 30, 2022

Pension Trust Funds

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

Police Pension Firefighters' Pension

Measurement Focus, Basis of Accounting and Financial Statement Presentation

Government-Wide Financial Statements

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

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

Fund Financial Statements

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

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

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

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

Proprietary and Fiduciary Funds

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

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

All Financial Statements

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

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

Deposits and Investments

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

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

- Bonds, notes, certificates of indebtedness, treasury bills or other securities which are guaranteed by the full faith and credit of the United States of America;
- Bonds, notes, debentures or other similar obligations of U.S. Government or its agencies;
- Interest bearing bonds of any county, township, city, incorporated town, municipal corporation or school district and the bonds shall be registered in the name of the municipality or held under a custodial agreement at a bank, provided the bonds shall be rated at the time of purchase within the 4 highest general classifications established by a rating service of nationally recognized expertise in rating bonds of both states and their political subdivisions;
- Interest bearing savings accounts, interest bearing certificates of deposit, interest bearing deposits or any other investments constituting direct obligations of any bank as defined by the Illinois Banking Act (205 ILCS 5/1 et. seq.), provided, however, that such investments may be made in only banks which are insured by the Federal Deposit Insurance Corporation;

Notes to Financial Statements April 30, 2022

- Commercial Paper issuer must be a United States corporation with more than \$500 million in assets, rating must be within the highest tier (e.g. A-1, P-1, F-1, D-1 or higher) by two standard rating services, must mature within 180 days of purchase, such purchases cannot exceed 10% of the corporation's outstanding obligations and such purchases cannot exceed one-third of funds;
- Money Market Mutual Funds registered under the Investment Company Act of 1940 (15 U.S.C.A. § 80a-1 <u>et. seq.</u>), provided the portfolio is limited to bonds, notes, certificates, treasury bills or other securities which are guaranteed by the full faith and credit of the federal government as to principal and interest;
- Short term discount obligations of the Federal National Mortgage Association (established by or under the National Housing Act (1201 U.S.C. 1701 <u>et. seq.</u>)) or in shares or other forms of securities legally issuable by savings banks or savings and loans associations incorporated under the laws of Illinois or any other state or under the laws of the United States, provided, however, that the shares or investment certificates of such savings banks or savings and loans associations are insured by the Federal Deposit Insurance Corporation;
- Dividend-bearing share accounts, share certificate accounts or class of share accounts of a credit union chartered under the law of the State of Illinois or the laws of the United States; provided, however, the principal office of the credit unions must be located within the State of Illinois; and, provided further, that such investments may be made only in those credit union accounts of which are insured by applicable law;
- The Public Treasurer's Investment Pool created under Section 17 of the State Treasurer Act (15 ILCS 505/17) or in a fund managed, operated and administered by a bank subsidiary of a bank or subsidiary of a bank holding company or use the services of such an entity to hold and invest or advise regarding the investment of any public funds; and
- Repurchase agreements of government securities having the meaning set out in the Government Securities Act of 1986 (15 U.S.C.A § 780-5) subject to the provisions of that Act and the regulations issued there under, provided, however, that such government securities, unless registered or inscribed in the name of the City, shall be purchased through banks or trust companies authorized to do business in the State of Illinois; and such other repurchase agreements as are authorized in subsection (h) of Section 2 of the Public Funds Investment Act (30 ILCS 235/2). Repurchase agreements may be executed only with approved financial institutions or broker/dealers meeting the City's established standards, which shall include mutual execution of a Master Repurchase Agreement adopted by the City.

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

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

In addition, Pension Funds are also permitted to invest in the following instruments:

- Common and preferred stock authorized for investments of trust funds under the laws of the State of Illinois limited to 35% of the fund's investments;
- General accounts of Illinois-licensed life insurance companies;

Notes to Financial Statements April 30, 2022

- Separate accounts of Illinois-licensed insurance companies invested in stocks, bonds and real estate limited to 10% of the fund's investments;
- Bonds issued by any county, city, township, village, incorporated town, municipal corporation or school district in Illinois; and
- Tax anticipation warrants issued by any city, township, village, incorporated town or fire protection district in Illinois.

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

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

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

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

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed income	35.00 %	1.60 %
Domestic equities	39.00	5.20
International equities	15.00	5.60
Real estate	10.00	4.90
Cash and cash equivalents	1.00	0.20

Illinois Compiled Statues (ILCS) limit the Police Pension Fund's investments in equities, mutual funds and variable annuities to 65%. Securities in any one company should not exceed 5% of the total fund.

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

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

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

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

Interest Rate Risk

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

The Police Pension Fund's investment policy does not limit the length of maturity of investments since it is passively managing its fixed income exposure to the Barclays Capital Intermediate Government Index.

Credit Risk

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

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

Concentration of Credit Risk

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

Custodial Credit Risk, Deposits

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

Custodial Credit Risk, Investments

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

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

See Note 3 for further information.

Receivables

Property taxes for levy year 2021 attaches as an enforceable lien on January 1, 2021, on property values assessed as of the same date. Taxes are levied by December following the lien date (by passage of a Tax Levy Ordinance). The 2022 tax levy, which attached as an enforceable lien on the property as of January 1, 2022, has not been recorded as a receivable as of April 30, 2022, as the tax has not yet been levied by the City and will not be levied until December 2022 and therefore, the levy is not measurable at April 30, 2022.

Tax bills for levy year 2021 are prepared by Lake County and issued on or about May, 2022 and are payable in two installments, on or about June 1, 2022 and September 1, 2022 or within 30 days of the tax bills being issued.

The County collects such taxes and remits them periodically. The 2021 property tax levy is recognized as a receivable and deferred inflows in fiscal 2022, net the 1.5% allowance for uncollectible. As the taxes become available to finance current expenditures, they are recognized as revenues. At April 30, 2022, the property taxes receivable and related deferred inflows consisted of the estimated amount collectible from the 2021 levy.

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

Inventories and Prepaid Items

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

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

Notes to Financial Statements April 30, 2022

Capital Assets

Government-Wide Statements

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

Additions to and replacements of capital assets of business-type activities are recorded at original cost, which includes material, labor, overhead and an allowance for the cost of funds used during construction when significant. For tax-exempt debt, the amount of interest capitalized equals the interest expense incurred during construction netted against any interest revenue from temporary investment of borrowed fund proceeds. No interest was capitalized during the current year. The cost of renewals and betterments relating to retirement units is added to plant accounts. The cost of property replaced, retired or otherwise disposed of, is deducted from plant accounts and, generally, together with removal costs less salvage, is charged to accumulated depreciation.

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

20 - 60	Years
30 - 50	Years
40 - 80	Years
3 - 20	Years
40	Years
50	Years
	30 - 50 40 - 80 3 - 20 40

Fund Financial Statements

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

Deferred Outflows of Resources

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

A deferred charge on refunding arises from the advance refunding of debt. The difference between the cost of the securities placed in trust for future payments of the refunded debt and the net carrying value of that debt is deferred and amortized as a component of interest expense over the shorter of the term of the refunding issue or the original term of the refunded debt. The unamortized amount is reported as a deferred outflow of resources in the government-wide and proprietary fund financial statements.

Notes to Financial Statements April 30, 2022

Compensated Absences

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

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

Long-Term Obligations

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

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

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

Deferred Inflows of Resources

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

Equity Classifications

Government-Wide Statements

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

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

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

Notes to Financial Statements April 30, 2022

Fund Statements

Governmental fund balances are displayed as follows:

- a. **Nonspendable** Includes fund balance amounts that cannot be spent either because they are not in spendable form or because legal or contractual requirements require them to be maintained intact.
- b. **Restricted** Consists of fund balances with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.
- c. **Committed** Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority. Fund balance amounts are committed through a formal action (resolution) of the City Council. This formal action must occur prior to the end of the reporting period, but the amount of the commitment, which will be subject to the constraints, may be determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the City Council that originally created the commitment.
- d. Assigned Includes spendable fund balance amounts that are intended to be used for specific purposes that do not meet the criteria to be classified as restricted or committed. Intent is expressed by: a) The City Council itself; or b) a body or official to which the City Council has delegated the authority to assign amounts to be used for specific purposes. Annually, the City Council approves the fiscal policy which delegates this authority to the City's Finance Director. Within the other governmental fund types (special revenue, debt service, capital projects) resources are assigned in accordance with the established fund purpose and approved budget/appropriation. Assignments may take place after the end of the reporting period.
- e. **Unassigned** Includes residual positive fund balance within the general fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed or assigned for those purposes.

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

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

See Note 3 for further information.

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

Notes to Financial Statements April 30, 2022

2. Stewardship, Compliance and Accountability

Budgetary Information

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

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

Excess Expenditures Over Budget

Funds		Budgeted Expenditures		Actual openditures	Excess Expenditures Over Budget	
Self Insurance Police Pension	\$	6,367,900 3,529,869	\$	6,475,190 3,559,221	\$	107,290 29,352

Notes to Financial Statements April 30, 2022

3. Detailed Notes on All Funds

Deposits and Investments

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

	Carrying Value	Statement Balances	Associated Risks
Deposits Mutual funds, other than bonds	\$ 82,608,924 24,534,188	\$ 83,068,516 24,534,188	Custodial Credit Risk, Deposits N/A Custodial Credit Risk,
U.S. treasury obligations	7,961,878	7,961,878	Investments, Interest Rate Risk Custodial Credit Risk,
Real estate investment fund	5,072,527	5,072,527	Investments Credit Risk, Custodial Credit Risk, Investments,
Municipal/corporate bonds	5,822,089	5,822,089	Concentration of Credit Risk, Interest Rate Risk
Firefighters' investment pension fund	46,304,968	46,304,968	Credit Risk
Illinois funds	12,667,356	12,667,356	Credit Risk Custodial Credit Risk, Investments, Foreign
Equity securities	5,776,442	5,776,442	Currency Risk Credit Risk, Interest Rate
Mutual funds, bond funds Petty cash	2,422,593 <u>11,325</u>	2,422,594	Risk N/A
Total deposits and investments	<u>\$193,182,290</u>	<u>\$193,630,558</u>	

Notes to Financial Statements April 30, 2022

Reconciliation to financial statements

Per statement of net position: Cash and cash equivalents, primary government	\$ 86,855,499
Investments, primary government	9,058,582
Cash and cash equivalents, Lake	7,193,111
Forest Library	
Per statement of net position, fiduciary	
funds:	
Private Purpose Trust, money markets	33,801
Private Purpose Trust, equity	389,404
securities	
Private Purpose Trust, mutual funds	297,451
Pension Trusts, cash	962,467
Pension Trusts, money markets	242,727
Pension Trusts, U.S. treasury obligations	7,961,878
Pension Trusts, Firefighters' pension investment fund	46,304,968
Pension Trusts, Municipal/corporate bonds	5,822,089
Pension Trusts, mutual funds	22,987,786
Pension Trusts, real estate investment fund	5,072,527
Total deposits and investments	<u>\$193,182,290</u>

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

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

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

- For Level 2 inputs, the City utilizes investments valued by a pricing service that uses matrix pricing. A Level 2 input would be a price or yield of a similar investment.
- The Police Pension Fund holds an investment in a real estate investment fund that is measured at the net asset value per share (or its equivalent). The fair value of this investment is \$5,072,527 with no unfunded commitments. The investment is in one real-estate fund which invests in high quality, well-leased real estate properties in multifamily, industrial, office, retail and hotel sectors. Because it is not probable that any individual investment will be sold, the fair value of each individual investment has been determined using the NAV per share (or its equivalent).
- The Firefighters' Pension Fund's investment in the Illinois Firefighters' Pension Investment Fund is measured at the net asset value.

City

	April 30, 2022							
Investment Type		Level 1		Level 2	_	Level 3		Total
Equity securities Mutual funds, bond funds Mutual funds, other than bond funds	\$	5,387,038 2,253,127 1,418,417	\$	- - -	\$		\$	5,387,038 2,253,127 1,418,417
Total	\$	9,058,582	\$		\$		\$	9,058,582

Private Purpose Trust

	April 30, 2022							
Investment Type		Level 1		Level 2		Level 3		Total
Equity securities Mutual funds, bond funds Mutual funds, other than bond funds	\$	389,404 169,466 127,985	\$	-	\$	- -	\$	389,404 169,466 127,985
Total	\$	686,855	\$		\$		\$	686,855

Police Pension Fund

	April 30, 2022						
Investment Type	Level 1	Level 2	Level 3	Total			
U.S. treasury obligations Mutual funds, other than bond funds Municipal/corporate bonds	\$ 7,961,878 22,987,786	\$ 	\$ - - -	\$ 7,961,878 22,987,786 5,822,089			
Total	<u>\$ 30,949,664</u>	<u>\$ 5,822,089</u>	<u>\$</u>	<u>\$ 36,771,753</u>			

Custodial Credit Risk

Deposits

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

Notes to Financial Statements April 30, 2022

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

Investments

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

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

Credit Risk

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

As of April 30, 2022, the City's investments were rated as follows:

Investment Type	Standard & Poors	Moody's Investors Services
Illinois funds U.S. government agencies - implicitly guaranteed	AAAm	Not rated
Municipal/corporate bonds Mutual funds, bond funds Illinois Firefighters Pension	BBB- to AAA Not rated	Baa3 to Aaa Not rated
Investment Fund	Not rated	Not rated

Interest Rate Risk

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

As of April 30, 2022, the City's investments in mutual funds - bond funds were due in less than one year and the Police Pension Fund investments were as follows:

Police Pension Fund

		Maturity (In Years)					
Investment Type	Fair Value	Less Than One Year	1 - 5 Years	6-10 Years			
U.S. treasury obligations Municipal/Corporate bonds	\$ 7,961,878 5,822,089	\$ 197,446 	\$ 5,531,768 3,096,608	\$ 2,232,664 2,725,481			
Total	<u>\$ 13,783,967</u>	<u>\$ 197,446</u>	<u>\$ 8,628,376</u>	<u>\$ 4,958,145</u>			

Money-Weighted Rate of Return

Police Pension Fund

For the year ended April 30, 2022, the annual money-weighted rate of return on the Police Pension plan investments, net of pension plan investment expense, was (1.89)%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Firefighters' Pension Fund

For the year ended April 30, 2022, the annual money-weighted rate of return on the Firefighters' Pension plan investments, net of pension plan investment expense, was (5.19)%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

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

Receivables

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

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

	U	Inearned
Vehicle licenses for subsequent year Coronavirus Local Fiscal Recovery Funds Recreation fees Parking ticket fees Miscellaneous	\$	1,018,258 1,331,775 623,513 309,171 595,030
Total unearned/unavailable revenue for governmental funds	\$	3,877,747

Capital Assets

Capital asset activity for the year ended April 30, 2022, was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities Capital assets not being depreciated: Land and land improvements Infrastructure - land Construction in progress	\$ 40,599,439 66,740,770 135,800	\$ 2,308,361 	\$	\$ 42,907,800 66,740,770 <u>19,560</u>
Total capital assets not being depreciated	107,476,009	2,308,361	116,240	109,668,130
Capital assets being depreciated: Infrastructure Buildings Improvements other than buildings Machinery and equipment	188,294,958 30,002,059 35,079,673 20,178,154	- 574,600 193,678 1,174,015	47,112	188,294,958 30,576,659 35,273,351 21,305,057
Total capital assets being depreciated Total capital assets	<u>273,554,844</u> 381.030.853	<u>1,942,293</u> 4.250.654	47,112	275,450,025 385,118,155

Notes to Financial Statements April 30, 2022

	Beginning Balance	Additions	Deletions	Ending Balance
Less accumulated depreciation for: Infrastructure Buildings Improvements other than buildings Machinery and equipment	\$ (137,361,250) (13,695,400) (20,863,069) (15,945,189)	\$ (2,347,856) (665,411) (1,192,366) (1,056,583)	\$ 	\$ (139,709,106) (14,360,811) (22,055,435) (16,954,660)
Total accumulated depreciation	(187,864,908)	(5,262,216)	47,112	(193,080,012)
Net capital assets being depreciated	85,689,936	(3,319,923)		82,370,013
Total governmental activities capital assets, net of accumulated depreciation	<u>\$ 193,165,945</u>	<u>\$ (1,011,562</u>)	<u>\$ 116,240</u>	<u>\$ 192,038,143</u>
Depreciation expense was charged to	functions as follo	ows:		
Governmental Activities General Government Highways and streets Sanitation Culture and recreation Public safety Total governmental activities of	depreciation expe	ense		<pre>\$ 1,305,735 2,497,115 120,864 973,606 364,896 \$ 5,262,216</pre>
	Beginning Balance	Additions	Deletions	Ending Balance
Business-Type Activities Capital assets not being depreciated: Land Construction in progress	\$ 441,413 	\$	\$	\$ 743,649 874,375
Total capital assets not being depreciated	441,413	1,176,611		1,618,024
Capital assets being depreciated: Buildings Improvements other than buildings Machinery and equipment Sanitary sewers and related property	27,020,235 57,920,654 5,593,614 31,057,754	460,804 46,334	- - - -	27,020,235 58,381,458 5,639,948 31,057,754
Total capital assets being depreciated	121,592,257	507,138		122,099,395
Total capital assets	122,033,670	1,683,749		123,717,419
Less accumulated depreciation for: Buildings Improvements other than buildings Machinery and equipment Sanitary sewers and related property	(18,613,134) (26,849,355) (4,192,669) (19,480,303)	(1,003,574) (1,430,368) (338,719) <u>(522,676</u>)	- - - -	(19,616,708) (28,279,723) (4,531,388) (20,002,979)
Total accumulated depreciation	(69,135,461)	(3,295,337)		(72,430,798)
Total accumulated depreciation Net capital assets being depreciated		(3,295,337) (2,788,199)		(72,430,798) 49,668,597

Notes to Financial Statements April 30, 2022

Component Unit

Capital assets not being depreciated: Land	\$ 70,0	00 \$ -	\$-	\$ 70,000
Art	168,5		÷	168,500
Total capital assets not being depreciated	238,5		<u>-</u>	238,500
Capital assets being depreciated: Buildings Improvements other than buildings Machinery and equipment	1,180,9 2,271,0 <u>3,821,8</u>	- 93	- 2 <u>355,403</u>	1,180,907 2,271,091 3,756,490
Total capital assets being depreciated	7,273,8	290,089	355,405	7,208,488
Total capital assets	7,512,3	290,089	355,405	7,446,988
Less accumulated depreciation for: Buildings Improvements other than buildings Machinery and equipment	(786,6 (1,670,0 (2,371,0	956) (63,615)	-	(806,355) (1,733,671) (2,356,980)
Total accumulated depreciation	(4,827,7	(424,640)	355,405	(4,897,006)
Net capital assets being depreciated	2,446,0	033 (134,551)	<u> </u>	2,311,482
Total component units capital assets, net of accumulated depreciation	<u>\$ 2,684,5</u>	<u>533 \$ (134,551</u>)	<u>\$</u>	<u>\$ 2,549,982</u>

Interfund Receivables/Payables and Transfers

Interfund Receivables/Payables

The following is a schedule of interfund receivables and payables including any overdrafts on pooled cash and investment accounts:

Receivable Fund	Payable Fund		Amount
Parks and Recreation	Deerpath Golf Course	<u>\$</u>	125,000
Total, fund financial state		125,000	
Less interfund receivables created eliminations		(1,181,992)	
Total internal balances, g position	overnment-wide statement of net	\$	(1,056,992)

All amounts are due within one year.

The principal purpose of these interfunds is for operating transactions between funds and will be paid within the normal course of business.

Notes to Financial Statements April 30, 2022

Transfers

The following is a schedule of interfund transfers:

Fund Transferred To	d Transferred To Fund Transferred From		Amount	Principal Purpose		
				Funding for budgeted salary		
Parks and Recreation	General	\$	23,500	amounts Funding for debt service		
Nonmajor enterprise	Parks and Recreation		50,000	payment		
Water and Sewer	General		2,500	Funding for budgeted salary amounts		
Internal service	General		650,000	Transfer to restore reserves Funding for debt service		
Nonmajor government	General		756,481	payment		
Nonmajor government	Nonmajor government		361,313	Funding for debt service payment		
				Funding for projects relating to the purposes of the Housing Trust as well as Parks and Public Land		
Nonmajor government	General		1,000,000	funds		
Capital Improvement	General		3,650,000	Funding for capital outlay projects		
Capital Improvement	Nonmajor government		500,000	Transfer for capital outlay Funding for debt service		
Capital Improvement	Nonmajor government		500,000	payment		
Total, fund financial statements			7,493,794			
Less government-wide eliminations			(7,441,294)			
Total transfers, go activities	vernment-wide statement of	\$	52,500			

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

Notes to Financial Statements April 30, 2022

Long-Term Obligations

Long-term obligations activity for the year ended April 30, 2022, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Governmental Activities Bonds and notes payable: General obligation debt Premiums	\$ 27,631,868 707,380	\$ 7,590,000 511,784	\$ 10,029,665 184,123	\$ 25,192,203 1,035,041	\$ 2,192,956
Total bonds and notes payable	28,339,248	8,101,784	10,213,788	26,227,244	2,192,956
Other liabilities: Compensated absences Total OPEB liability Net pension liability	2,167,764 2,058,647 44,127,517	2,776,519 200,429 11,489,279	2,806,205 309,237 2,984,406	2,138,078 1,949,839 52,632,390	175,000 - -
Total other liabilities	48,353,928	14,466,227	6,099,848	56,720,307	175,000
Total governmental activities long- term liabilities	<u>\$ 76,693,176</u>	<u>\$ 22,568,011</u>	<u>\$ 16,313,636</u>	<u>\$ 82,947,551</u>	<u>\$ 2,367,956</u>
Business-Type Activities Bonds and notes payable: General obligation debt Premium	\$ 14,414,565 341,465	\$	\$ 1,871,947 <u>182,318</u>	\$ 12,542,618 159,147	\$ 1,976,252
Total bonds and notes payable	14,756,030		2,054,265	12,701,765	1,976,252
Other liabilities: Compensated absences Total OPEB liability	267,604 193,556	283,694 18,647	277,225	274,073	5,000
Total other liabilities	461,160	302,341	308,028	455,473	5,000
Total business-type activities long- term liabilities	\$ 15,217,190	\$ 302,341	\$ 2,362,293	\$ 13,157,238	\$ 1,981,252
Component Unit					
Other liabilities: Compensated absences Capital leases Total OPEB liability	\$ 108,922 48,065 159,877	\$ 128,676 - 5,693	\$ 138,571 34,756 36,077	\$	\$
Total other liabilities	316,864	134,369	209,404	241,829	18,309
Total component units long-term liabilities	<u>\$ 316,864</u>	<u>\$ 134,369</u>	<u>\$ 209,404</u>	<u>\$ 241,829</u>	<u>\$ 18,309</u>

General Obligation Debt

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

Governmental Activities

General Obligation Debt	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance April 30, 2022
Special Service Area 25	5/1/2003	12/15/2022	1.95-2.95%	\$ 1,050,000	\$ 75,000
Special Service Area 26	10/7/2003	12/15/2022	2.50-3.40%	276,500	20,701
Special Service Area 29	12/20/2004	12/15/2023	2.55-3.65%	2,000,000	294,120
2015 Series	8/3/2015	12/15/2036	2.50-3.75%	9,780,000	8,420,000
2019 Series Refunding	12/19/2019	12/15/2032	2.00-5.00%	10,751,022	8,792,382
2021 Series Refunding	9/15/2021	12/15/2032	2.00%	7,590,000	7,590,000

Total governmental activities, general obligation debt

5 25,192,203

12,542,618

Business-Type Activities

General Obligation Debt	Date of	Final	Interest	Original	Balance April
	Issue	Maturity	Rates	Indebtedness	30, 2022
2017 Series	6/5/2017	12/15/2037	2.00-3.50%	\$ 9,295,000	\$ 9,295,000
2019 Series Refunding	12/15/2019	12/15/2032	2.00-5.00%	6,913,978	3,247,618

Total business-type activities, general obligation debt

Debt service requirements to maturity are as follows:

	Governmental Activities General Obligation Debt				Business-Type Activities General Obligation Debt			
Years		Principal		Interest	_	Principal		Interest
2023 2024	\$	2,192,956 2.209.247	\$	769,116 650.841	\$	1,976,252 1.786.366	\$	433,540 334.721
2025		1,615,000		569,363		525,000		260,853
2026 2027		1,680,000		516,238 460,813		535,000 550,000		247,728 234,352
2028-2032 2033-2037		10,790,000 4,985,000		1,558,887 314,787		2,975,000 3,435,000		948,442 479,087
2038		<u> </u>	_	<u> </u>		760,000		26,600
Total	\$	25,192,203	\$	4,840,045	\$	12,542,618	\$	2,965,323

Other Debt Information

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

Notes to Financial Statements April 30, 2022

Current Refunding

On September 15, 2021, the City issued \$7,590,000 in general obligation bonds with an average coupon rate of 2.00% to refund \$8,020,000 of outstanding bonds with an average coupon rate of 3.87%.

The cash flow requirements on the refunded debt prior to the current refunding was \$10,248,400 from 2022 through 2032. The cash flow requirements on the 2021 refunding bonds are \$8,614,250 from 2022 through 2032. The current refunding resulted in an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$1,480,390.

Lease Disclosures

Lessee, Capital Leases

In 2020, the library acquired capital assets through a lease/purchase agreement. The gross amount of these assets under capital leases is \$105,225, which are included in capital assets in the discretely presented component unit activities. The future minimum lease obligations and the net present value on these minimum lease payments as of April 30, 2022, are as follows:

	Component Unit			
Years	Principal	Interest	Total	
2023	<u>\$ 13,309</u>	<u>\$ 30</u>	<u>\$ 13,339</u>	
Total	<u>\$ 13,309</u>	<u>\$ 30</u>	<u>\$ 13,339</u>	

Net Position/Fund Balances

Net position reported on the government-wide statement of net position at April 30, 2022, includes the following:

Governmental Activities

Net investment in capital assets:		
Capital assets not being depreciated	\$	109,668,130
Capital assets being depreciated, net of accumulated depreciation		82,370,013
Less long-term debt outstanding		(25,192,203)
Less unamortized debt premium		(1,035,041)
Plus unamortized deferred charge		151
Total net investment in capital assets	<u>\$</u>	165,811,050

Notes to Financial Statements April 30, 2022

Governmental Funds

Governmental fund balances reported on the fund financial statements at April 30, 2022, include the following:

	General Fund	Parks and Recreation Fund	Capital Improvements Fund	General Cemetery Fund	Nonmajor Governmental Funds	Total
Fund Balances						
Nonspendable: Inventories	<u>\$ </u>	<u>\$ </u>	<u>\$</u>	<u>\$</u>	<u>\$ </u>	<u>\$ </u>
Subtotal	91,038	<u> </u>	<u> </u>	<u> </u>	<u> </u>	91,038
Restricted for: Culture and recreation Highway and streets Public safety, fire Public safety, police Cemetery perpetual care Affordable housing Capital projects Debt service Subtotal	- - - - - - - - - - - - - 	1,881,221 - - - - - - - - - - - - - - - - - -	- - - 22,340,775 - - - - - - - - - - - - - - - - - -	- - - 10,643,506 - - - - - - - - - - - - -	2,497,386 2,395,746 215,927 1,416,951 - 2,183,485 5,999 1,594,460 10,309,954	4,378,607 2,395,746 215,927 1,416,951 10,643,506 2,183,485 22,346,774 1,594,460 45,175,456
Unassigned:	28,872,687	<u> </u>	<u> </u>	<u> </u>	<u> </u>	28,872,687
Total fund balances	<u>\$28,963,725</u>	<u>\$ 1,881,221</u>	<u>\$22,340,775</u>	<u>\$ 10,643,506</u>	<u>\$ 10,309,954</u>	<u>\$ 74,139,181</u>
Business-Type ActivitiesNet investment in capital assets:Capital assets not being depreciatedCapital assets being depreciated, net of accumulated depreciationLess Long-term debt outstandingLess unamortized debt premiumPlus unamortized deferred charge214						

Total net investment in capital assets

4. Other Information

Employees' Retirement System

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

38,585,070

Notes to Financial Statements April 30, 2022

For the year ended April 30, 2022, the City recognized the following balances in the government-wide financial statements:

	Total Pension Liability	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense
IMRF Police Pension Plan Firefighters' Pension Plan	\$107,135,715 75,529,445 <u>66,590,834</u>	\$	\$ 1,810,007 2,906,127 <u>3,780,084</u>	\$ 15,258,500 819,757 	\$ (4,210,324) 3,917,352 2,709,565
Total	<u>\$249,255,994</u>	<u>\$ 52,632,390</u>	<u>\$ 8,496,218</u>	<u>\$ 16,078,257</u>	<u>\$ 2,416,593</u>

Illinois Municipal Retirement Fund

Plan Description

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

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

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

Plan Membership

At December 31, 2021, the measurement date, membership in the plan was as follows:

Retirees and beneficiaries	306
Inactive, nonretired members	191
Active members	<u>191</u>
Total	688

Notes to Financial Statements April 30, 2022

Contributions

As set by statute, City and Library employees participating in IMRF are required to contribute 4.50% of their annual covered salary. The statute requires the City and Library to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The City and Library's actuarially determined contribution rate for calendar year 2021 was 11.66% of annual covered payroll for IMRF. The City and Library also contribute for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability/(Asset)

The net pension liability/(asset) was measured as of December 31, 2021 and the total pension liability used to calculate the net pension liability/(asset) was determined by an actuarial valuation as of that date.

Summary of Significant Accounting Policies

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

Actuarial Assumptions

The total pension liability for IMRF was determined by actuarial valuations performed as of December 31, 2021 using the following actuarial methods and assumptions:

Actuarial cost method Asset valuation method Actuarial assumptions Investment Rate of Return Salary increases Entry Age Normal Fair Value

7.25% 2.85% to 13.75%, including inflation 2.25%

Price inflation

Mortality

For nondisabled retirees, the Pub-2010, Amount-Weighted, below median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below median income, General, Disabled Retiree, Male and Female (both unadjusted) tables and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below median income, General, Employee, Male and Female (both unadjusted) tables and future mortality improvements projected using scale MP-2020.

Long-Term Expected Real Rate of Return

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

		Projected Returns/Risks			
Asset Class Allocation		One Year Arithmetic	Ten Year Geometric		
Equities	39.00 %	5.85 %	4.50 %		
International equities	15.00	7.40	5.75		
Fixed income	25.00	2.10	2.00		
Real estate	10.00	6.80	5.90		
Alternatives	10.00				
Private equity		11.45	8.10		
Hedge funds		-	-		
Commodities		5.50	4.30		
Cash equivalents	1.00	1.70	1.70		

Discount Rate

The discount rate used to measure the total pension liability for IMRF was 7.25%. The discount rate calculated using the December 31, 2020 measurement date was 7.25%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that City and Library contributions will be made at rates equal to the difference between actuarially determined contribution rate and the member rate. Based on those assumptions, the fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on investments was applied to all periods of projected benefits to determine the total pension liability.

Discount Rate Sensitivity

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

	1% Decrease				1% Increase		
City:	^		•		•		
Total pension liability Plan fiduciary net position	\$	119,155,018 121,937,634		107,135,715 <u>121,937,634</u>	\$	97,477,155 121,937,634	
Net pension liability/(asset)	\$	(2,782,616)	\$	<u>(14,801,919</u>)	\$	(24,460,479)	

Notes to Financial Statements April 30, 2022

	1% Decrease	Current Discount Rate	1% Increase
Library: Total pension liability Plan fiduciary net position	\$ 15,238,872 15,179,647	\$ 13,701,711 15,179,647	\$ 12,466,466
Net pension liability/(asset)	\$ 59,225	<u>\$ (1,477,936</u>)	<u>\$ (2,713,181</u>)
Total: Total pension liability Plan fiduciary net position	\$ 134,393,890 137,117,281	\$ 120,837,426 137,117,281	\$ 109,943,621 137,117,281
Net pension liability/(asset)	<u>\$ (2,723,391</u>)	<u>\$ (16,279,855</u>)	<u>\$ (27,173,660</u>)

Changes in Net Pension Liability/(Asset)

The changes in net pension liability/(asset) for the calendar year ended December 31, 2021 were as follows:

	Increase (Decrease)							
	Total Pension Liability (a)			lan Fiduciary Net Position (b)		Net Pension ability/(Asset) (a) - (b)		
City:								
Balances at December 31, 2020	\$	102,234,444	\$	106,588,373	\$	(4,353,929)		
Service cost		1,192,260		-		1,192,260		
Interest on total pension liability		7,443,020		-		7,443,020		
Differences between expected and actual								
experience of the total pension liability		2,050,858		-		2,050,858		
Change of assumptions		(14,992)		-		(14,992)		
Benefit payments, including refunds of								
employee contributions		(5,769,875)		(5,769,875)		-		
Contributions, employer		-		1,553,376		(1,553,376)		
Contributions, employee		-		645,521		(645,521)		
Net investment income		-		18,659,240		(18,659,240)		
Other (net transfer)		-		260,999		(260,999)		
	_		_			<u> </u>		
Balances at December 31, 2021	\$	107,135,715	\$	121,937,634	\$	<u>(14,801,919</u>)		

Notes to Financial Statements April 30, 2022

	Increase (Decrease)						
	Т	otal Pension		an Fiduciary			
librong		Liability (a)	1	Net Position (b)	Lia	ability/(Asset)	
Library: Balances at December 31, 2020	\$	13,195,841	\$	13,647,060	\$	(a) - (b) (451,219)	
Service cost	φ	119,044	φ	13,047,000	φ	119,044	
Interest on total pension liability		743,169		-		743,169	
Differences between expected and actual		740,100		_		740,100	
experience of the total pension liability		204,773		-		204,773	
Change of assumptions		14,992		-		14,992	
Benefit payments, including refunds of		,				,	
employee contributions		(576,108)		(576,108)		-	
Contributions, employer		-		155,101		(155,101)	
Contributions, employee		-		64,454		(64,454)	
Net investment income		-		1,863,080		(1,863,080)	
Other (net transfer)	_	-	_	26,060		(26,060)	
Balances at December 31, 2021	\$	13,701,711	\$	15,179,647	\$	(1,477,936)	
Total:							
Balances at December 31, 2020	\$	115,430,285	\$	120,235,433	\$	(4,805,148)	
Service cost		1,311,304		-		1,311,304	
Interest on total pension liability		8,186,189		-		8,186,189	
Differences between expected and actual							
experience of the total pension liability		2,255,631		-		2,255,631	
Benefit payments, including refunds of							
employee contributions		(6,345,983)		(6,345,983)		-	
Contributions, employer		-		1,708,477		(1,708,477)	
Contributions, employee		-		709,975		(709,975)	
Net investment income		-		20,522,320		(20,522,320)	
Other (net transfer)		-		287,059		(287,059)	
Balances at December 31, 2021	\$	120,837,426	\$	137,117,281	\$	(16,279,855)	
Plan fiduciary net position as a percentage of							
the total pension liability						113.47 %	
. ,							

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

For the year ended April 30, 2022, the City and Library recognized pension expense of \$(4,210,324) and \$(420,391), respectively. The City and Library reported deferred outflows and inflows of resources related to pension from the following sources:

	0	Deferred utflows of Resources	Deferred Inflows of Resources
City:			
Difference between expected and actual experience	\$	1,402,201	\$ 284,299
Assumption changes		-	290,481
Net difference between projected and actual earnings on pension			
plan investments		-	14,683,720
Contributions subsequent to the measurement date		407,806	 -
Total	\$	1,810,007	\$ 15,258,500

Notes to Financial Statements April 30, 2022

	-	Deferred Outflows of Resources	 Deferred Inflows of Resources
Library:			
Difference between expected and actual experience Assumption changes	\$	156,657 -	\$ 28,387 29,004
Net difference between projected and actual earnings on pension plan investments		-	1,466,135
Contributions subsequent to the measurement date		45,561	
Total	\$	202,218	\$ 1,523,526
Total:			
Difference between expected and actual experience Assumption changes Net difference between projected and actual earnings on pension	\$	1,558,858 -	\$ 312,686 319,485
plan investments Contributions subsequent to the measurement date		۔ 453,367	 16,149,855 -
Total	\$	2,012,225	\$ 16,782,026

The amount reported as deferred outflows resulting from contributions subsequent to the measurement date in the above table will be recognized as a reduction in the net pension liability/(asset) for the year ending April 30, 2023. The remaining amounts reported as deferred outflows and inflows of resources related to pensions is \$(15,223,168) and will be recognized in pension expense as follows:

	Year Ending December 31,	 City	 Library	 Total
2022 2023 2024 2025		\$ (3,029,026) (5,032,037) (3,622,159) (2,173,077)	\$ (298,801) (496,391) (357,312) (214,365)	\$ (3,327,827) (5,528,428) (3,979,471) (2,387,442)
Т	otal	\$ <u>(13,856,299</u>)	\$ (1,366,869)	\$ <u>(15,223,168</u>)

Police Pension

Plan Description

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

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

Notes to Financial Statements April 30, 2022

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

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

Plan Membership

At April 30, 2022, the Police Pension membership consisted of:

Retirees and beneficiaries	45
Inactive, nonretired members	10
Active members	40
Total	95

Contributions

> Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the plans as actuarially determined by an enrolled actuary. Effective January 1, 2011 the City's contributions must accumulate to the point where the past service cost for the Police Pension Plan is 90% funded by the year 2041. The City's actuarially determined contribution rate for the fiscal year ending April 30, 2022 was 74.64% of annual covered payroll.

Net Pension Liability/(Asset)

The net pension liability/(asset) was measured as of April 30, 2022 and the total pension liability used to calculate the net pension liability/(asset) was determined by an annual actuarial valuation as of that date.

Summary of Significant Accounting Policies

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

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

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation performed as of April 30, 2022 using the following actuarial methods and assumptions:

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

Mortality rates for active lives, inactive lives, survivor lives and disabled lives were based on the PubS-2010 Employee Mortality Table with generational improvement Scale MP-2020. Ten percent of active deaths are assumed to be in the line of duty. The actuarial assumptions were based on the results of an actuarial experience study conducted by the Illinois Department of Insurance dated March 4, 2022.

Discount Rate

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

Discount Rate Sensitivity

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

	1% Decrease			Current scount Rate	_1	% Increase
Total pension liability Plan fiduciary net position	\$	86,527,885 42,611,874	\$	75,529,445 42,611,874	\$	66,607,183 42,611,874
Net pension liability	\$	43,916,011	\$	32,917,571	\$	23,995,309

Changes in Net Pension Liability/(Asset)

The City's changes in net pension liability/(asset) for the year ended April 30, 2022 was as follows:

	11	icre	ase (Decreas	e)	
То	Total Pension Liability (a)		•		let Pension ability/Asset (a) - (b)
\$	73,432,245	\$	43,199,932	\$	30,232,313
	948,636		-		948,636
	4,721,027		-		4,721,027
	(360.851)		-		(360,851)
	,		-		287,776
	·				
	(3,499,388)		()		-
	-		3,379,444		(3,379,444)
	-		474,816		(474,816)
	-		(888,628)		888,628
	-		(54,302)		54,302
\$	75,529,445	<u>\$</u>	42,611,874	\$	32,917,571
		Total Pension Liability (a) \$ 73,432,245 948,636 4,721,027 (360,851) 287,776 (3,499,388) - -	Total Pension Liability (a) PI N \$ 73,432,245 948,636 4,721,027 \$ (360,851) 287,776 (360,851) 287,776 - (3,499,388) - - - - - - - - - - - - - - - - - - - - - - -	Total Pension Liability (a) Plan Fiduciary Net Position (b) \$ 73,432,245 \$ 43,199,932 948,636 - 4,721,027 - (360,851) - 287,776 - (3,499,388) (3,499,388) - 3,379,444 - 474,816 - (54,302)	Total Pension Liability Plan Fiduciary Net Position (b) Nation Liability (a) (b) Liability (a) (b) Liability \$ 73,432,245 \$ 43,199,932 \$ 948,636 4,721,027 - (360,851) - 287,776 - (3,499,388) (3,499,388) - 3,379,444 - 474,816 - (888,628) - (54,302)

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

56.42 %

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

For the year ended April 30, 2022, the City recognized pension expense of \$3,917,352. The City reported deferred outflows and inflows of resources related to pension from the following sources:

	0	Deferred outflows of Resources	I	Deferred nflows of Resources
Difference between expected and actual experience Assumption changes Net difference between projected and actual earnings on	\$	1,025,804 1,872,242	\$	819,757 -
pension plan investments		8,081		<u> </u>
Total	\$	2,906,127	\$	819,757

The amounts reported as deferred outflows and inflows of resources related to pensions is \$2,086,370 and will be recognized in pension expense as follows:

<u>Year Ending April 30,</u>	Amount
2023 2024 2025 2026 2027	\$ 1,491,525 241,270 (363,345) 729,101 (12,181)
Total	<u>\$ 2,086,370</u>

Firefighters' Pension

Plan Description

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

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

Notes to Financial Statements April 30, 2022

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

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

Plan Membership

At April 30, 2022, the Firefighters' Pension Plan membership consisted of:

Retirees and beneficiaries	46
Inactive, nonretired members	2
Active members	33
Total	81

Contributions

Participants contribute a fixed percentage of their base salary to the plans. At April 30, 2022, the contribution percentage was 9.455%. If a participant leaves covered employment with less than 20 years of service, accumulated participant contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the plans as actuarially determined by an enrolled actuary. Effective January 1, 2011 the City's contributions must accumulate to the point where the past service cost for the Firefighters' Pension Plan is 90% funded by the year 2040. The City's actuarially determined contribution rate for the fiscal year ending April 30, 2022 was 68.08% of annual covered payroll.

Net Pension Liability/(Asset)

The net pension liability/(asset) was measured as of April 30, 2022 and the total pension liability used to calculate the net pension liability/(asset) was determined by an annual actuarial valuation as of that date.

Summary of Significant Accounting Policies

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

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

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation performed as of April 30, 2022 using the following actuarial methods and assumptions:

Actuarial cost method	Entry Age				
Asset valuation method	5-year average Fair Value				
Actuarial assumptions					
Interest rate	6.50%				
Inflation	2.50%				
Projected salary increases	Service based				
Cost-of-living adjustments	Tier 1: 3.00% Tier 2: 1.25%				

Mortality rates for active lives, inactive lives, survivor lives and disabled lives were based on the PubS-2010 Employee Mortality Table with generational improvement Scale MP-2020. Twenty percent of active deaths are assumed to be in the line of duty. The actuarial assumptions were based on the results of an actuarial experience study conducted by the Illinois Department of Insurance dated December 1, 2021.

Discount Rate

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

Discount Rate Sensitivity

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

	1% Decrease			Current scount Rate	_1	1% Increase	
Total pension liability Plan fiduciary net position	\$	76,088,830 46,876,015	\$	66,590,834 46,876,015	\$	58,864,655 46,876,015	
Net pension liability	\$	29,212,815	\$	19,714,819	\$	11,988,640	

Changes in Net Pension Liability/(Asset)

The City's changes in net pension liability/(asset) for the year ended April 30, 2022 was as follows:

	Increase (Decrease)						
	Total Pension Liability (a)			an Fiduciary let Position (b)		let Pension ability/Asset (a) - (b)	
Balances at April 30, 2021 Service cost Interest on total pension liability Differences between expected and actual	\$	63,740,015 1,006,247 4,107,962	\$	49,844,811 - -	\$	13,895,204 1,006,247 4,107,962	
experiences between expected and actual experience of the total pension liability Change of assumptions Benefit payments, including refunds of		150,101 680,212		-		150,101 680,212	
employee contributions Contributions, employer Contributions, employee		(3,093,703) - -		(3,093,703) 2,398,803 343,611		(2,398,803) (343,611)	
Net investment income Administration		-		(2,576,122) (41,385)		2,576,122 41,385	
Balances at April 30, 2022	<u>\$</u>	66,590,834	φ	46,876,015	φ	<u>19,714,819</u>	

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

70.39 %

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

For the year ended April 30, 2022, the City recognized pension expense of \$2,709,565. The City reported deferred outflows and inflows of resources related to pension from the following sources:

	0	Deferred outflows of Resources	Deferred Inflows of Resources	
Difference between expected and actual experience Assumption changes Net difference between projected and actual earnings on	\$	1,003,186 2,551,030	\$ - -	
pension plan investments		225,868	<u> </u>	
Total	\$	3,780,084	<u>\$</u>	

The amounts reported as deferred outflows and inflows of resources related to pensions is \$3,780,084 and will be recognized in pension expense as follows:

<u>Year Ending April 30,</u>	Amount
2023 2024 2025 2026 2027	\$ 959,694 1,033,371 168,065 1,480,572 <u>138,382</u>
Total	<u>\$ 3,780,084</u>

Notes to Financial Statements April 30, 2022

Pension Segment Information

Fiduciary Net Position

	Pension Trust					
		Police	F	irefighters'		
	Pension			Pension		Total
Assets						
Cash	\$	413,924	\$	548,543	\$	962,467
Money markets	Ψ	242,727	Ψ	0+0,0+0	Ψ	242,727
Investments:		272,121				272,121
U.S. treasury obligations		7,961,878		-		7,961,878
Municipal/corporate bonds		5,822,089		_		5,822,089
Mutual funds		22,987,786		_		22,987,786
Real estate investment fund		5,072,527		_		5,072,527
Firefighters pension investment fund				46,304,968		46,304,968
Receivables				40,004,000		40,004,000
Interest		74,197		-		74,197
Prepaid items		7,630		4,338		11,968
Due from primary government		47,235		26,841		74,076
Bue nom primary government		17,200		20,011		11,010
Total assets		42,629,993		46,884,690		89,514,683
Liabilities						
Accounts payable		18,119		8,675		26,794
Total liabilities		18,119		8,675		26,794
						<u> </u>
Net Position						
Restricted for pension benefits	\$	42,611,874	\$	46,876,015	\$	89,487,889

Notes to Financial Statements April 30, 2022

Changes in Plan Net Position

	Pensio		
	Police	Firefighters' Pension	Total
	Pension	Pension	Total
Additions			
Contributions: Employer	\$ 3,379,444	\$ 2,398,803	\$ 5,778,247
Employee	474,817	343,611	818,428
Total contributions	3,854,261	2,742,414	6,596,675
Investment income:			
Interest	706,565	472,431	1,178,996
Net appreciation in fair value of investments	(1,500,952)	(2,989,435)	(4,490,387)
Total investment income	(794,387)	(2,517,004)	(3,311,391)
Less investment expense	(88,811)	(56,685)	(145,496)
Net investment income	(883,198)	(2,573,689)	(3,456,887)
Miscellaneous	100	<u> </u>	100
Total additions	2,971,163	168,725	3,139,888
Deductions			
Pension benefits and refunds	3,499,389	3,093,703	6,593,092
Other administrative expenses	59,832	43,818	103,650
Total deductions	3,559,221	3,137,521	6,696,742
Change in net position	(588,058)	(2,968,796)	(3,556,854)
Net Position, Beginning	43,199,932	49,844,811	93,044,743
Net Position, Ending	<u>\$ 42,611,874</u>	<u>\$ 46,876,015</u>	<u>\$ 89,487,889</u>

Risk Management

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

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

Notes to Financial Statements April 30, 2022

Public Entity Risk Pool

IRMA

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

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

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

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

	Fis	iscal Year Change		Claims and Changes in Estimates		Claim ayments	Fi	End of scal Year Liability
2020-2021 2021-2022	\$	202,739 217,724	\$	307,508 166,981	\$	292,523 169,316	\$	217,724 215,389

City of Lake Forest Medical and Dental Plan

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

Changes in the balances of claims liabilities for the years ended April 30, 2022 and 2021 are as follows:

	Beginning of Fiscal Year Liability		Changes in Estimates		Claim Payments		End of Fiscal Year Liability	
2020-2021 2021-2022	\$	569,284 776,381	\$	4,737,417 6,452,051	\$	4,530,320 6,389,054	\$	776,381 839,378

Notes to Financial Statements April 30, 2022

Joint Ventures

Solid Waste Agency of Lake County

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

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

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

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

Northern Suburban Special Recreation Association

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

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

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

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

Notes to Financial Statements April 30, 2022

Other Postemployment Benefits

General Information about the OPEB Plan

Plan Description

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

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

Benefits Provided

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

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

Employees Covered by Benefit Terms

At April 30, 2022, the following employees were covered by the benefit terms:

	City	Library
Inactive plan members or beneficiaries currently receiving		
benefit payments	46	5
Active plan members	196	24
Total	242	29

Total OPEB Liability

The City's total OPEB liability of \$2,131,239 was measured as of April 30, 2022 and was determined by an actuarial valuation as of that date. The Library's total OPEB liability of \$129,493 was measured as of April 30, 2022 and was determined by an actuarial valuation as of that date.

Notes to Financial Statements April 30, 2022

Actuarial Assumptions and Other Inputs

For both the City and Library, the total OPEB liability in the April 30, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.25%
Salary increases	2.50%
Healthcare cost trend rates	6.00% - 5.50% for Medical, 4.00% for dental
Retirees' share of benefit-related costs	100%

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

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

The actuarial assumptions used in the April 30, 2022 valuation were based on the results of an actuarial experience study dated December 14, 2020.

Changes in the Total OPEB Liability

	City- Total OPEB Liability	Library- Total OPEB Liability
Balances at April 30, 2021	<u>\$ 2,252,203</u>	<u>\$ 159,877</u>
Changes for the year: Service cost Interest Changes in assumptions or other inputs Benefit payments	169,870 49,206 (170,973) <u>(169,067</u>)	2,435 3,258 (3,354) (32,723)
Net changes	(120,964)	(30,384)
Balances at April 30, 2022	<u>\$ 2,131,239</u>	<u>\$ 129,493</u>

Changes of assumptions and other inputs reflect a change in the discount rate from 2.27% in 2021 to 3.21% in 2022 for both the City and the Library.

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

The following presents the total OPEB liability of the City and the Library, as well as what the total OPEB liability would be for each if it were calculated using a discount rate that is 1-percentage-point lower (2.21%) or 1-percentage-point higher (4.21%) than the current discount rate:

	1%	Decrease	_1'	% Increase	
Total OPEB liability, City	\$	2,266,924	\$ 2,131,239	\$	2,002,196
Total OPEB liability, Library	\$	130,986	\$ 129,493	\$	127,999

Notes to Financial Statements April 30, 2022

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

The following presents the total OPEB liability of the City and the Library, as well as what the total OPEB liability would be for each if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (5.0% decreasing to 4.5%) or 1-percentage-point higher (7.0% decreasing to 6.5%) than the current healthcare cost trend rates:

	1%	6 Decrease	Healthcare Cost Trend Rates	1% Increase				
Total OPEB liability, City	\$	1,888,051	\$ 2,131,239	\$	2,418,374			
Total OPEB liability, Library	\$	125,616	\$ 129,493	\$	133,591			

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

For the year ended April 30, 2022, the City recognized OPEB expense of \$198,534. At April 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Οι	Deferred utflows of esources	Deferred Inflows of Resources			
Differences between expected and actual experience Changes of assumptions or other inputs	\$	۔ 292,483	\$	389,925 155,842		
Total	\$	292,483	\$	545,767		

For the year ended April 30, 2022, the Library recognized OPEB expense of \$2,336. At April 30, 2022, the Library reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Out	eferred tflows of sources	In	Deferred Inflows of Resources			
Differences between expected and actual experience Changes of assumptions or other inputs	\$	- 5,301	\$	13,671 5,463			
Total	\$	5,301	\$	19,134			

Notes to Financial Statements April 30, 2022

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

Year Ended April 30:	C	City			
2023	\$	(20,542) \$	\$ (3,357)		
2024		(20,542)	(3,357)		
2025		(20,542)	(3,357)		
2026		(20,542)	(3,357)		
2027		(20,542)	(1,372)		
Thereafter	(*	<u>150,574</u>)	967		
Total	<u>\$ (2</u>	<u>253,284</u>) <u></u> \$	<u>(13,833</u>)		

Subsequent Event

Effective January 1, 2020, Illinois Public Act 101-0610 consolidates the assets of the state's more than 650 downstate and suburban public safety pension funds into two consolidated investment funds. The investments of the police pension plan were transferred to the consolidated funds in June 2022.

Laurel and Western Tax Increment Financing (TIF) District

The City approved the Laurel and Western TIF in January 2015. The TIF district is comprised of 10.6 acres. The City acquired the single parcel not previously owned by the City and prepared the site for a mix of housing options. Demolition of the seven structures was completed in preparation for the development of the site. The City entered into a Property Purchase Agreement with Focus Acquisition Company LLC for the sale and redevelopment of all the developable land within the district. Following environmental remediation and site preparation required by the City, as well as the completion of contingency and inspection periods under the agreement, the sale of the property was closed in September 2016. The purchase price of the City property was \$12 million, consisting of \$5.625 million paid to the City at closing and a TIF Note of \$6.375 million executed between the City and the developer. The TIF Note was subsequently assigned by the developer to the City to allow repayment of the note from future TIF increment. As of April 30, 2022, the City received \$1,290,630 in TIF increment property tax revenue. Because the TIF Note does not meet the definition of an asset pursuant to GASB Concept Statement 4 as of the financial statement date, the Note receivable has not been reported on the City's financial statements. Revenue will be recognized as payments on the TIF Note are made. The first payment of \$500,000 on the TIF Note was made as of April 30, 2022.

A redevelopment agreement between the City and developer was also executed in September 2016. As of April 30, 2022, the City has received the development fees of \$2,368,712 (FY17), as well as a payment in lieu of affordable housing in the amount of \$650,000 (FY18). As of April 30 2022, construction of the three apartment buildings is complete and the buildings are fully occupied with a normal rate of turnover as leases expire. The first of two condominiums is complete with all twenty-four (24) condominiums sold. Construction of the second condominium building has not yet started. Seven (7) single family homes are completed and have been sold. Permits for two additional homes have been issued and plans are under review for another home. Two (2) vacant single family lots remain.

Notes to Financial Statements April 30, 2022

Effect of New Accounting Standards on Current-Period Financial Statements

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

- Statement No. 87, Leases
- Statement No. 91, Conduit Debt Obligations
- Statement No. 92, Omnibus 2020
- Statement No. 93, Replacement of Interbank Offered Rates
- Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements
- Statement No. 96, Subscription-Based Information Technology Arrangements
- Statement No. 97, Certain Component Unit Criteria and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans an amendment of GASB Statements No. 14 and No. 84 and a supersession of GASB Statement No. 32
- Statement No. 99, Omnibus 2022
- Statement No. 100, Accounting Changes and Error Corrections an amendment of GASB Statement No. 62
- Statement No. 101, Compensated Absences

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

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund Year Ended April 30, 2022

	 Budgetec	l An	nounts			
	 Original		Final	Actual		riance with nal Budget
Revenues						
Taxes						
Property Other taxes	\$ 20,885,192 2,522,426	\$	20,885,192 2,522,426	\$	20,785,656 2,900,697	\$ (99,536) 378,271
Intergovernmental	2,322,420 5,495,015		2,322,420 5,495,015		8,058,224	2,563,209
Licenses and permits	2,426,879		2,426,879		3,460,452	1,033,573
Fines, forfeitures and penalties	210,000		210,000		256,681	46,681
Charges for services	4,718,416		4,718,416		4,893,680	175,264
Grants and contributions	4,900		4,900		238,424	233,524
Investment income	150,050		150,050		122,020	(28,030)
Miscellaneous revenues	 1,258,500		1,258,500		1,341,542	 83,042
Total revenues	 37,671,378		37,671,378		42,057,376	 4,385,998
Expenditures						
General government	11,943,349		12,060,268		10,913,887	1,146,381
Highways and streets	3,031,047		3,055,930		2,853,140	202,790
Sanitation	2,563,065		2,565,565		2,573,258	(7,693)
Public safety	19,316,593		19,363,462		18,965,034	398,428
Capital outlay Contingency	150,000 <u>3,777,849</u>		150,000 <u>3,777,849</u>		62,779	87,221 <u>3,777,849</u>
Contingency	 3,777,049		3,777,049		-	 3,111,049
Total expenditures	 40,781,903		40,973,074		35,368,098	 5,604,976
Excess (deficiency) of revenues						
over (under) expenditures	 (3,110,525)		(3,301,696)		6,689,278	 9,990,974
Other Financing Sources (Uses)						
Transfers out	 (667,864)		(583,260)		(6,082,481)	 (5,499,221)
Total other financing sources (uses)	 (667,864)		(583,260)		(6,082,481)	 (5,499,221)
Net change in fund balance	\$ (3,778,389)	\$	<u>(3,884,956</u>)		606,797	\$ 4,491,753
Fund Balance, Beginning					28,356,928	
Fund Balance, Ending				\$	28,963,725	

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Parks and Recreation Fund Year Ended April 30, 2022

		Budgetec	l An	nounts				
		Original		Final		Actual	-	riance with nal Budget
Revenues Property taxes	\$	6,473,131	\$	6,473,131	\$	6,434,953	\$	(38,178)
Intergovernmental	Ψ	40,000	Ψ	40,000	Ψ	124,753	Ψ	84,753
Charges for services		2,927,252		2,927,252		2,746,614		(180,638)
Grants and contributions		257,190		257,190		249,707		(7,483)
Investment income		15,000		15,000		15,739		739
Miscellaneous revenues		30,500		30,500		<u>59,880</u>		29,380
Total revenues		9,743,073		9,743,073		9,631,646		(111,427)
Expenditures Current:								
Culture and recreation		9,266,798		9,326,598		8,979,517		347,081
Capital outlay		414,847		449,847		180,176		269,671
Contingency		982,645		<u>982,645</u>				982,645
Total expenditures		10,664,290		10,759,090		9,159,693		1,599,397
Excess (deficiency) of revenues over (under) expenditures		(921,217)		(1,016,017)		471,953		1,487,970
Other Financing Sources (Uses)								
Transfers in Transfers out		20,000 (50,000)		20,000 (50,000)		23,500 (50,000)		3,500
Transiers out		(30,000)		(50,000)		(50,000)		
Total other financing sources (uses)		<u>(30,000</u>)		<u>(30,000</u>)		<u>(26,500</u>)		3,500
Net change in fund balance	\$	(951,217)	\$	(1,046,017)		445,453	\$	1,491,470
Fund Balance, Beginning						1,435,768		
Fund Balance, Ending					\$	1,881,221		

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Cemetery Fund Year Ended April 30, 2022

	Budgeted	d Amounts		
	Original	Final	Actual	Variance with Final Budget
Revenues Charges for services Grants and contributions Investment income (loss) Miscellaneous revenues Total revenues	\$ 774,500 12,000 50,000 - 836,500	\$ 774,500 12,000 50,000 - 836,500	\$ 1,354,260 15,325 (1,182,676) 50 186,959	\$ 579,760 3,325 (1,232,676) 50 (649,541)
Expenditures				,
Current: General government Capital outlay Contingency	761,599 260,000 <u>269,316</u>	761,599 1,931,556 269,316	734,653 161,954 	26,946 1,769,602 269,316
Total expenditures	1,290,915	2,962,471	896,607	2,065,864
Excess (deficiency) of revenues over (under) expenditures	(454,415)	(2,125,971)	(709,648)	1,416,323
Other Financing Sources (Uses) Refunding debt issued	<u>-</u>	1,600,000		(1,600,000)
Total other financing sources (uses)	<u>-</u>	1,600,000		(1,600,000)
Net change in fund balance	<u>\$ (454,415</u>)	<u>\$ (525,971</u>)	(709,648)	<u>\$ (183,677</u>)
Fund Balance, Beginning			11,353,154	
Fund Balance, Ending			<u>\$ 10,643,506</u>	

Illinois Municipal Retirement Fund

Schedule of Changes in the City's Net Pension Liability and Related Ratios Past Seven Fiscal Years

	2016				2017					2018						
		City		Library		Total	City		Library		Total	 City		Library		Total
Total pension liability																
Service cost	\$	1,549,831	\$	208,143	\$	1,757,974	\$ 1,315,386	\$	160,837	\$	1,476,223	\$ 1,230,871	\$	146,913	\$	1,377,784
Interest on total pension liability		7,086,670		951,742		8,038,412	6,584,652		668,406		7,253,058	6,690,906		767,094		7,458,000
Differences between expected and																
actual experience of the total pension liability		796,382		106,954		903,336	(689,342)		(84,288)		(773,630)	79,717		9,515		89,232
Changes of assumptions		103,436		13,891		117,327	(209,390)		(25,603)		(234,993)	(2,740,693)		(327,120)		(3,067,813)
Transfer of liability		(13,798,877)		(1,853,193)		(15,652,070)	-		-		-	-		-		-
Benefit payments, including refunds of member																
contributions		(4,968,065)		(667,212)		(5,635,277)	 (4,566,385)		(558,348)		(5,124,733)	 (4,708,228)		(561,958)		(5,270,186)
Net change in total pension liability		(9,230,623)		(1,239,675)		(10,470,298)	2,434,921		161,004		2,595,925	552,573		34,444		587,017
Total pension liability - beginning		96,324,203		12,936,367		109,260,570	 87,093,580	_	11,696,692		98,790,272	 89,528,501		11,857,696		101,386,197
Total pension liability - ending (a)	\$	87,093,580	\$	11,696,692	\$	98,790,272	\$ 89,528,501	\$	11,857,696	\$	101,386,197	\$ 90,081,074	\$	11,892,140	\$	101,973,214
Plan fiduciary net position																
Employer contributions	\$	1,757,095	\$	235,978	\$	1,993,073	\$ 1,494,964	\$	182,795	\$	1,677,759	\$ 1,485,109	\$	177,258	\$	1,662,367
Employee contributions		664,444		89,235		753,679	558,977		68,348		627,325	532,665		63,577		596,242
Net investment income		442,808		59,469		502,277	5,250,256		641,968		5,892,224	14,307,003		1,707,636		16,014,639
Benefit payments, including refunds of member																
contributions		(4,968,065)		(667,212)		(5,635,277)	(4,566,385)		(558,348)		(5,124,733)	(4,708,228)		(561,958)		(5,270,186)
Other (net transfer)		(12,005,830)		(1,612,386)		(13,618,216)	 262,841		32,138		294,979	 (1,329,766)		(158,716)		(1,488,482)
Net change in plan fiduciary net position		(14,109,548)		(1,894,916)		(16,004,464)	3,000,653		366,901		3,367,554	10,286,783		1,227,797		11,514,580
Plan fiduciary net position - beginning	_	89,834,842		12,064,844		101,899,686	 75,725,294		10,169,928		85,895,222	 78,725,947		10,536,829		89,262,776
Plan fiduciary net position - ending (b)	\$	75,725,294	\$	10,169,928	\$	85,895,222	\$ 78,725,947	\$	10,536,829	\$	89,262,776	\$ 89,012,730	\$	11,764,626	\$	100,777,356
Employer's net pension liability - ending (a) - (b)	\$	11,368,286	\$	1,526,764	\$	12,895,050	\$ 10,802,554	\$	1,320,867	\$	12,123,421	\$ 1,068,344	\$	127,514	\$	1,195,858
Plan fiduciary net position as a percentage of the total pension liability						86.95%					88.04%					98.83%
Covered payroll					\$	13,391,112				\$	13,135,941				\$	13,224,884
oovered payroli					ψ	13,331,112				Ψ	13,133,341				Ψ	13,224,004
Employer's net pension liability as a percentage of covered payroll						96.30%					92.29%					9.04%

Notes to Schedule:

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

Illinois Municipal Retirement Fund

Schedule of Changes in the City's Net Pension Liability and Related Ratios Past Seven Fiscal Years

		2019				2020					
	 City	Library		Total	 City	Library	Total	 City	Library	Total	_
Total pension liability											
Service cost	\$ 1,162,585		26 \$	1,282,911	\$ 1,244,941	\$ 134,702		1,268,902	131,502		
Interest on total pension liability	6,788,684	702,6	16	7,491,300	6,990,156	756,331	7,746,487	7,326,612	759,293	8,085,905	<i>i</i> .
Differences between expected and											
actual experience of the total pension liability	819,901	84,8		904,759	1,465,195	158,533	1,623,728	(786,697)	(81,529)	(868,226	'
Changes of assumptions	2,657,676	258,1	23	2,915,799	(58,022)	58,022	-	(783,863)	(103,244)	(887,107)
Transfer of liability	-	-		-	-	-	-	-	-	-	
Benefit payments, including refunds of member contributions	(4.040.440)	(540.0	0.4)	(5 404 004)	(5 004 007)	(575 700)	(5,000,750)	(5.070.500)	(507.070)	(0.000,400	
	 (4,949,110)	(512,2		(5,461,334)	 (5,321,027)	 (575,732)	(5,896,759)	 (5,672,563)	(587,876)	(6,260,439	-
Net change in total pension liability	6,479,736	653,6	99	7,133,435	4,321,243	531,856	4,853,099	1,352,391	118,146	1,470,537	
Total pension liability - beginning	 90,081,074	11,892,1	40	101,973,214	 96,560,810	 12,545,839	109,106,649	 100,882,053	13,077,695	113,959,748	}
Total pension liability - ending (a)	\$ 96,560,810	\$ 12,545,8	39 \$	109,106,649	\$ 100,882,053	\$ 13,077,695	113,959,748	\$ 102,234,444	\$ 13,195,841	115,430,285	ć
Plan fiduciary net position											-
Employer contributions	\$ 1,535,144	\$ 158,8	85 \$	1,694,029	\$ 1,224,123	\$ 132,449	1,356,572	1,525,544	158,100	1,683,644	ł
Employee contributions	557,075	57,6	56	614,731	575,110	62,227	637,337	610,488	63,268	673,756	;
Net investment income	(5,144,778)	(532,4	75)	(5,677,253)	16,063,705	1,738,084	17,801,789	14,246,702	1,476,456	15,723,158	3
Benefit payments, including refunds of member											
contributions	(4,949,110)	(512,2	24)	(5,461,334)	(5,321,027)	(575,732)	(5,896,759)	(5,672,563)	(587,876)	(6,260,439	/
Other (net transfer)	 1,872,470	193,7	97	2,066,267	 635,098	 68,717	703,815	 (182,338)	(18,898)	(201,236	<u>;)</u>
Net change in plan fiduciary net position	(6,129,199)	(634,3	61)	(6,763,560)	13,177,009	1,425,745	14,602,754	 10,527,833	1,091,050	11,618,883	;
Plan fiduciary net position - beginning	 89,012,730	11,764,6	26	100,777,356	 82,883,531	 11,130,265	94,013,796	 96,060,540	12,556,010	108,616,550)
Plan fiduciary net position - ending (b)	\$ 82,883,531	\$ 11,130,2	65 \$	94,013,796	\$ 96,060,540	\$ 12,556,010	108,616,550	\$ 106,588,373	\$ 13,647,060	120,235,433	3
Employer's net pension liability - ending (a) - (b)	\$ 13,677,279	<u>\$ 1,415,5</u>	<u>74</u> \$	15,092,853	\$ 4,821,513	\$ 521,685	5,343,198	\$ (4,353,929)	\$ <u>(451,219)</u>	(4,805,148	3)
Plan fiduciary net position as a percentage of the total pension liability				86.17%			95.31%			104.16%	6
Covered payroll			\$	13,522,211		S	14,163,049			14,122,896	;
Employer's net pension liability as a percentage of covered payroll				111.62%			37.73%			-34.02%	6
Notos ta Sahadula											

Notes to Schedule:

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

Illinois Municipal Retirement Fund

Schedule of Changes in the City's Net Pension Liability and Related Ratios Past Seven Fiscal Years

		2022	
	 City	Library	Total
Total pension liability			
Service cost	\$ 1,192,260	\$ 119,044	\$ 1,311,304
Interest on total pension liability	7,443,020	743,169	8,186,189
Differences between expected and			
actual experience of the total pension liability	2,050,858	204,773	2,255,631
Changes of assumptions	(14,992)	14,992	-
Transfer of liability	-	-	-
Benefit payments, including refunds of member			
contributions	(5,769,875)	(576,108)	(6,345,983)
Net change in total pension liability	 4,901,272	 505,869	5,407,141
Total pension liability - beginning	 102,234,444	 13,195,841	 115,430,285
Total pension liability - ending (a)	\$ 107,135,715	\$ 13,701,711	\$ 120,837,426
Plan fiduciary net position			
Employer contributions	\$ 1,553,376	\$ 155,101	\$ 1,708,477
Employee contributions	645,521	64,454	709,975
Net investment income	18,659,240	1,863,080	20,522,320
Benefit payments, including refunds of member			
contributions	(5,769,875)	(576,108)	(6,345,983)
Other (net transfer)	260,999	26,060	287,059
Net change in plan fiduciary net position	 15,349,261	 1,532,587	 16,881,848
Plan fiduciary net position - beginning	 106,588,373	 13,647,060	 120,235,433
Plan fiduciary net position - ending (b)	\$ 121,937,634	\$ 15,179,647	\$ 137,117,281
Employer's net pension liability - ending (a) - (b)	\$ (14,801,919)	\$ (1,477,936)	\$ (16,279,855)
Plan fiduciary net position as a percentage of the total pension liability			113.47%
Covered payroll			14,653,276
Employer's net pension liability as a percentage of covered payroll			-111.10%

Notes to Schedule:

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

Illinois Municipal Retirement Fund

Schedule of Employer Contributions

Past Seven.Fiscal Years

		2022			2021				
	City	Library	Total	City	Library	Total	City	Library	Total
Actuarially determined contribution Contributions in relation to the actuarially determined contribution	\$ 1,553,462 (1,553,376)	155,110 (155,101)	\$ 1,708,572 (1,708,477)	\$ 1,525,367 (1,525,544)	(158,100)	\$ 1,683,449 (1,683,644)	\$ 1,217,957 (1,224,123)	\$ 131,782 (132,449)	\$ 1,349,739 (1,356,572)
Contribution deficiency (excess)	\$ 86	\$ 9	<u>\$ 95</u>	\$ (177)	\$ (18)	<u>\$ (195)</u>	\$ (6,166)	\$ (667)	\$ (6,833)
Covered payroll			14,880,617			15,519,529			\$ 14,612,252
Contributions as a percentage of covered payroll			11.48%			10.85%			9.28%
		2019			2018			2017	
	City	Library	Total	City	Library	Total	City	Library	Total
Actuarially determined contribution Contributions in relation to the actuarially determined contribution Contribution deficiency (excess)	\$ 1,514,588 (1,535,144) \$ (20,556)	\$ 156,757 (158,885) \$ (2,128)	\$ 1,671,345 (1,694,029) \$ (22,684)	\$ 1,447,303 (1,485,109) \$ (37,806)	(177,258)	\$ 1,620,048 (1,662,367) \$ (42,319)	\$ 1,454,901 (1,494,964) \$ (40,063)	\$ 177,896 (182,795) \$ (4,899)	\$ 1,632,797 (1,677,759) <u>\$ (44,962)</u>
Covered payroll			\$ 14,446,880			\$ 13,247,776			\$ 13,135,941
Contributions as a percentage of covered payroll			11.73%			12.55%			12.77%
Notes to Schedule: The City implemented GASB Statement No. 68 in fiscal year 2016. Information prior to f	scal year 2016 is no	t available.						2016	
Valuation date: Actuarially determined contribution rates are calculated as of December 31 each year, w beginning of the fiscal year in which contributions are reported.	hich are 6 months p	rior to the					City \$ 1,741,632 (1,757,095) \$ (15,463)	Library \$ 233,902 (235,978) \$ (2,076)	Total \$ 1,975,534 (1,993,073) \$ (17,539)
Methods and assumptions used to determine contribution rates:									\$ 13,391,112
Actuarial cost method Aggregate Entry age normal Amortization method Level percentage of payroll, clos Remaining amortization period 22 years Asset valuation method 5-Year Smoothed Fair Value, 20 Inflation 2.50% Salary increases 3.35% to 14.25%, including inflat Investment rate of return 7.25% Retirement Age Experience-based table of rates Mortality RP-2014 Employee Mortality Tat	% corridor ion that are specific to th								14.88%

Other information:

There were no benefit changes during the year.

Police Pension Fund

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

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

Notes to Schedule:

Changes of assumptions.

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

The Pension implemented GASB Statement No. 67 in fiscal year 2015. Information prior to fiscal year 2015 is not available.

Police Pension Fund

Schedule of Employer Contributions Last Ten Fiscal Years

	2013		 2014	 2015	2016		
Actuarially determined contribution	\$	1,375,906	\$ 1,384,307	\$ 1,508,450	\$	1,810,315	
Contributions in relation to the actuarially determined contribution Contribution deficiency (excess)	\$	1,502,075 (126,169)	\$ 1,563,964 (179,657)	\$ 1,706,203 (197,753)	\$	1,806,270 4,045	
Covered payroll	\$	3,170,518	\$ 3,518,797	\$ 3,590,934	\$	3,759,611	
Contributions as a percentage of covered payroll		47.38%	44.45%	47.51%		48.04%	

Notes to Schedule:

The Pension implemented GASB Statement No. 67 in fiscal year 2015. Information prior to fiscal year 2015 is derived from actuarial valuations developed in conformity with GASB Statement No. 25 and 27.

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

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry-age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	26 years (as of 5/1/2015 valuation); 23 years (as of 5/1/2016 valuation); 22 years (as of 5/1/2019 valuation); 21 years (as of 5/1/2020 valuation)
Asset valuation method	Investment gains and losses are smoothed over a 5-year period
Inflation	2.50%
Salary increases	Varies by service
Investment rate of return	6.50%, net of pension plan investment expense
Retirement age	50-70
Mortality	PubS-2010 Employee mortality, projected 5 years past the valuation date with Scale MP-2019.

 2017	 2018	 2019	 2020	 2021	 2022
\$ 1,737,445	\$ 1,832,059	\$ 2,505,888	\$ 2,594,845	\$ 3,090,726	\$ 3,388,076
\$ 1,895,500 (158,055)	\$ 2,094,124 (262,065)	\$ 2,504,581 1,307	\$ 2,589,534 5,311	\$ 3,581,389 (490,663)	\$ 3,379,444 8,632
\$ 3,750,706	\$ 3,800,841	\$ 3,940,419	\$ 4,059,797	\$ 4,077,656	\$ 4,527,537
50.54%	55.10%	63.56%	63.78%	87.83%	74.64%

Police Pension Fund Schedule of Investment Returns Last Eight Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022
Annual money-weighted rate of return, net of investment expense	6.79%	-1.44%	9.67%	7.03%	5.48%	0.59%	25.29%	-1.89%

Notes to Schedule:

The Pension implemented GASB Statement No. 67 in fiscal year 2015. Information prior to fiscal year 2015 is not available.

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

		2015		2016		2017		2018		2019		2020		2021		2022
Total pension liability																
Service cost	\$	912.154	\$	926,420	¢	860.148	\$	854,245	¢	891.741	\$	876,151	¢	1.017.451	\$	1,006,247
Interest on total pension liability	Ψ	2,754,242	Ψ	3,072,945	Ψ	3,190,325	Ψ	3,425,477	Ψ	3,564,977	Ψ	3,779,365	Ψ	3,912,242	Ψ	4,107,962
Changes in benefit terms		-		-		-		-		-		172,556		-		
Differences between expected and actual experience												112,000				
actual experience of the total pension liability		(213,530)		(186,474)		227,730		176,286		166,664		134,069		1,089,198		150,101
Changes of assumptions		2,024,054		-		1,401,097		-		3,101,793		1,900,513		-		680,212
Benefit payments, including refunds of member contributions		(1,769,849)		(1,931,047)		(2,208,471)		(2,419,682)		(2,581,621)		(2,712,864)		(2,899,533)		(3,093,703)
Net change in total pension liability		3,707,071		1,881,844		3,470,829		2,036,326		5,143,554		4,149,790		3,119,358		2,850,819
Net change in total pension hability		3,707,071		1,001,044		3,470,029		2,030,320		5,145,554		4,149,790		3,119,330		2,030,019
Total pension liability - beginning		40,231,243		43,938,314		45,820,158		49,290,987		51,327,313		56,470,867		60,620,657		63,740,015
Total pension liability - ending (a)	\$	43,938,314	\$	45,820,158	\$	49,290,987	\$	51,327,313	\$	56,470,867	\$	60,620,657	\$	63,740,015	\$	66,590,834
											_					
Plan fiduciary net position																
Employer contributions	\$	1,168,287	\$	1,216,585	\$	1,211,587	\$	1,308,348	\$	1,719,445	\$	1,822,064	\$	2,567,216	\$	2,398,803
Employee contributions		296,676		297,946		290,383		296,202		311,675		330,725		349,655		343,611
Net investment income		1,871,817		60,335		3,053,497		2,897,100		3,032,134		988,063		10,796,842		(2,576,122)
Miscellaneous revenue		-		100		-		-		-		-		-		-
Benefit payments, including refunds of member contributions		(1,769,849)		(1,931,047)		(2,208,471)		(2,419,682)		(2,581,621)		(2,712,864)		(2,899,533)		(3,093,703)
Administrative expenses		(4,150)		(4,835)		(34,006)		(35,547)		(52,598)		(44,220)	-	(38,657)		(41,385)
Net change in plan fiduciary net position		1,562,781		(360,916)		2,312,990		2,046,421		2,429,035		383,768		10,775,523		(2,968,796)
Plan fiduciary net position - beginning		30,695,209		32,257,990		31,897,074		34,210,064		36,256,485		38,685,520		39,069,288		49,844,811
Plan fiduciary net position - ending (b)	\$	32,257,990	\$	31,897,074	\$	34,210,064	\$	36,256,485	\$	38,685,520	\$	39,069,288	\$	49,844,811	\$	46,876,015
City's net pension liability - ending (a) - (b)	\$	11,680,324	\$	13,923,084	\$	15,080,923	\$	15,070,828	\$	17,785,347	\$	21,551,369	\$	13,895,204	\$	19,714,819
Plan fiduciary net position as a percentage of the total																
pension liability		73.42%		69.61%		69.40%		70.64%		68.51%		64.45%		78.20%		70.39%
Covered payroll	\$	3,111,216	\$	2,924,893	\$	3,071,211	\$	3,237,410	\$	3,338,448	\$	3,440,901	\$	3,527,518	\$	3,523,737
	Ψ	5,111,210	Ψ	2,324,033	Ψ	3,071,211	Ψ	5,257,410	Ψ	3,330,440	Ψ	3,440,301	Ψ	3,327,310	Ψ	5,525,757
City's net pension liability as a percentage of covered																
payroll		375.43%		476.02%		491.04%		465.52%		532.74%		626.33%		393.91%		559.49%

Notes to Schedule:

Changes of assumptions.

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

The Pension implemented GASB Statement No. 67 in fiscal year 2015. Information prior to fiscal year 2015 is not available.

Firefighters' Pension Fund Schedule of Employer Contributions

Last Ten Fiscal Years

	2013 2014			 2015	2016		
Actuarially determined contribution	\$	894,551	\$	894,384	\$ 950,325	\$	1,217,702
Contributions in relation to the actuarially determined contribution		1,026,345		1,090,695	 1,168,287		1,216,585
Contribution deficiency (excess)	\$	(131,794)	\$	(196,311)	\$ (217,962)	\$	1,117
Covered payroll	\$	3,049,732	\$	3,004,889	\$ 3,111,216	\$	2,924,893
Contributions as a percentage of covered payroll		33.65%		36.30%	37.55%		41.59%

Notes to Schedule:

The Pension implemented GASB Statement No. 67 in fiscal year 2015. Information prior to fiscal year 2015 is derived from actuarial valuations developed in conformity with GASB Statement No. 25 and 27.

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

Methods and assumptions used to determine contribution rates: Actuarial cost method Entry-age normal Amortization method Level percentage of payroll, closed 19 years (as of 05/01/2015 valuation), 23 years (as of the 05/01/2016 valuation), and 22 years Remaining amortization period (as of the 05/01/2019 valuation); 21 years (as of 5/1/2020 valuation) Asset valuation method 5-year average fair value Salary increases 5.90% Investment rate of return 6.50%, net of pension plan investment expense 50-70 Retirement age Mortality PubS-2010 Employee mortality, projected 5 years past the valuation date with Scale MP-2019.

 2017	. <u> </u>	2018	 2019	 2020	 2021	 2022
\$ 1,137,826	\$	1,298,188	\$ 1,721,953	\$ 1,826,568	\$ 2,075,171	\$ 2,406,318
\$ 1,211,587 (73,761)	\$	1,308,348 (10,160)	\$ 1,719,445 2,508	\$ 1,822,064 4,504	\$ 2,567,216 (492,045)	\$ 2,398,803 7,515
\$ 3,071,211	\$	3,237,410	\$ 3,388,448	\$ 3,440,901	\$ 3,527,518	\$ 3,523,737
39.45%		40.41%	50.74%	52.95%	72.78%	68.08%

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

	2015	2016	2017	2018	2019	2020	2021	2022
Annual money-weighted rate of return, net of investment expense	6.48%	0.26%	9.66%	8.65%	8.56%	2.63%	28.13%	-5.19%

Notes to Schedule:

The Pension implemented GASB Statement No. 67 in fiscal year 2015. Information prior to fiscal year 2015 is not available.

City of Lake Forest Other Postemployment Benefits Plan

Schedule of Changes in the City's Total OPEB Liability and Related Ratios Last Four Fiscal Years

	2019		2020			2021				2022					
	 City		Library		City		Library		City		Library		City		Library
Total OPEB liability															
Service cost	\$ 46,323	\$	1,620	\$	49,721	\$	1,718	\$	64,125	\$	2,014	\$	169,870	\$	2,435
Interest	93,093		8,019		89,145		7,379		68,569		4,829		49,206		3,258
Differences between expected and actual experience	-		-		-		-		(473,423)		(19,803)		-		-
Changes of assumptions	32,177		1,221		365,319		6,686		6,339		(3,818)		(170,973)		(3,354)
Benefit payments, including refunds of member contributions	 (157,993)		(16,545)		(171,388)		(19,768)		(183,715)		(23,925)		(169,067)		(32,723)
Net change in total OPEB liability	13,600		(5,685)		332,797		(3,985)		(518,105)		(40,703)		(120,964)		(30,384)
Total OPEB liability - beginning	2,423,911		210,250		2,437,511		204,565		2,770,308		200,580		2,252,203		159,877
Total OPEB liability - ending (a)	\$ 2,437,511	\$	204,565	\$	2,770,308	\$	200,580	\$	2,252,203	\$	159,877	\$	2,131,239	\$	129,493
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%
Covered-employee payroll	\$ 20,233,763	\$	1,467,746	\$	20,794,094	\$	1,382,150	\$	22,059,672	\$	1,458,298	\$	21,774,034	\$	1,380,692
City's total OPEB liability as a percentage of covered-employee payroll	12.05%		13.94%		13.32%		14.51%		10.21%		10.96%		9.79%		9.38%

Notes to Schedule:

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

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

Notes to Required Supplementary Information Year Ended April 30, 2022

Budgetary Information

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

SUPPLEMENTARY INFORMATION

Nonmajor Special Revenue Funds

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

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

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

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

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

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

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

Nonmaior Debt Service Fund

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

Nonmaior Capital Projects Fund

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

Maior Capital Projects Fund

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

Combining Balance Sheet Nonmajor Governmental Funds April 30, 2022

	Special Revenue Funds									
	-	Police stricted		reign Fire urance Tax		Emergency Felephone	-	Parks and ublic Land	Mo	tor Fuel Tax
Assets Cash and cash equivalents Receivables:	\$	117,580	\$	215,927	\$	293,186	\$	2,408,933	\$	2,362,891
Property taxes Other Due from other governments		80		- - -		- 1,023,410 -		- - 139,997		- - 65,015
Total assets	\$	117,660	\$	215,927	\$	1,316,596	\$	2,548,930	\$	2,427,906
Liabilities, Deferred Inflows of Resources and Fund Balances										
Liabilities Accounts payable Accrued liabilities Deposits	\$	- -	\$	- - -	\$	17,305 - -	\$	536 - -	\$	32,160 - -
Unearned revenues								139,997		<u> </u>
Total liabilities						17,305		140,533		32,160
Deferred Inflows of Resources Property taxes levied for a future period						<u> </u>				<u> </u>
Total deferred inflows of resources		<u> </u>								<u> </u>
Fund Balances Restricted for capital projects Restricted for culture and recreation Restricted for highways and		-		-		-		- 2,408,397		-
Restricted for highways and streets Restricted for public safety Restricted for affordable housing Restricted for debt service purposes		- 117,660 -		215,927 - -		- 1,299,291 - -		-		2,395,746 - -
Total fund balances		117,660		215,927		1,299,291		2,408,397		2,395,746
Total liabilities, deferred inflows of resources and fund balances	\$	117,660	\$	215,927	\$	1,316,596	\$	2,548,930	\$	2,427,906

 Special Rev	/enu	e Funds	D	ebt Service Funds	Pro	Capital jects Fund	Та	tal Nanmaiar
Senior esources mmission	Ho	ousing Trust	D	ebt Service		rel/Western levelopment TIF		tal Nonmajor overnmental Funds
\$ 112,475	\$	2,201,485	\$	1,594,462	\$	123,664	\$	9,430,603
- 82,363 -		-		2,062,352 -		-		2,062,352 1,105,853 <u>205,012</u>
\$ 194,838	\$	2,201,485	\$	3,656,814	\$	123,664	\$	12,803,820
\$ 100,704 5,145 - -	\$	- - 18,000 -	\$	- - -	\$	117,665 - -	\$	268,370 5,145 18,000 <u>139,997</u>
 105,849		18,000		<u> </u>		117,665		431,512
 <u> </u>		<u> </u>		2,062,354				2,062,354
 <u> </u>				2,062,354		<u> </u>		2,062,354
-		-		-		5,999		5,999
88,989		-		-		-		2,497,386
- -		- 2,183,485		- -		- -		2,395,746 1,632,878 2,183,485
 				1,594,460				1,594,460
 88,989		2,183,485		1,594,460		5,999		10,309,954
\$ 194,838	\$	2,201,485	\$	3,656,814	\$	123,664	\$	12,803,820

Combining Statement of Revenues, Expenditures and Changes in Fund Balances Nonmajor Governmental Funds Year Ended April 30, 2022

	Special Revenue Funds									
	Police Restricte	d_		reign Fire Isurance Tax	Emer	gency hone	Park	s and c Land	N	lotor Fuel Tax
Revenues										
Taxes:	¢		¢		¢		¢		¢	
Property Other	\$	-	\$	-	\$	-	\$	-	\$	-
Intergovernmental	6	79		-		-		-		1,198,009
Charges for services	29,0	73		151,490	4	29,954		23,635		-
Grants and contributions Investment income	6	- 22		-		-		-		1,344
Miscellaneous revenues	0	<u>-</u>		63	3	2,378 <u>75,501</u>		6,707 -		8,281
		74						20.240		4 007 004
Total revenues	30,3	<u>74</u>		151,553	8	07, <u>833</u>		<u>30,342</u>		1,207,634
Expenditures										
Current:										
General government Culture and recreation		-		-		-	1	- 10,032		-
Public safety		2		- 286,290	2	- 13,286	I	-10,032		-
Capital outlay	30,9	81				80,053		-		156,160
Debt service:										
Principal retirement		-		-		-		-		-
Interest and fiscal charges		_		<u> </u>				-		
Total expenditures	30,9	<u>81</u>		286,290	2	<u>93,339</u>	1	<u>10,032</u>		156,160
Excess (deficiency) of										
revenues over										
expenditures	<u>(</u> 6	<u>07</u>)		<u>(134,737</u>)	5	14,494	(<u>79,690</u>)		1,051,474
Other Financing Sources										
(Uses)							1.0	00 000		
Transfers in Transfers out		-		-		-	1,0	00,000		-
Refunding debt issued		-		-		-		-		-
Premium on debt issued		-		-		-		-		-
Payment to refunded bonds										
escrow agent		-		<u> </u>				-		-
Total other financing										
sources (uses)		-		<u> </u>			1,0	00,000		-
Net change in fund balances	(6	07)		(134,737)	5	14,494	9	20,310		1,051,474
Fund Balances (Deficit), Beginning	118,2	6 <u>7</u>	_	350,664	7	84 <u>,797</u>	1,4	88,087		1,344,272
			¢						¢	
Fund Balances, Ending	<u>\$ 117,6</u>	00	φ	215,927	<u>φ 1,2</u>	99,291	<u>φ</u> 2,4	08,397	φ	2,395,746

Special Rev	enue Funds	Debt Service Funds	Capital Projects Fund	
Senior Resources Commission	Housing Trust	Debt Service	Laurel/Western Redevelopment TIF	Total Nonmajor Governmental Funds
\$ - - - - - - - - - - - - - - - - - - -	\$	\$ 2,095,213 695,377 - - 10,374 - - 2,800,964	\$ 1,290,630 - - - 1,102 - - 1,291,732	\$ 3,385,843 731,377 1,198,688 722,693 237,437 38,099 <u>375,501</u> 6,689,638
- 646,223 - - -	7,413 - - -	1,312 - - 2,009,665	120,205 - - -	128,930 756,255 499,576 267,194 2,009,665
646,223	7,413	<u>957,831</u> <u>2,968,808</u>	120,205	<u>957,831</u> <u>4,619,451</u>
<u>(320,848</u>)	36,418	<u>(167,844</u>)	1,171,527	2,070,187
256,481 - - -	500,000 - - -	361,313 (500,000) 7,590,000 511,784	- (861,313) - -	2,117,794 (1,361,313) 7,590,000 511,784
		<u>(8,101,528</u>)		<u>(8,101,528</u>)
256,481	500,000	(138,431)	<u>(861,313</u>)	756,737
(64,367)	536,418	(306,275)	310,214	2,826,924
153,356	1,647,067	1,900,735	(304,215)	7,483,030
<u>\$ 88,989</u>	<u>\$ 2,183,485</u>	<u>\$ 1,594,460</u>	<u>\$5,999</u>	<u>\$ 10,309,954</u>

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Police Restricted Fund Year Ended April 30, 2022

		Budgetec	l Am	ounts					
	Original		Final		Actual		Variance with Final Budget		
Revenues									
Intergovernmental	\$	4,000	\$	4,000	\$	679	\$	(3,321)	
Charges for services		34,000		34,000		29,073		(4,927)	
Investment income		500		500		622		122	
Total revenues		38,500		38,500		30,374		<u>(8,126</u>)	
Expenditures Current:									
Public safety		91,000		91,000		-		91,000	
Capital outlay		-		-		30,981		(30,981)	
Contingency		9,100		9,100		-		9,100	
Total expenditures		100,100		100,100		30,981		<u>69,119</u>	
Net change in fund balance	\$	<u>(61,600</u>)	\$	<u>(61,600</u>)		(607)	\$	60,993	
Fund Balance, Beginning						118,267			
Fund Balance, Ending					<u>\$</u>	117,660			

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Foreign Fire Insurance Tax Fund Year Ended April 30, 2022

		Budgeted	l Am	ounts					
	Original			Final	Actual		Variance with Final Budget		
Revenues Charges for services Investment income	\$	125,000 500	\$	125,000 <u>500</u>	\$	151,490 <u>63</u>	\$	26,490 <u>(437</u>)	
Total revenues		125,500		125,500		151,553		26,053	
Expenditures Public safety		300,000		300,000		286,290		13,710	
Total expenditures		300,000		300,000		286,290		13,710	
Net change in fund balance	\$	(174,500)	\$	(174,500)		(134,737)	\$	39,763	
Fund Balance, Beginning						350,664			
Fund Balance, Ending					\$	215,927			

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Emergency Telephone Fund Year Ended April 30, 2022

		Budgeted	l Am	ounts				
	Original		Final		Actual			ance with al Budget
Revenues	•	440.000	<u>^</u>	440.000	•	100.054	•	(40.040)
Charges for services Investment income	\$	440,000 3,000	\$	440,000 3,000	\$	429,954 2,378	\$	(10,046)
Miscellaneous revenues		3,000		3,000		2,378 375,501		(622) <u>375,501</u>
						070,001		010,001
Total revenues		443,000		443,000		807,833		364,833
Expenditures Public safety		218,000		218,000		212 296		1 711
Capital outlay		218,000 86,357		86,357		213,286 80,053		4,714 6,304
Contingency		<u>30,436</u>		<u>30,436</u>				<u>30,436</u>
Total expenditures		334,793		334,793		293,339		41,454
Net change in fund balance	\$	108,207	\$	108,207		514,494	\$	406,287
Fund Balance, Beginning						784,797		
Fund Balance, Ending					\$	1,299,291		

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Parks and Public Land Fund Year Ended April 30, 2022

	Budgeted	d Amounts		
	Original	Final	Actual	Variance with Final Budget
Revenues Charges for services Investment income	\$ 31,336 	\$	\$ 23,635 <u> 6,707</u>	\$ (7,701) 4,207
Total revenues	33,836	33,836	30,342	(3,494)
Expenditures Culture and recreation Contingency		400,000 40,000	110,032	289,968 40,000
Total expenditures	<u> </u>	440,000	110,032	329,968
Excess (deficiency) of revenues over (under) expenditures	33,836	(406,164)	(79,690)	326,474
Other Financing Sources (Uses) Transfers in	<u> </u>		1,000,000	1,000,000
Total other financing sources (uses)	<u>-</u>		1,000,000	1,000,000
Net change in fund balance	\$ 33,836	<u>\$ (406,164</u>)	920,310	\$ 1,326,474
Fund Balance, Beginning			1,488,087	
Fund Balance, Ending			<u>\$ 2,408,397</u>	

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Motor Fuel Tax Fund Year Ended April 30, 2022

		Budgeted	d Am	ounts			
	Original		Final		Actual		 iance with al Budget
Revenues Intergovernmental Grants and contributions Investment income	\$	758,271 - 3,000	\$	758,271 - 3,000	\$	1,198,009 1,344 <u>8,281</u>	\$ 439,738 1,344 <u>5,281</u>
Total revenues		761,271		761,271		1,207,634	 446,363
Expenditures Capital outlay Contingency		267,697 26,770		417,697 26,770		156,160 -	 261,537 26,770
Total expenditures		294,467		444,467		156,160	 288,307
Net change in fund balance	\$	466,804	\$	316,804		1,051,474	\$ 734,670
Fund Balance, Beginning						1,344,272	
Fund Balance, Ending					\$	2,395,746	

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Senior Resources Commission Fund

Year Ended April 30, 2022

	 Budgetec	l Am	ounts			
	 Original		Final	Actual		Variance with Final Budget
Revenues Charges for services Grants and contributions Investment income	\$ 143,500 174,325 <u>3,500</u>	\$	143,500 232,475 <u>3,500</u>	\$	88,541 236,093 741	\$ (54,959) 3,618 (2,759)
Total revenues	 321,325		<u>379,475</u>		325,375	<u>(54,100</u>)
Expenditures Culture and recreation Contingency	 603,740 71,700		717,000 71,700		646,223 _	70,777 71,700
Total expenditures	 675,440		788,700		646,223	142,477
Excess (deficiency) of revenues over (under) expenditures	 <u>(354,115</u>)		(409,225)		<u>(320,848</u>)	88,377
Other Financing Sources Transfers in	 282,760		282,760		256,481	(26,279)
Total other financing sources	282,760		282,760		256,481	(26,279)
Net change in fund balance	\$ (71,355)	\$	(126,465)		(64,367)	\$ 62,098
Fund Balance, Beginning					153,356	
Fund Balance, Ending				\$	88,989	

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Housing Trust Fund Year Ended April 30, 2022

	Budgeted	d Amounts		
	Original	Final	Actual	Variance with Final Budget
Revenues				
Other taxes Investment income	\$ 30,000 <u>15,000</u>	\$ 30,000 <u>15,000</u>	\$ 36,000 <u>7,831</u>	\$ 6,000 (7,169)
Total revenues	45,000	45,000	43,831	(1,169)
Expenditures				
General government Contingency	650,000 <u>67,497</u>	674,965 <u>67,497</u>	7,413	667,552 <u>67,497</u>
Total expenditures	717,497	742,462	7,413	735,049
Excess (deficiency) of revenues over (under) expenditures	<u>(672,497</u>)	<u>(697,462</u>)	36,418	733,880
Other Financing Sources Transfers in	<u>-</u>	<u>-</u>	500,000	500,000
Total other financing sources			500,000	500,000
Net change in fund balance	<u>\$ (672,497</u>)	<u>\$ (697,462</u>)	536,418	<u>\$ 1,233,880</u>
Fund Balance, Beginning			1,647,067	
Fund Balance, Ending			<u>\$ 2,183,485</u>	

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Debt Service Fund Year Ended April 30, 2022

	Budgetec	I Amounts			
	Original	Final	Actual	Variance with Final Budget	
Revenues Taxes:					
Property Other taxes Investment income	\$ 2,082,950 530,400 <u>9,900</u>	\$ 2,082,950 530,400 9,900	\$ 2,095,213 695,377 10,374	\$ 12,263 164,977 474	
Total revenues	2,623,250	2,623,250	2,800,964	177,714	
Expenditures Current: General government	3,500	3,500	1,312	2,188	
Debt service: Principal retirement Interest and fiscal charges	2,009,666 957,822	2,009,666 957,822	2,009,665 957,831	1 (9)	
Total expenditures	2,970,988	2,970,988	2,968,808	2,180	
Excess (deficiency) of revenues over (under) expenditures	(347,738)	<u>(347,738</u>)	<u>(167,844</u>)	179,894	
Other Financing Sources (Uses) Transfers in Transfers out Refunding debt issued Premium on debt issued Payment to refunded bonds escrow	361,313 (500,000) - -	361,313 (500,000) - -	361,313 (500,000) 7,590,000 511,784	- 7,590,000 511,784	
agent			(8,101,528)	(8,101,528)	
Total other financing sources (uses)	<u>(138,687</u>)	(138,687)	(138,431)	256	
Net change in fund balance	<u>\$ (486,425</u>)	<u>\$ (486,425</u>)	(306,275)	<u>\$ 180,150</u>	
Fund Balance, Beginning			1,900,735		
Fund Balance, Ending			<u>\$ 1,594,460</u>		

Schedule of Revenues, Expenditures and Changes

in Fund Balance - Budget and Actual - Laurel/Western Redevelopment TIF Fund Year Ended April 30, 2022

	Budo	eted Amounts		
	Origina	Final	Actual	Variance with Final Budget
Revenues Property taxes Investment income	\$ 1,190,	000 \$ 1,190,000 	\$ 1,290,630 1,102	\$ 100,630 1,102
Total revenues	1,190,	000 1,190,000	1,291,732	101,732
Expenditures General government Capital outlay Contingency	490, 100, 95,	,	120,205 - 	370,295 100,000 <u>95,182</u>
Total expenditures	685,	685,682	120,205	565,477
Excess (deficiency) of revenues over (under) expenditures	504,	318504,318	1,171,527	667,209
Other Financing Sources (Uses) Transfers out	<u>(361,</u>	<u>315) (361,315)</u>	(861,313)	(499,998)
Total other financing sources (uses)	(361,	315) (361,315)	(861,313)	(499,998)
Net change in fund balance	<u>\$ 143,</u>	<u>003</u> <u>\$ 143,003</u>	310,214	<u>\$ 167,211</u>
Fund Balance (Deficit), Beginning			(304,215)	
Fund Balance, Ending			<u>\$5,999</u>	

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Capital Improvements Fund Year Ended April 30, 2022

	Budgeted Amounts							
	(Original	Final		Actual		Variance with Final Budget	
Revenues Taxes								
Property Other taxes Charges for services Grants and contributions Investment income Miscellaneous	\$	1,551,489 1,960,400 102,760 77,962 26,969 5,000	\$	1,551,489 1,960,400 102,760 269,152 26,969 5,000	\$	1,543,453 3,788,550 198,013 62,411 87,418 <u>960</u>	\$	(8,036) 1,828,150 95,253 (206,741) 60,449 (4,040)
Total revenues		3,724,580		3,915,770		5,680,805		1,765,035
Expenditures Current:								
General government Highways and streets Sanitation Culture and recreation		394,500 1,500,000 28,000		597,960 1,515,226 60,999 -		535,401 1,141,352 10,423 4,911		62,559 373,874 50,576 (4,911)
Capital outlay Contingency		7,483,952 1,007,042		7,833,784 1,007,042		2,488,782		5,345,002 1,007,042
Total expenditures		<u>10,413,494</u>		11,015,011		4,180,869		6,834,142
Excess (deficiency) of revenues over (under) expenditures		<u>(6,688,914</u>)		(7,099,241)		1,499,936		8,599,177
Other Financing Sources (Uses) Transfers in Proceeds from capital asset sales		750,000 20,000		750,000 20,000		4,650,000		3,900,000 (20,000)
Total other financing sources (uses)		770,000		770,000		4,650,000		3,880,000
Net change in fund balance	\$	(5,918,914)	\$	(6,329,241)		6,149,936	\$	12,479,177
Fund Balance, Beginning						16,190,839		
Fund Balance, Ending					\$	22,340,775		

Major Enterprise Fund

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

Nonmaior Enterprise Fund

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

Schedule of Revenues, Expenses and Nonoperating Revenues (Expenses) - Budget and Actual (Budgetary Basis) - Waterworks and Sewerage Fund

	Budgetec	I Amounts			
	Original	Final	Actual	Variance with Final Budget	
Operating Revenues Charges for services Connection fees Miscellaneous	\$ 8,557,368 95,000 7,927	\$ 8,557,368 95,000 <u> </u>	\$ 9,845,800 219,227 <u> </u>	\$ 1,288,432 124,227 <u>(3,351)</u>	
Total operating revenues	8,660,295	8,660,295	10,069,603	1,409,308	
Operating Expenses General and administrative Operations and maintenance Contingency	2,593,871 3,204,122 <u>975,479</u>	2,593,871 3,564,122 <u>975,479</u>	1,771,706 2,402,363	822,165 1,161,759 <u>975,479</u>	
Total operating expenses	6,773,472	7,133,472	4,174,069	2,959,403	
Nonoperating Revenues (Expenses) Investment income Principal retirement Interest expense Paying agent fees	37,100 (1,782,347) (513,448) (1,000)	37,100 (1,782,347) (513,448) (1,000)	54,316 (1,782,347) (305,982) <u>(905)</u>	17,216 - 207,466 <u>95</u>	
Total nonoperating revenues (expenses)	(2,259,695)	(2,259,695)	(2,034,918)	224,777	
Contribution and Transfers Transfers in	<u> </u>		2,500	2,500	
Net contribution and transfers		<u>-</u>	2,500	2,500	

Schedule of Revenues, Expenses and Nonoperating Revenues (Expenses) - Budget and Actual (Budgetary Basis) - Deerpath Golf Course Fund

	Budgeted	d Amounts			
	Original	Final	Actual	Variance with Final Budget	
Operating Revenues Charges for services Miscellaneous	\$ 1,631,291 5,033	\$ 1,631,291 5,033_	\$ 1,822,996 1,688_	\$ 191,705 (3,345)	
Total operating revenues	1,636,324	1,636,324	1,824,684	188,360	
Operating Expenses General and administrative Operations and maintenance Contingency	716,620 1,634,646 245,465	716,620 1,634,646 245,465	694,959 1,169,159 -	21,661 465,487 245,465	
Total operating expenses	2,596,731	2,596,731	1,864,118	732,613	
Nonoperating Revenues (Expenses) Investment income Principal retirement Interest expense Paying agent fees Other	(89,600) (13,285) (500)	(89,600) (13,285) (500)	2,441 (89,600) (3,729) (8) 4,137	2,441 - 9,556 492 4,137	
Total nonoperating revenues (expenses)	(103,385)	(103,385)	(86,759)	16,626	
Contribution and Transfers Captial contributions Transfers in	693,083 50,000	693,083 50,000	554,466 50,000	(138,617)	
Net contribution and transfers	743,083	743,083	604,466	(138,617)	

Internal Service Funds

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

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

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

Combining Statement of Net Position Internal Service Funds April 30, 2022

		Fleet	Se	f Insurance		Liability Insurance		Total
Assets								
Current assets:	•	500 077	•	F F00 000	•	0 000 500	•	0.005.007
Cash and cash equivalents Receivables:	\$	580,977	\$	5,563,828	\$	2,060,532	\$	8,205,337
Other		5,940		30,584		5,700,916		5,737,440
Inventories		498,271		-		-		498,271
Prepaid items				-		748,187		748,187
Total current assets		1,085,188		5,594,412		8,509,635		15,189,235
Noncurrent assets:								
Net pension asset		623,708		-		-		623,708
Capital assets (net of accumulated depreciation):		49.047						40.047
Property and equipment Accumulated depreciation		48,047 (48,047)		-		-		48,047 (48,047)
		<u>(10,011</u>)						<u>(10,011</u>)
Total noncurrent assets		623,708		<u> </u>				623,708
Total assets		1,708,896		5,594,412		8,509,635		15,812,943
Deferred Outflows of Resources								
Deferred outflows related to pensions		77,171		-		-		77,171
Deferred outflows related to total OPEB liability		7,972		-				7,972
Total deferred outflows of resources		85,143						85,143
Liabilities								
Current liabilities:								
Accounts payable		24,515		778,899		120,162		923,576
Accrued liabilities		11,143		<u>839,378</u>		95,227		945,748
Total current liabilities		35,658		1,618,277		215,389		1,869,324
Noncurrent liabilities:								
Compensated absences		35,186		-		-		35,186
Total OPEB liability		58,091		-		<u> </u>		58,091
Total noncurrent liabilities		93,277		<u> </u>				93,277
Total liabilities		128,935		1,618,277		215,389		1,962,601
Deferred Inflows of Resources								
Deferred inflows related to pensions		642,948		-		-		642,948
Deferred inflows related to total OPEB liability		14,876				-		14,876
Total deferred inflows of resources		657,824		<u> </u>		<u> </u>		657,824
Net Position								
Restricted for:								
Employee retirement		623,708		-		-		623,708
Unrestricted		383,572		3,976,135		8,294,246		12,653,953
Total net position	\$	1,007,280	\$	3,976,135	\$	8,294,246	\$	13,277,661

Combining Statement of Revenues, Expenses and Changes in Fund Net Position Internal Service Funds Year Ended April 30, 2022

	Fleet	Self Insurance	Liability Insurance	Totals
Operating Revenues Charges for services	<u>\$ 1,877,530</u>	<u>\$ 5,514,731</u>	<u>\$ 2,595,333</u>	<u>\$ 9,987,594</u>
Total operating revenues	1,877,530	5,514,731	2,595,333	9,987,594
Operating Expenses General and administrative	1,720,475	6,475,190	1,165,352	9,361,017
Total operating expenses	1,720,475	6,475,190	1,165,352	9,361,017
Operating income	157,055	(960,459)	1,429,981	626,577
Nonoperating Revenues Investment income	3,337	21,627	10,671	35,635
Total nonoperating revenues	3,337	21,627	10,671	35,635
Income before transfers	160,392	<u>(938,832</u>)	1,440,652	662,212
Transfers Transfers in	<u> </u>	650,000	<u>-</u>	650,000
Total transfers		650,000		650,000
Change in net position	160,392	(288,832)	1,440,652	1,312,212
Net Position, Beginning	846,888	4,264,967	6,853,594	11,965,449
Net Position, Ending	<u>\$ 1,007,280</u>	<u>\$ 3,976,135</u>	<u>\$ 8,294,246</u>	<u>\$ 13,277,661</u>

Combining Statement of Cash Flows Internal Service Funds Year Ended April 30, 2022

	 Fleet	 Self Insurance	 Liability Insurance	 Total
Cash Flows From Operating Activities Received from customers Paid to suppliers for goods and services Paid to employees for services	\$ 1,871,590 (1,204,616) (823,431)	\$ 5,512,157 (6,501,014) -	\$ 1,327,356 (1,291,597) -	\$ 8,711,103 (8,997,227) (823,431)
Net cash flows from operating activities	 (156,457)	 (988,857)	 35,759	 (1,109,555)
Cash Flows From Investing Activities Investment income	 3,337	 21,627	 10,671	 35,635
Net cash flows from investing activities	 3,337	 21,627	 10,671	 35,635
Cash Flows From Noncapital Financing Activities Transfers from (to) other funds	-	<u>650,000</u>	_	<u>650,000</u>
Net cash flows from noncapital financing activities	 	 650,000	 	 650,000
Net change in cash and cash equivalents	(153,120)	(317,230)	46,430	(423,920)
Cash and Cash Equivalents, Beginning	 734,097	 <u>5,881,058</u>	 2,014,102	 8,629,257
Cash and Cash Equivalents, Ending	\$ 580,977	\$ 5,563,828	\$ 2,060,532	\$ 8,205,337
Reconciliation of Operating Income to Net Cash Flows From Operating Activities Operating income Changes in assets and liabilities:	\$ 157,055	\$ (960,459)	\$ 1,429,981	\$ 626,577
Accounts receivable Inventories Prepaid items Net pension asset	(5,940) (82,392) - (441,796)	(2,574)	(1,267,977) - (123,910)	(1,276,491) (82,392) (123,910) (441,796)
Deferred outflows related to pensions Accounts payable Accrued liabilities	(24,671) 12,415 289	- (88,821) 62,997	- 12,745 (15,080)	(24,671) (63,661) 48,206
Deferred inflows related to pensions Compensated absences Deferred outflows related to total OPEB liability	231,345 (3,152) 1,048	-	-	231,345 (3,152) 1,048
Deferred inflows related to total OPEB liability Total OPEB liability	 3,034 <u>(3,692</u>)	 -	 -	 3,034 <u>(3,692</u>)
Net cash flows from operating activities	\$ (156,457)	\$ (988,857)	\$ 35,759	\$ (1,109,555)

Schedule of Revenues, Expenses and Nonoperating Revenues - Budget and Actual (Budgetary Basis) Fleet Fund

	Budgeted	I Amounts			
	Original	Final	Actual	Variance with Final Budget	
Operating Revenues Charges for services	<u>\$ 1,868,437</u>	<u>\$ 1,868,437</u>	<u>\$ 1,877,530</u>	<u>\$ </u>	
Total operating revenues	1,868,437	1,868,437	1,877,530	9,093	
Operating Expenses General and administrative Contingency Total operating expenses	1,967,728 196,773 2,164,501	1,967,728 <u>196,773</u> 2,164,501	1,720,475	247,253 <u>196,773</u> 444,026	
Nonoperating Revenues Investment income	3,200	3,200	3,337	137_	
Total nonoperating revenues	3,200	3,200	3,337	137	
Net income	(292,864)	(292,864)	160,392	453,256	
Change in net position	<u>\$ (292,864)</u>	<u>\$ (292,864)</u>	160,392	\$ 453,256	
Net Position, Beginning			846,888		
Net Position, Ending			\$ 1,007,280		

Schedule of Revenues, Expenses and Nonoperating Revenues - Budget and Actual (Budgetary Basis) Self Insurance Fund

	Budgeted	I Amounts			
	Original	Final	Actual	Variance with Final Budget	
Operating Revenues Charges for services	<u>\$ 5,611,500 </u>	<u>\$ 5,611,500 </u>	<u>\$ 5,514,731 </u>	<u>\$ (96,769)</u>	
Total operating revenues	5,611,500	5,611,500	5,514,731	(96,769)	
Operating Expenses General and administrative Contingency	5,789,000 578,900	5,789,000 <u>578,900</u>	6,475,190	(686,190) <u>578,900</u>	
Total operating expenses	6,367,900	6,367,900	6,475,190	(107,290)	
Nonoperating Revenues Investment income	40,000	40,000	21,627	(18,373)	
Total nonoperating revenues	40,000	40,000	21,627	(18,373)	
Net loss	(716,400)	(716,400)	(938,832)	(222,432)	
Contribution and Transfers Transfers in			650,000	650,000	
Net contribution and transfers			650,000	650,000	
Change in net position	<u>\$ (716,400)</u>	<u>\$ (716,400)</u>	(288,832)	<u>\$ 427,568</u>	
Net Position, Beginning			4,264,967		
Net Position, Ending			\$ 3,976,135		

City of Lake Forest Schedule of Revenues, Expenses and Nonoperating Revenues - Budget and Actual (Budgetary Basis) Liability Insurance Fund

	Budgetec	Amounts			
	Original	Final	Actual	Variance with Final Budget	
Operating Revenues Charges for services	<u>\$ 1,327,348</u>	<u>\$ 1,327,348</u>	<u>\$ 2,595,333 </u>	<u>\$ 1,267,985</u>	
Total operating revenues	1,327,348	1,327,348	2,595,333	1,267,985	
Operating Expenses General and administrative Contingency Total operating expenses	1,250,000 125,000 1,375,000	1,250,000 <u>125,000</u> 1,375,000	1,165,352 1,165,352	84,648 25,000_ 209,648_	
Nonoperating Revenues Investment income	10,000	10,000	10,671	671	
Total nonoperating revenues	10,000	10,000	10,671	671_	
Change in net position	<u>\$ (37,652)</u>	<u>\$ (37,652)</u>	1,440,652	<u>\$ 1,478,304</u>	
Net Position, Beginning			6,853,594		
Net Position, Ending			\$ 8,294,246		

Pension Trust Funds

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

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

Private Purpose Trust Fund

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

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Combining Statement of Fiduciary Net Position Pension Trust Funds April 30, 2022

	Police Pension	Firefighters' Pension	Total
Assets			
Cash	\$ 413,924	\$ 548,543	\$ 962,467
Money markets	242,727	-	242,727
Investments:			
U.S. Treasury obligations	7,961,878	-	7,961,878
Municipal/corporate bonds	5,822,089	-	5,822,089
Mutual funds	22,987,786	-	22,987,786
Real estate investment fund	5,072,527	-	5,072,527
Firefighters pension investment fund	-	46,304,968	46,304,968
Receivables	74,197	-	74,197
Prepaid items	7,630	4,338	11,968
Due from primary government	47,235	26,841	74,076
Total assets	42,629,993	46,884,690	89,514,683
Liabilities			
Accounts payable	18,119	8,675	26,794
Total liabilities	18,119	8,675	26,794
Net Position			
Restricted for pension benefits	<u>\$ 42,611,874</u>	<u>\$ 46,876,015</u>	<u>\$ 89,487,889</u>

Combining Statement of Changes in Fiduciary Net Position Pension Trust Funds Year Ended April 30, 2022

	Police Pension	Firefighters' Pension	Total	
Additions Contributions: Employer Employee	\$ 3,379,444 474,817	\$ 2,398,803 343,611	\$ 5,778,247 818,428	
Total contributions	3,854,261	2,742,414	6,596,675	
Investment income: Interest Net appreciation (depreciation) in fair value of investments	706,565 <u>(1,500,952</u>)	472,431 (2,989,435)	1,178,996 (4,490,387)	
Total Investment income (loss)	(794,387)	(2,517,004)	(3,311,391)	
Less investment expense	(88,811)	(56,685)	(145,496)	
Net investment income	<u>(883,198</u>)	<u>(2,573,689</u>)	(3,456,887)	
Miscellaneous	100		100	
Total additions	2,971,163	168,725	3,139,888	
Deductions Pension benefits and refunds Other administrative expenses	3,499,389 59,832	3,093,703 <u>43,818</u>	6,593,092 103,650	
Total deductions	3,559,221	3,137,521	6,696,742	
Change in net position	(588,058)	(2,968,796)	(3,556,854)	
Net Position, Beginning	43,199,932	49,844,811	93,044,743	
Net Position, Ending	<u>\$ 42,611,874</u>	<u>\$ 46,876,015</u>	<u>\$ 89,487,889</u>	

Schedule of Changes in Fiduciary Net Position - Budget and Actual Police Pension Fund Year Ended April 30, 2022

	Budgeted Amounts						
		Original		Final	 Actual	Variance with Final Budget	
Additions							
Contributions:							
Employer	\$	3,388,076	\$	3,388,076	\$ 3,379,444		
Employee		402,326		402,326	 474,817	72,491	
Total contributions		3,790,402		3,790,402	 3,854,261	63,859	
Investment income:							
Interest		615,000		615,000	706,565	91,565	
Net appreciation (depreciation) in fair		,		,	,		
value of investments		2,050,379		2,050,379	 <u>(1,500,952</u>)	<u>(3,551,331)</u>	
					<i>.</i>		
Total investment income		2,665,379		2,665,379	(794,387)	(3,459,766)	
Less investment expense		(150,000)		(150,000)	 (88,811)	61,189	
Net investment income		2,515,379		2,515,379	(883,198)	(3,398,577)	
Miscellaneous					 100	100	
Total additions		6,305,781		6,305,781	 2,971,163	(3,334,618)	
Deductions							
Pension benefits and refunds		3,125,000		3,125,000	3,499,389	(374,389)	
Other administrative expenses		70,335		70,335	59,832	10,503	
Contingency		334,534		334,534	 , 	334,534	
Total deductions		3,529,869		3,529,869	 3,559,221	(29,352)	
Change in net position	\$	2,775,912	\$	2,775,912	(588,058)	<u>\$ (3,363,970</u>)	
Net Position, Beginning					 43,199,932		
Net Position, Ending					\$ 42,611,874		

Schedule of Changes in Fiduciary Net Position - Budget and Actual Firefighters' Pension Fund Year Ended April 30, 2022

	Budgeted Amounts							
		Original		Final		Actual	Variance with Final Budget	
Additions Contributions:								
Employer Employee	\$	2,406,318 <u>325,337</u>	\$	2,406,318 <u>325,337</u>	\$	2,398,803 343,611	\$ (7,515) <u>18,274</u>	
Total contributions		2,731,655		2,731,655		2,742,414	10,759	
Investment income: Interest Net appreciation (depreciation) in fair		768,000		768,000		472,431	(295,569)	
value of investments		2,332,973		2,332,973		(2,989,435)	(5,322,408)	
Total investment income		3,100,973		3,100,973		(2,517,004)	(5,617,977)	
Less Investment expense		(80,000)		(80,000)		(56,685)	23,315	
Net investment income		3,020,973		3,020,973		(2,573,689)	(5,594,662)	
Total additions		5,752,628		5,752,628		168,725	(5,583,903)	
Deductions Pension benefits and refunds Other administrative expenses Contingency		3,004,000 65,335 314,934		3,004,000 65,335 <u>314,934</u>		3,093,703 43,818 -	(89,703) 21,517 <u>314,934</u>	
Total deductions		3,384,269		3,384,269		3,137,521	246,748	
Change in net position	\$	2,368,359	\$	2,368,359		(2,968,796)	<u>\$ (5,337,155</u>)	
Net Position, Beginning						49,844,811		
Net Position, Ending					\$	46,876,015		

Discretely Presented Component Unit

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

City of Lake Forest Discretely Presented Component Unit - Lake Forest Library Statement of Net Position and General Fund Balance Sheet April 30, 2022

	General Fund	Adjustments	Statement of Net Position	
Assets and Deferred Outflows of Resources				
Assets				
Cash and cash equivalents	\$ 7,193,111	\$-	\$ 7,193,111	
Receivables (net of allowance for uncollectibles)	÷ ,,	·	¥))	
Property taxes	4,417,017	-	4,417,017	
Other taxes	24,562	-	24,562	
Net pension asset	-	1,477,936	1,477,936	
Capital assets		000 500	000 500	
Capital assets not depreciated Capital assets depreciated, net of	-	238,500	238,500	
accumulated depreciation	-	2,311,482	2,311,482	
Total assets	11,634,690	4,027,918	15,662,608	
Deferred outflows of Resources				
Deferred outflows related to pensions	-	202,218	202,218	
Deferred outflows related to total OPEB liability		5,301	5,301	
Total deferred outflows of resources		207,519	207,519	
Total assets and deferred outflows of				
resources	<u>\$ 11,634,690</u>	\$ 4,235,437	\$ 15,870,127	
Liabilities, Deferred Inflows of Resources and Fund Balance/Net Position				
Liabilities				
Accounts payable	\$ 85,718	\$-	\$ 85,718	
Accrued liabilities	60,348	-	60,348	
Long-term obligations Due within one year	_	18,309	18,309	
Due in more than one year	-	223,520	223,520	
Total liabilities	146,066	241,829	387,895	
Deferred Inflows of Resources				
Property taxes levied for future periods	4,417,017	-	4,417,017	
Deferred inflows related to pensions	.,,	1,523,526	1,523,526	
Deferred inflows related to total OPEB liability	-	19,134	19,134	
Total deferred inflows of resources	4,417,017	1,542,660	5,959,677	
Fund Balance/Net Position				
Unassigned	7,071,607	(7,071,607)	-	
Net position	, ,			
Net investment in capital assets	-	2,536,673	2,536,673	
Restricted for employee retirement	-	1,477,936	1,477,936	
Unrestricted	<u> </u>	5,507,946	5,507,946	
Total fund balance/net position	7,071,607	2,450,948	9,522,555	
Total liabilities, deferred inflows of				
resources and fund balance/net				
position	<u>\$ 11,634,690</u>	\$ 4,235,437	<u>\$ 15,870,127</u>	

City of Lake Forest Discretely Presented Component Unit - Lake Forest Library

Statement of Activities and General Fund Statement of Revenues, Expenditures and

Changes in Fund Balance

	General Fund	Adjustments	Statement of Activities
Revenues			
Property taxes	\$ 4,375,175	\$-	\$ 4,375,175
Intergovernmental	101,341	-	101,341
Charges for services	57,000	-	57,000
Grants and contributions	44,898	-	44,898
Fines	2,895	-	2,895
Investment Income	37,504	<u> </u>	37,504
Total revenues	4,618,813	<u> </u>	4,618,813
Expenditures/expenses			
Current	3,523,888	(358,468)	3,165,420
Capital outlay	173,737	(173,737)	
Total expenditures/expenses	3,697,625	(532,205)	3,165,420
Net change in fund balance/net position	921,188	532,205	1,453,393
Fund Balance/Net Position, Beginning	6,150,419	1,918,743	8,069,162
Fund Balance/Net Position, Ending	<u>\$ 7,071,607</u>	<u>\$ 2,450,948</u>	<u>\$ 9,522,555</u>

City of Lake Forest Summary of Debt Service Requirements to Maturity April 30, 2022

Fiscal Year	General Obligation Bonds
2023	\$ 5,371,865
2024	4,981,175
2025	2,970,216
2026	2,978,966
2027	2,965,164
2028	2,979,115
2029	3,240,927
2030	3,262,836
2031	3,389,887
2032	3,399,562
2033	3,366,723
2034	2,402,563
2035	1,149,063
2036	1,150,250
2037	1,145,275
2038	786,600
	\$ 45,540,187

City of Lake Forest Debt Service Requirements to Maturity - General Obligation Bonds April 30, 2022

	Special Service Area 25 Tax Bonds					Special Service Area 26 Tax Bonds			Special Service Area 2 Tax Bonds					
Fiscal Year	P	rincipal	Ir	Interest		Principal		Interest		Interest		rincipal		nterest
2023	\$	75,000	\$	2,213	\$	20,701	\$	704	\$	143,508	\$	10,448		
2024		-		-		-		-		150,612		5,497		
2025		-		-		-		-		-		-		
2026		-		-		-		-		-		-		
2027		-		-		-		-		-		-		
2028		-		-		-		-		-		-		
2029		-		-		-		-		-		-		
2030		-		-		-		-		-		-		
2031		-		-		-		-		-		-		
2032		-		-		-		-		-				
2033		-		-		-		-		-				
2034		-		-		-		-		-				
2035		-		-		-		-		-				
2036		-		-		-		-		-				
2037		-		-		-		-		-				
2038				<u> </u>						<u> </u>		-		
	<u>\$</u>	75.000	<u>\$</u>	2,213	<u>\$</u>	20,701	<u>\$</u>	704	<u>\$</u>	294,120	<u>\$</u>	15,945		

City of Lake Forest Debt Service Requirements to Maturity - General Obligation Bonds April 30, 2022

Fiend	Series Obligatio	s 2015 on Bonds		Series 2017 Series 2019 igation Bonds Obligation Bonds			
Fiscal Year	Principal	Interest	Principal	Interest	Principal	Interest	
2023	\$ 355,000	\$ 260,925	\$ -	\$ 271,153	\$ 3,030,000	\$ 467,463	
2024	370,000	252,050	515,000	271,153	2,370,000	315,963	
2025	385,000	242,800	525,000	260,853	630,000	197,463	
2026	405,000	233,175	535,000	247,728	660,000	165,963	
2027	410,000	223,050	550,000	234,352	695,000	132,962	
2028	435,000	212,800	565,000	220,602	730,000	98,213	
2029	650,000	200,837	580,000	206,477	735,000	83,613	
2030	695,000	181,337	590,000	191,687	755,000	68,912	
2031	740,000	160,488	610,000	173,987	780,000	53,812	
2032	705,000	136,438	630,000	155,687	810,000	37,237	
2033	720,000	113,525	645,000	136,787	845,000	19,011	
2034	1,530,000	90,125	665,000	117,438	-	-	
2035	330,000	36,575	685,000	97,488	-	-	
2036	340,000	25,025	710,000	75,225	-	-	
2037	350,000	13,125	730,000	52,150	-	-	
2038	<u> </u>		760,000	26,600	<u> </u>	<u> </u>	
	<u>\$ 8,420,000</u>	<u>\$ 2,382,275</u>	<u>\$ 9,295,000</u>	<u>\$ 2,739,367</u>	<u>\$ 12,040,000</u>	<u>\$ 1.640.612</u>	

City of Lake Forest Debt Service Requirements to Maturity - General Obligation Bonds April 30, 2022

	Series Obligatio		Total Requirements					
Fiscal Year	Principal	Interest	Principal	Interest	Total			
2023	\$ 545,000	\$ 189,750	\$ 4,169,209	\$ 1,202,656	\$ 5,371,865			
2024	590,000	140,900	3,995,612	985,563	4,981,175			
2025	600,000	129,100	2,140,000	830,216	2,970,216			
2026	615,000	117,100	2,215,000	763,966	2,978,966			
2027	615,000	104,800	2,270,000	695,164	2,965,164			
2028	625,000	92,500	2,355,000	624,115	2,979,115			
2029	705,000	80,000	2,670,000	570,927	3,240,927			
2030	715,000	65,900	2,755,000	507,836	3,262,836			
2031	820,000	51,600	2,950,000	439,887	3,389,887			
2032	890,000	35,200	3,035,000	364,562	3,399,562			
2033	870,000	17,400	3,080,000	286,723	3,366,723			
2034	-	-	2,195,000	207,563	2,402,563			
2035	-	-	1,015,000	134,063	1,149,063			
2036	-	-	1,050,000	100,250	1,150,250			
2037	-	-	1,080,000	65,275	1,145,275			
2038	<u> </u>		760,000	26,600	786,600			
	<u>\$ 7,590,000</u>	<u>\$ 1,024,250</u>	<u>\$37,734,821</u>	<u>\$ 7,805,366</u>	<u>\$45,540,187</u>			

Special Service Area 25 Special Tax Bonds - 2003 Series . April 30, 2022

Payable at:

Data of issues	May 1, 2002
Date of issue:	May 1, 2003
Date of maturity:	December 15, 2022
Authorized issue:	\$ 1,050,000
Denomination of bonds:	\$ 5,000
Interest rate:	1.95-2.95%
Interest dates:	June 15 and Decemb

June 15 and December 15 Lake Forest Bank and Trust Lake Forest, Illinois

Redeemable Annually on December 15 2022

Amount 75,000

\$ 75,000

Tax Levy		٦	ax Levy				Coupons	Due on	
Year	Principa		Interest		Total	June 15	Amount	December 15	Amount
2021	\$ 75,0	00 \$	2,213	\$	77,213	2022	1,107	2022	1,106
	\$ 75,0	0 \$ \$	2,213	\$ <u>\$</u>	77,213				

Special Service Area 26 Special Tax Bonds – 2003 Series April 30, 2022

Date of issue:
Date of maturity:
Authorized issue:
Denomination of bonds:
Interest rates:

Interest dates: Payable at: October 7, 2003 December 15, 2022 \$ 276,500 One bond per maturity 2.5-3.4%

June 15 and December 15 Lake Forest Bank and Trust Lake Forest, Illinois

Redeemable Annually on December 15 2022

Amount 20,701

\$ 20,701

Tax Levy			Тах	Levy				Coupons	s Due on		
Year	P	rincipal	Int	erest	Total	June 15	An	nount	December 15	An	nount
2021	\$	20,701	\$	704	\$ 21,405	2022	\$	352	2022	\$	352
	\$	20,701	\$	704	\$ 21,405						

Special Service Area 29 Special Tax Bonds - 2004 Series April 30, 2022

Date of issue: Date of maturity: Authorized issue: Denomination of bonds: Interest rates:	December 20, 2004 December 15, 2023 \$ 2,000,000 One bond per maturity 2.55-3.65%
Interest dates: Payable at:	June 15 and December 15 Lake Forest Bank and Trust Lake Forest, Illinois
	Redeemable Annually on December 15

Amount \$ 143,508 150,612

\$ 294,120

Bond Principal and Interest Requirements

2022 2023

Tax Levy			Та	ax Levy			Coupons	s Due on	
Year	F	Principal	Ir	nterest	Total	June 15	Amount	December 15	Amount
2021 2022	\$	143,508 150,612	\$	10,448 5,497	\$ 153,956 156,109	2022 2023	5,224 2,749	2022 2023	5,224 2,748
	\$	294,120	\$	15,945	\$ 310,065				

General Obligation Bonds – 2015 April 30, 2022

Date of issue:
Date of maturity:
Authorized issue:
Denomination of bonds:
Interest rates:

Interest dates: Payable at: August 3, 2015 December 15, 2036 \$ 9,780,000 \$ 5,000 2.50 - 3.75%

June 15 and December 15 Wells Fargo Bank Chicago, Illinois

Redeemable Annually	
on December 15	Amount
2022	\$ 355,000
2023	370,000
2024	385,000
2025	405,000
2,026	410,000
Thereafter	6,495,000
	\$ 8,420,000

Tax Levy		Tax Levy			Coupons	Due on	
Year	Principal	Interest	Total	June 15	Amount	December 15	Amount
2021	\$ 355,000	\$ 260,925	\$ 615,925	2022	\$ 130,463	2022	\$ 130,462
2022	370,000	252,050	622,050	2023	126,025	2023	126,025
2023	385,000	242,800	627,800	2024	121,400	2024	121,400
2024	405,000	233,175	638,175	2025	116,588	2025	116,587
2025	410,000	223,050	633,050	2026	111,525	2026	111,525
Thereafter	6,495,000	1,170,275	7,665,275	Thereafter	585,138	Thereafter	585,137
	\$ 8,420,000	\$ 2,382,275	\$10,802,275				

General Obligation Bonds – 2017 April 30, 2022

Date of issue:
Date of maturity:
Authorized issue:
Denomination of bonds:
Interest rates:

Interest dates: Payable at: June 5, 2017 December 15, 2037 \$ 9,295,000 \$ 5,000 2.00 - 3.50%

June 15 and December 15 Bank of New York Mellon Chicago, Illinois

Redeemable Annually on December 15	Amount
2022	\$ -
2023	515,000
2024	525,000
2025	535,000
2026	550,000
Thereafter	7,170,000
	\$ 9,295,000

Tax levy		Tax levy			Coupons	due on	
year	Principal	Interest	Total	June 15	Amount	December 15	Amount
2021	\$ -	\$ 271,153	\$ 271,153	2022	\$ 135,577	2022	\$ 135,576
2022	515,000	271,153	786,153	2023	135,577	2023	135,576
2023	525,000	260,853	785,853	2024	130,426	2024	130,427
2024	535,000	247,728	782,728	2025	123,864	2025	123,864
2025	550,000	234,352	784,352	2026	117,176	2026	117,176
Thereafter	7,170,000	1,454,128	8,624,128	Thereafter	727,064	Thereafter	727,064
	\$ 9,295,000	\$ 2,739,367	\$12,034,367				

General Obligation Bonds – 2019 April 30, 2022

Date of issue:
Date of maturity:
Authorized issue:
Denomination of bonds:
Interest rates:

Interest dates: Payable at: December 19, 2019 December 15, 2032 \$ 17,655,000 \$ 5,000 2.25 - 5.00%

June 15 and December 15 Amalgamated Bank Chicago, Illinois

Redeemable Annually on December 15	Amount
2022	\$ 3,030,000
2023	2,370,000
2024	630,000
2025	660,000
2026	695,000
Thereafter	4,655,000
	\$12,040,000

Tax Levy		Tax Levy			Coupons	Due on		
Year	Principal Interest		Total	June 15	Amount	December 15	Amount	
2021	\$ 3,030,000	\$ 467,462	\$ 3,497,462	2022	\$ 233,731	2022	\$ 233,731	
2022	2,370,000	315,962	2,685,962	2023	157,981	2023	157,981	
2023	630,000	197,462	827,462	2024	98,731	2024	98,731	
2024	660,000	165,963	825,963	2025	82,982	2025	82,981	
2025	695,000	132,963	827,963	2026	66,482	2026	66,481	
Thereafter	4,655,000	360,800	5,015,800	Thereafter	180,400	Thereafter	180,400	
	\$12,040,000	\$ 1,640,612	\$13,680,612					

General Obligation Bonds – 2021 April 30, 2022

Date of issue:
Date of maturity:
Authorized issue:
Denomination of bonds:
Interest rates:

Interest dates: Payable at: September 15, 2021 December 15, 2032 \$ 7,590,000 \$ 5,000 2.00%

June 15 and December 15 Amalgamated Bank Chicago, Illinois

Redeemable Annually on December 15	 Amount
2022	\$ 545,000
2023	590,000
2024	600,000
2025	615,000
2026	615,000
Thereafter	 4,625,000
	\$ 7,590,000

Tax Levy			ax Levy			Coupons Due on						
Year	Principal		Interest		Total		June 15	Amount		December 15	Amount	
2021	\$	545,000	\$	189,750	\$	734,750	2022	\$	94,875	2022	\$	94,875
2022		590,000		140,900		730,900	2023		70,450	2023		70,450
2023		600,000		129,100		729,100	2024		64,550	2024		64,550
2024		615,000		117,100		732,100	2025		58,550	2025		58,550
2025		615,000		104,800		719,800	2026		52,400	2026		52,400
Thereafter		4,625,000		342,600		4,967,600	Thereafter		171,300	Thereafter		171,300
	\$	7,590,000	\$	1,024,250	\$	8,614,250						

City of Lake Forest Debt Service Fund

Debt Service Fund Combining Balance Sheet April 30, 2022

	0	cial Service Area 25 General bligation Bonds	ر ن ان	tial Service Area 26 General Digation Bonds	(O	cial Service Area 29 General bligation Bonds	2004 Series B 2011B/2019 General Obligation Bonds		
Assets									
Cash and cash equivalents	\$	18,890	\$	8,126	\$	9,850	\$	1,416,454	
Receivables (net of allowance for uncollectibles):									
Property taxes		76,547		21,575		152,139		-	
Due from other governments				<u> </u>		<u>-</u>			
Total assets	\$	95,437	\$	29,701	\$	161,989	\$	1,416,454	
Liabilities									
Accounts payable	\$	-	\$		<u>\$</u>	<u> </u>	<u>\$</u>		
Total Liabilities						<u> </u>		<u> </u>	
Deferred inflows of resources Property taxes levied for future periods		76,547		21,576		152,139		<u> </u>	
Fund Balance Fund balance- restricted for debt service		18,890		8,125		9,850		1,416,454	
		10,000		0,120		0,000		1,110, 101	
Total deferred inflows of resources, liabilities and fund balances	\$	95,437	\$	29,701	<u>\$</u>	161,989	\$	1,416,454	

0	2009/2019 General Obligation Bonds		General General Digation Obligation			(0	013/2021 General bligation Bonds	O	2015 General bligation Bonds	Total		
\$	35,278	\$	59,637	\$	40,921	\$	5,306	\$	1,594,462			
	252,396		574,794		730,975		253,926		2,062,352			
\$	287,674	\$	634,431	\$	771,896	\$	259,232	\$	3,656,814			
\$		<u>\$</u>		<u>\$</u>		<u>\$</u>	<u> </u>	<u>\$</u>	<u> </u>			
	<u> </u>		<u> </u>		<u> </u>		<u> </u>					
	252,397		574,794		730,975		253,926		2,062,354			
	35,277		59,637		40,921		5,306		1,594,460			
\$	287,674	\$	634,431	\$	771,896	\$	259,232	\$	3,656,814			

City of Lake Forest Debt Service Fund Combining Schedule of Revenues, Expenditures and Changes in Fund Balances Year Ended April 30, 2022

	Special Service Area 25 General Obligation Bonds	Special Service Area 26 General Obligation Bonds	Special Service Area 29 General Obligation Bonds	2004 Series B 2011B/2019 General Obligation Bonds	
Revenues					
Taxes:	•	• • • • • • • • • • • • • • • • • • • •	•		
Property taxes	\$ 79,849	\$ 23,129	\$ 152,403	\$-	
Other Investment income	- 194	- 64	- 223	695,377	
Investment income	194	04	223	7,436	
Total revenues	80,043	23,193	152,626	702,813	
Expenditures					
General government	-	-	-	45	
Debt Service:					
Principal	75,000	19,743	136,869	453,053	
Interest	4,350	1,375	15,033	71,672	
Total expenditures	79,350	21,118	151,902	524,770	
Excess (deficiency) of revenues over expenditures	693	2,075	724	178,043	
Other financing sources:					
Transfers in	-	-	-	-	
Transfers out	-	-	-	(500,000)	
Refunding debt issued	-	-	-	-	
Premium on debt issued	-	-	-	-	
Payments to refunding escrow			<u> </u>		
Total other financing sources (uses)		<u> </u>	<u> </u>	(500,000)	
Net change in fund balances	693	2,075	724	(321,957)	
Fund Balances, Beginning	18,197	6,050	9,126	1,738,411	
Fund Balances, Ending	<u>\$ 18,890</u>	<u>\$8,125</u>	<u>\$ </u>	<u>\$ </u>	

O O	2009/2019 General Obligation Bonds		2010/2019 General Obligation Bonds		013/2021 General bligation Bonds	2015 General Obligation Bonds		 Total
\$	252,643 - 438	\$	585,536 - <u>863</u>	\$	751,983 - 943	\$	249,670 - 213	\$ 2,095,213 695,377 10,374
	253,081		586,399		752,926		249,883	 2,800,964
	56		211		-		1,000	1,312
	180,000		370,000		435,000		340,000	2,009,665
	72,700		211,263		312,013		269,425	 957,831
	252,756		581,474		747,013		610,425	 2,968,808
	325		4,925		5,913		(360,542)	 (167,844)
	-		-		-		361,313	361,313
	-		-		-		-	(500,000)
	-		-		7,590,000		-	7,590,000
	-		-		511,784		-	511,784
	-		-		(8,101,528)		-	 (8,101,528)
	-		-		256		361,313	 (138,431)
	325		4,925		6,169		771	(306,275)
	34,952		54,712		34,752		4,535	 1,900,735
\$	35,277	\$	59,637	\$	40,921	\$	5,306	\$ 1,594,460

Statistical Section

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

<u>Contents</u>	Page
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	143
Revenue Capacity These schedules contain information to help the reader assess the factors affecting the City's ability to generate its property and sales taxes.	148
Debt Capacity These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt.	156
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time and other governments.	161
Operating Information These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.	164

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

City of Lake Forest Net Position by Component Last Ten Fiscal Years April 30, 2022

	2013	2014	2015	2016*	2017	2018	2019	2020	2021	2022
Governmental Activities Net investment in capital assets Restricted Unrestricted	\$ 187,500,531 16,064,099 21,126,818	\$ 184,270,349 16,860,362 23,689,130	\$ 181,056,601 15,737,797 26,747,317	\$ 181,481,470 18,506,073 (18,479,928)	\$ 170,568,584 15,476,976 (9,068,405)	\$ 166,607,491 20,193,505 (11,006,718)	\$ 164,675,251 26,714,972 (14,809,677)	\$ 165,179,598 27,807,934 (18,261,240)	\$ 164,798,332 36,509,516 (14,713,066)	\$ 165,811,050 57,740,630 (21,655,117)
Total governmental activities net position	<u>\$ 224,691,448</u>	<u>\$ 224,819,841</u>	<u>\$ 223,541,715</u>	<u>\$ 181,507,615</u>	<u>\$ 176,977,155</u>	<u>\$ 175,794,278</u>	<u>\$ 176,580,546</u>	<u>\$ 174,726,292</u>	<u>\$ 186,594,782</u>	<u>\$ 201,896,563</u>
Business-Type Activities Net investment in capital assets Restricted Unrestricted	\$ 36,077,752 - 9,880,856	\$ 36,163,443 - 9,739,336	\$ 36,617,378 - 8,941,920	\$ 37,582,505 - 8,323,401	\$ 37,504,482 - 7,696,321	\$ 40,729,712 - 8,950,670	\$ 39,610,155 - 9,508,483	\$ 39,052,272 - 9,692,010	\$ 38,142,896 580,012 10,288,805	\$ 38,585,070 1,957,016 11,424,910
Total business-type activities	\$ 45,958,608	<u>\$ 45,902,779</u>	<u>\$ 45,559,298</u>	<u>\$ 45,905,906</u>	\$ 45,200,803	<u>\$ 49,680,382</u>	<u>\$ 49,118,638</u>	<u>\$ 48,744,282</u>	<u>\$ 49,011,713</u>	<u>\$ 51,966,996</u>
Total Primary Government Net investment in capital assets Restricted Unrestricted	\$ 223,578,283 16,064,099 31,007,674	\$ 220,433,792 16,860,362 33,428,466	\$ 217,673,979 15,737,797 35,689,237	\$ 219,063,975 18,506,073 (10,156,527)	\$ 208,073,066 15,476,976 (1,372,084)	\$ 207,337,203 20,193,505 (2,056,048)	\$ 204,285,406 26,714,972 (5,301,194)	\$ 204,231,870 27,807,934 (8,569,230)	\$ 202,941,228 37,089,528 (4,424,261)	\$ 204,396,120 59,697,646 (10,230,207)
Total primary government net position	<u>\$ 270,650,056</u>	<u>\$ 270,722,620</u>	<u>\$ 269,101,013</u>	<u>\$ 227,413,521</u>	<u>\$ 222,177,958</u>	<u>\$ 225,474,660</u>	<u>\$ 225,699,184</u>	<u>\$ 223,470,574</u>	<u>\$ 235,606,495</u>	<u>\$ 253,863,559</u>

*Beginning in 2016, the City implemented GASB 68 which resulted in the inclusion of a net pension liability.

City of Lake Forest Change in Net Position Last Ten Fiscal years Year Ended April 30, 2022

	2013	2014	2015*	2016	2017	2018	2019	2020	2021	2022
Expenses										
Governmental Activities General government	\$ 16,176,326	\$ 12,311,198	\$ 12,604,331	\$ 11,675,363	\$ 16,882,976	\$ 9,884,646	\$ 13,773,790	\$ 13,865,425	\$ 12,863,134	\$ 11,182,027
Highway and streets Sanitation	7,536,444 2,512,559	7,762,403 2,586,125	8,839,231 2,474,355	9,230,548 2,208,326	10,923,639 2,611,231	9,621,569 2,585,940	9,081,471 2,580,043	8,677,958 2,678,876	7,457,325 2,438,916	6,929,008 1,959,547
Culture and recreation Public safety Interest	10,352,252 13,748,855 1,362,715	10,397,593 14,430,151 1,333,267	10,172,391 15,303,399 1,357,552	8,463,259 16,360,830 1,293,742	10,023,195 17,048,209 1,559,100	10,003,119 17,017,092 1,271,181	8,859,391 19,769,395 <u>1,231,944</u>	8,977,855 23,338,259 1,115,802	9,453,397 16,854,590 920,485	9,205,623 20,578,227 871,548
Total governmental activities expenses	51,689,151	48,820,737	50,751,259	49,232,068	59,048,350	50,383,547	55,296,034	58,654,175	49,987,847	50,725,980
Business-Type Activities										
Waterworks and sewerage Golf	8,287,297 1,459,394	7,476,752 1,554,678	8,353,825 1,642,121	7,239,042 1,868,252	8,510,811 2,095,510	8,122,998 1,604,261	7,832,615 1,875,677	8,168,879 1,861,393	8,486,272 2,042,874	7,441,106 2,161,621
Total business-type activities	9,746,691	9,031,430	9,995,946	9,107,294	10,606,321	9,727,259	9,708,292	10,030,272	10,529,146	9,602,727
Total primary government expenses	<u>\$ 61,435,842</u>	\$ 57,852,167	<u>\$ 60,747,205</u>	\$ 58,339,362	<u>\$ 69,654,671</u>	<u>\$ 60,110,806</u>	\$ 65,004,326	<u>\$ 68,684,447</u>	<u>\$ 60,516,993</u>	\$ 60,328,707
Program Revenues										
Governmental Activities Charges for services:										
General government Highway and streets	\$ 4,838,151 753,487	\$ 4,756,948 741,334	\$ 5,442,475 710,795	\$ 8,191,440 990,840	\$ 8,860,169 782,953	\$ 5,203,210 1,006,644	\$ 5,007,655 2,730,122	\$ 4,077,609 2,183,456	\$ 3,754,897 2,476,794	\$ 4,296,082 2,726,225
Sanitation Culture and recreation	58,564 3,342,913	77,147 3,314,856	682,062 3,156,699	697,435 3,257,796	734,111 2,810,762	721,276 3,491,365	749,620 3,117,795	1,040,121 2,594,119	1,053,692 1,733,927	1,040,338 2,885,644
Public safety Operating grants and contributions	1,861,619 1,777,734	1,950,998 1,105,191	1,795,521 1,345,670	1,552,567 1,368,451	1,689,547 1,088,579	1,992,985 1,298,006	2,117,186 985,676	2,525,439 1,529,863	2,517,398 1,097,399	2,946,021 1,164,031
Capital grants and contributions	25,000	757,239	468,255	280,675	1,174,000	356,178	505,988	448,694	777,054	2,368,237
Total governmental activities program revenues	12,657,468	12,703,713	13,601,477	16,339,204	17,140,121	14,069,664	15,214,042	14,399,301	13,411,161	17,426,578
Business-Type Activities Charges for services:										
Waterworks and sewerage Golf	8,598,079 1,320,455	7,521,323 1,397,836	8,034,469 1,414,217	7,477,558 1,759,271	7,873,741 1,606,661	8,083,554 1,480,618	7,818,777 1,524,654	7,512,450 1,459,127	8,569,806 1,864,338	9,695,464 1,824,684
Operating grants and contributions Capital grants and contributions							228,332			- 554,466
Total business-type activities program revenues	9,918,534	8,919,159	9,448,686	9,236,829	9,480,402	9,564,172	9,571,763	8,971,577	10,434,144	12,074,614
Total government program revenues	\$ 22,576,002	\$ 21,622,872	<u>\$ 23,050,163</u>	\$ 25,576,033	\$ 26,620,523	\$ 23,633,836	<u>\$ 24,785,805</u>	<u>\$ 23,370,878</u>	\$ 23,845,305	\$ 29,501,192
Net (Expense)/Revenue Governmental Activities Business-Type Activities	\$ (39,031,683) 171,843	\$ (36,117,024) (112,271)	\$ (37,149,782) (547,260)	\$ (32,892,864) 129,535	\$ (41,908,229) (1,125,919)	\$ (36,313,883) (163,087)	\$ (40,081,992) (136,529)	\$ (44,254,874) (1,058,695)	\$ (36,576,686) (95,002)	\$ (33,299,402) 2,471,887
Total primary government net expense	\$ (38,859,840)			\$ (32,763,329)		\$(36,476,970)				

City of Lake Forest Change in Net Position Last Ten Fiscal years Year Ended April 30, 2022

	2013	2014	2015*	2016	2017	2018	2019	2020	2021	2022
General Revenues and Other Changes in Net Position										
Governmental Activities										
Taxes:										
Property	• - / /	\$ 23,744,650	\$ 24,468,769	\$ 25,006,224	\$ 25,928,864	· · · · · · · · · · · · · · · · · · ·	\$ 27,591,773	\$ 28,569,827	· · · / · · /	\$ 32,149,905
Sales	3,183,479	3,047,529	2,851,103	2,889,306	2,829,607	2,105,736	2,095,938	2,597,218	1,081,489	1,795,817
Income and use	2,131,711	2,182,325	2,386,567	2,251,828	2,306,546	2,272,639	2,593,506	2,584,198	3,223,407	3,829,655
Telecommunications and utility	3,736,586	4,026,972	3,954,001	3,551,491	3,596,175	3,440,365	3,603,381	3,170,895	3,102,515	3,285,771
Real estate transfer tax	1,209,113	1,633,580	1,224,610	1,288,175	1,398,160	1,622,900	1,471,595	1,256,265	2,735,405	2,652,110
Other	493,418	581,443	534,625	514,231	636,368	2,178,246	2,410,453	2,717,862	4,308,631	5,824,190
Investment earnings	491,196	637,193	547,118	145,329	1,042,049	1,665,391	2,215,202	1,664,355	3,564,117	(883,765)
Miscellaneous	573,705	669,145	73,613	-	-	-	-	-	-	-
Gain on sale of assets	-	-	-	-	-	(3,874)	7,775	38,500	-	-
Transfers	(77,100)	(97,000)	(168,750)	(924,496)	(360,000)	(4,343,841)	786,850	(198,500)	(29,500)	(52,500)
Total governmental activities	36,793,519	36,425,837	35,871,656	34,722,088	37,377,769	35,131,006	42,776,473	42,400,620	48,445,176	48,601,183
Business-Type Activities										
Investment earnings	37,853	38,550	33,408	40,362	58,366	236,990	279,189	175,969	42,285	56,757
Other	-	-	1,621	6,033	2,450	61,835	299,176	309,870	290,648	374,139
Transfers	77,100	97,000	168,750	924,496	360,000	4,343,841	(786,850)	198,500	29,500	52,500
Total business-type activities	114,953	135,550	203,779	970,891	420,816	4,642,666	(208,485)	684,339	362,433	483,396
Total primary government	\$ 36,908,472	\$ 36,561,387	\$ 36,075,435	\$ 35,692,979	\$ 37,798,585	\$ 39,773,672	\$ 42,567,988	\$ 43,084,959	\$ 48,807,609	\$ 49,084,579
Changes in Net Position										
Governmental activities	\$ (2,238,164)	\$ 308,813	\$ (1,278,126)	\$ 1,829,224	\$ (4,530,460)	\$ (1,182,877)	\$ 2,694,481	\$ (1,854,254)	\$ 11.868.490	\$ 15,301,781
Business-type activities	286,796	23,279	(343,481)	1,100,426	(705,103)	4,479,579	(345,014)	(374,356)	267,431	2,955,283
Total primary government change in net position	<u>\$ (1,951,368)</u>	\$ 332,092	<u>\$ (1,621,607)</u>	<u>\$ 2,929,650</u>	<u>\$ (5,235,563)</u>	<u>\$ 3,296,702</u>	<u>\$ 2,349,467</u>	<u>\$ (2,228,610)</u>	<u>\$ 12,135,921</u>	<u>\$ 18,257,064</u>

*Starting in 2015, all taxes administered by the State and disbursed to the City are reported as intergovernmental revenues on the face of the financial statements. They have been grouped by tax type for comparison purposes above.

City of Lake Forest Fund Balances of Governmental Funds Last Ten Fiscal Years April 30, 2022

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Fund Nonspendable Restricted Unassigned	\$ 2,775,449 957,420 11,020,723	\$ 2,126,990 957,420 14,530,550	\$ 1,648,832 957,420 17,910,037	\$ 1,272,224 - 22,509,969	\$ 778,160 - 28,799,288	\$ 150,038 - 29,130,844	\$ 129,280 - 28,815,904	\$ 143,703 - 29,433,682	\$ 208,661 - 	\$ 91,038
Total general fund	<u>\$ 14,753,592</u>	<u>\$ 17,614,960</u>	<u>\$ 20,516,289</u>	\$ 23,782,193	\$ 29,577,448	\$ 29,280,882	\$ 28,945,184	<u>\$ 29,577,385</u>	\$ 28,356,928	\$ 28,963,725
All Other Governmental Funds Nonspendable Restricted Assigned Unassigned	\$ 43,333 15,605,203 1,598,819	\$ - 16,127,257 1,449,284 -	\$ 381,173 14,726,999 1,448,736 (1,022,136)	\$ 408,539 20,337,111 1,456,053	\$ 536,121 19,420,288 - -	\$ 28,688 20,806,879 - -	\$ 32,837 26,656,696 (3,686)	\$ 29,139 27,693,271 - (743,104)	\$ 28,878 36,738,128 - (304,215)	\$ - 45,175,456 - -
governmental funds	<u>\$ 17,247,355</u>	<u>\$ 17,576,541</u>	<u>\$ 15,534,772</u>	<u>\$ 22,201,703</u>	<u>\$ 19,956,409</u>	<u>\$ 20,835,567</u>	<u>\$ 26,685,847</u>	<u>\$ 26,979,306</u>	<u>\$ 36,462,791</u>	\$ 45,175,456
Total governmental funds	\$ 32,000,947	\$ 35,191,501	\$ 36,051,061	\$ 45,983,896	\$ 49,533,857	\$ 50,116,449	\$ 55,631,031	\$ 56,556,691	\$ 64,819,719	\$ 74,139,181

City of Lake Forest Changes in Fund Balances of Governmental Funds Last Ten Fiscal Years Year Ended April 30, 2022

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenues										
Property taxes	\$25,051,411	\$ 23,744,650	\$ 24,468,769	\$ 25,006,224	\$ 25,928,864	\$ 26,193,444	\$ 27,591,773	\$ 28,569,827	\$ 30,459,112	\$32,149,905
Other taxes	10,754,307	11,471,849	4,641,466	4,317,316	4,609,057	4,786,506	4,775,587	4,702,203	6,236,640	7,420,624
Intergovenmental revenues	612,357	576,125	6,972,923	6,680,193	6,656,768	6,331,183	6,717,794	7,274,602	7,982,783	9,381,665
Grants and contributions	1,190,377	962,249	950,823	1,056,523	1,419,736	997,289	2,220,550	1,082,083	1,959,289	803,304
	7,319,673	7,373,500	7,935,973	8,506,756				8,749,224	7,611,794	9,915,260
Charges for services			, ,	, ,	8,005,317	8,833,079	8,759,327	, ,	, ,	
Licenses and permits	2,450,194	2,477,338	2,821,066	5,222,568	5,157,398	3,232,276	3,456,703	2,954,115	3,133,137	3,460,452
Fines and forfeitures	368,941	297,005	287,333	260,407	321,168	345,438	355,304	271,985	260,726	256,681
Investment income (loss)	462,579	610,601	524,150	115,462	989,515	1,553,167	2,043,136	1,534,251	3,531,497	(919,400)
Miscellaneous revenue	1,225,082	759,384	790,344	779,137	841,731	1,831,152	1,511,534	1,360,723	1,346,521	1,777,933
Total revenues	49,434,921	48,272,701	49,392,847	51,944,586	53,929,554	54,103,534	57,431,708	56,499,013	62,521,499	64,246,424
Expenditures										
General government	14,242,768	10,112,393	10,248,830	10,811,408	11,581,286	10,469,740	11,657,265	11,960,755	13,142,471	12,312,871
Highways and streets	2,044,225	2,293,840	2,371,461	2,157,463	3,118,461	2,354,587	4,577,657	3,393,599	3,232,159	3,994,492
Sanitation	2,193,091	2,212,166	2,235,135	2,276,433	2,311,435	2,290,986	2,480,420	2,619,476	2,653,638	2,583,681
Culture and recreation	9,282,695	8,686,298	8,457,043	8,338,284	8,532,289	8,853,547	9,319,869	9,398,508	9,260,377	9,740,683
Public safety	13,826,732	14,299,583	14,469,408	15,090,712	15,126,874	15,520,779	16,900,348	18,456,208	18,449,813	19,464,610
Capital outlay	4,586,574	5,527,772	7,582,668	10,992,926	5,439,469	8,746,881	3,971,995	6,753,993	4,568,295	3,160,885
Debt service:	4,000,014	0,021,112	1,002,000	10,002,020	0,400,400	0,740,001	0,071,000	0,700,000	4,000,200	0,100,000
Principal	1,377,736	1,400,950	1,623,436	1,791,579	7,906,696	1,782,156	1,429,625	1,730,850	1,910,089	2,009,665
Interest		, ,	, ,	1,293,634	1,639,191	, ,	, ,	, ,	, ,	, ,
merest	1,392,342	1,319,276	1,400,609	1,293,034	1,039,191	1,277,596	1,242,498	1,202,730	1,026,472	957,831
Total expenditures	48,946,163	45,852,278	48,388,590	52,752,439	55,655,701	51,296,272	51,579,677	55,516,119	54,243,314	54,224,718
Excess (deficiency) of revenues										
over expenditures	488,758	2,420,423	1,004,257	(807,853)	(1,726,147)	2,807,262	5,852,031	982,894	8,278,185	10,021,706
Other Financing Sources (Uses)										
Transfers in	2,829,243	3,224,306	2,020,085	2,846,321	7,776,661	4,799,274	7,280,685	4,627,667	6,804,841	6,791,294
Transfers out	(2,906,343)	(3,321,306)	(2,188,835)	(2,895,321)	(8,136,661)	(7,050,020)	(7,644,685)	(4,826,167)	(6,834,841)	(7,493,794)
Bonds issued	-	-	-	9,780,000	-	-	-	-	-	-
Loan proceeds	-	-	-	830,080	-	-	-	-	-	-
Premium (discount) on bonds issued	_	26,093	_	106,384	_	_	-	797,619	_	511,784
Proceeds from refunding G.O. bonds	_	9,715,000	_		_	_	_	10,751,022	_	7,590,000
Payments for refunding G.O. bonds		(9,665,000)						(11,445,875)		(8,101,528)
, ,	- 		-	-	- 	-	-		-	(0,101,520)
Sale of capital assets	64,549	791,038	24,053	73,224	5,636,108	26,076	26,551	38,500	14,843	
Total other financing sources										
0	(40 554)	770 404	(4.4.4.007)	10 740 000	5 070 400	(0.004.070)	(007.440)	(57.00.4)		(700.044)
(uses)	(12,551)	770,131	(144,697)	10,740,688	5,276,108	(2,224,670)	(337,449)	(57,234)	(15,157)	(702,244)
Net changes in fund balances	\$ 476,207	<u>\$ 3,190,554</u>	\$ 859,560	<u>\$ 9,932,835</u>	<u>\$ 3,549,961</u>	<u>\$ 582,592</u>	<u>\$ 5,514,582</u>	<u>\$ 925,660</u>	<u>\$ 8,263,028</u>	<u>\$ 9,319,462</u>
Debt service as a percentage of noncapital expenditures	5.85%	6.17%	6.43%	6.54%	17.36%	6.49%	5.42%	5.78%	5.76%	5.92%

Assessed Value and Actual Value of Taxable Property

Last Ten Levy Years

Levy	Residential	Commercial	Industrial	Other	Tax Increment	Total Taxable	Total Direct	Estimated Actual	Estimated Actual
Year	Property	Property	Property	Property	Financing	Assessed Value	Tax Rate	Taxable Value	Taxable Value
2012	\$ 2,166,702,992	\$ 207,360,589	\$ 65,556	\$ 3,918,002	\$-	\$ 2,378,047,139	1.1480	\$ 7,134,141,417	33.333%
2013	2,047,760,158	200,625,492	62,064	5,099,690	-	2,253,547,404	1.2480	6,760,642,212	33.333%
2014	2,047,998,906	196,562,054	61,541	5,846,135	-	2,250,468,636	1.2741	6,751,405,908	33.333%
2015	2,105,361,682	196,233,065	46,548	6,294,764	-	2,307,936,059	1.2794	6,923,808,177	33.333%
2016	2,226,672,717	209,668,706	49,445	6,591,173	90,630	2,443,072,671	1.2268	7,329,218,013	33.333%
2017	2,309,650,453	215,722,819	51,936	6,841,694	1,690,541	2,533,957,443	1.2366	7,601,872,329	33.333%
2018	2,305,181,606	214,536,978	52,832	7,152,663	4,202,435	2,531,126,514	1.2782	7,593,379,542	33.333%
2019	2,222,762,174	228,895,482	53,502	6,085,440	16,133,495	2,473,930,093	1.3721	7,421,790,279	33.333%
2020	2,168,305,007	221,826,768	55,722	6,474,628	22,935,969	2,419,598,094	1.4638	7,258,794,282	33.333%
2021	2,149,678,467	225,662,484	55,419	6,476,640	25,028,375	2,406,901,385	1.5217	7,220,704,155	33.333%

Data Source

Office of the County Clerk

Note : Property is assessed at 33 1/3% of actual value; property tax rates per \$100 of assessed valuation.

The City's TIF Increment Financing district expired for 2012

A new City TIF Increment Financing district initiated for 2016

Property Tax Rates - Direct and Overlapping Governments Based on Shields Township Last Ten Levy Years

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	
Bonds	0.071	0.088	0.090	0.067	0.059	0.060	0.066	0.074	0.077	0.077	
Corporate	0.544	0.580	0.590	0.619	0.603	0.600	0.620	0.646	0.663	0.683	
Firemen's Pension	0.046	0.052	0.054	0.053	0.050	0.061	0.065	0.077	0.093	0.098	
IMRF	0.035	0.037	0.038	0.037	0.035	0.035	0.035	0.037	0.039	0.040	
Library	0.141	0.152	0.155	0.153	0.146	0.145	0.149	0.157	0.166	0.170	
Library Sites & Building	0.016	0.017	0.017	0.017	0.016	0.016	0.016	0.017	0.018	0.018	
Parks/Park Maintenance	0.123	0.191	0.194	0.196	0.187	0.184	0.188	0.197	0.139	0.229	
Playground & Recreation **	0.055	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.086	0.000	
Police Pension	0.066	0.076	0.080	0.082	0.078	0.083	0.087	0.109	0.125	0.134	
Ptab/CE Recapture	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.011	
Recreation for Handicapped Rec.	0.016	0.018	0.018	0.018	0.018	0.018	0.019	0.020	0.021	0.021	
Social Security	0.035	0.037	0.038	0.037	0.035	0.035	0.035	0.037	0.039	0.040	
City Direct Rates *	1.148	1.248	1.274	1.279	1.227	1.237	1.280	1.371	1.464	1.522	
Overlapping Rates											
College of Lake County	0.272	0.296	0.306	0.299	0.285	0.281	0.282	0.282	0.290	0.293	
County of Lake	0.608	0.663	0.682	0.663	0.632	0.622	0.612	0.597	0.598	0.598	
Lake County Forest Preserve	0.212	0.218	0.210	0.208	0.193	0.187	0.182	0.180	0.182	0.179	
North Shore Sanitary District	0.150	0.164	0.169	0.166	0.157	0.153	0.153	0.153	0.157	0.158	
School District 67, Elem.	1.322	1.424	1.452	1.429	1.367	1.355	1.391	1.472	1.551	1.606	
School District 115, High School	1.322	1.420	1.450	1.409	1.329	1.314	1.336	1.375	1.445	1.494	
Township	0.036	0.037	0.039	0.038	0.036	0.035	0.035	0.036	0.037	0.037	
Township Road and Bridge	0.029	0.032	0.033	0.032	0.031	0.030	0.031	0.032	0.033	0.034	
Total tax rate	5.099	5.502	5.615	5.523	5.257	5.214	5.302	5.498	5.757	5.922	
City's share of total tax rate	23%	23%	23%	23%	23%	24%	24%	25%	25%	26%	

Data Source

Office of the County Clerk - Shields Township

Lake Forest lies within five townships - Moraine, Shields, Vernon, West Deerfield and Libertyville. Therefore, the tax rates for support of the Township government and for the Township Road and Bridge purposes vary. Parts of Shields Township in Lake Forest lie in the Lake Bluff Park District. All of Moraine Township is in Lake Forest and parts of Shields and West Deerfield Townships in Lake Forest lie in the North Shore Sanitary District.

* Excludes rates for the Special Service Areas

* Includes the City's component unit, Lake Forest Library

** Parks and Playgrounds combined in 2013

Principal Property Taxpayers

Current Year and Nine Years Ago

		202		2013					
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Valuation	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Valuation			
Hospira Inc	\$ 17,184,303	1	0.71%	\$ 18,771,220	1	0.79%			
Kelmscott Park Apartments LLC	15,721,450	2	0.65%						
Abbot Laboratories	14,493,994	3	0.60%						
Chicago Title Land Trust Company	12,969,071	4	0.54%						
Lake Forest Place LLC	12,431,475	5	0.52%						
Chicago Bears Football Club, Inc	11,495,453	6	0.48%	5,402,161	10	0.23%			
Conway Gateway LLC	10,634,216	7	0.44%						
Chicago Title Land Trust Co	10,628,487	8	0.44%						
CAI Investment Lake Forest Global	10,022,781	9	0.42%						
Lake Forest Investments	7,616,280	10	0.32%						
Lake Products, Inc				13,929,128	2	0.59%			
The Presbyterian Home				13,749,270	3	0.58%			
CBIZ Property Tax Solutions				11,196,536	4	0.47%			
Trustmark Insurance Co				7,750,771	5	0.33%			
Lake Forest Landmark Co. LLC				6,962,512	6	0.29%			
Northwestern Lake Forest Hospital				6,918,325	7	0.29%			
Lake Forest Landmark II				5,928,948	8	0.25%			
Shawgate Lake Forest, LLC				5,440,583	9	0.23%			
	\$ 123,197,510		5.12%	\$ 96,049,454		4.05%			

Data Source

Office of the County Clerk

Note: Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers contain multiple parcels, and it is possible that some parcels and their valuations have been overlooked. 2022 Column is 2021 Assessed Valuation

2013 Column is 2012 Assessed Valuation

Property Tax Levies and Collections Last Ten Levy Years

		Collected v Fiscal Year af				Total Col Per L	
Levy			Percentage	Subsequent	t Year	Taxes	Percentage
Year	Tax Levied	Amount	of Levy	Collectio	ns	Received	of Levy
2012	\$ 27,299,981	\$ 27,198,985	99.63%	\$	384	\$ 27,199,369	99.63%
2013	28,124,272	28,002,008	99.57%		14,464	28,016,472	99.62%
2014	28,673,693	28,608,680	99.77%		14,056	28,622,736	99.82%
2015	29,528,749	29,468,310	99.80%		10,693	29,479,003	99.83%
2016	29,970,699	29,839,108	99.56%		781	29,839,889	99.56%
2017	31,313,227	31,250,130	99.80%		9,178	31,259,308	99.83%
2018	32,533,539	32,427,323	99.67%		1,981	32,429,304	99.68%
2019	33,955,313	33,779,271	99.48%		151	33,779,422	99.48%
2020	35,081,741	35,150,336	100.20%		960	35,151,295	100.20%
2021	36,244,390	N/A	N/A		N/A	N/A	N/A

Data Source

Lake County Treasurer and City

Note: Property is assessed at 33 1/3 % of actual value.

Tax Extensions for City Funds Last Ten Levy Years

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General	0.544	0.580	0.590	0.619	0.603	0.600	0.617	0.646	0.663	0.683
IMRF/Social Security	0.044	0.074	0.076	0.019	0.003	0.000	0.017	0.040	0.003	0.083
Firefighter Pension	0.046	0.052	0.054	0.053	0.050	0.061	0.065	0.077	0.093	0.098
Police Pension	0.066	0.076	0.080	0.082	0.078	0.083	0.087	0.109	0.125	0.134
Parks and Recreation	0.178	0.191	0.194	0.196	0.187	0.184	0.188	0.196	0.224	0.229
Special Recreation	0.016	0.018	0.018	0.018	0.018	0.018	0.019	0.020	0.021	0.021
General Obligation Bond 2008	0.036	0.037	0.037	0.026	0.000	0.000	-	-	-	-
General Obligation Bond 2009	0.012	0.013	0.013	0.009	0.012	0.012	0.011	0.011	0.011	0.011
General Obligation Bond 2010	0.023	0.012	0.025	0.015	0.020	0.020	0.019	0.019	0.019	0.019
General Obligation Bond 2013	0.000	0.026	0.015	0.010	0.018	0.018	0.027	0.027	0.027	0.027
General Obligation Bond 2015		-	-	0.008	0.009	0.010	0.009	0.009	0.009	0.009
Total tax rate	0.991	1.079	1.102	1.110	1.065	1.076	1.113	1.188	1.269	1.311

Data Source

Office of the County Clerk

The tax rate for the City's component unit, Lake Forest Library is excluded from this table.

This table excludes the tax rates for the Special Service Areas.

Sales Tax Base and Number of Principal Payers Taxable Sales by Category - Home Rule Sales Tax Last Ten Calendar Years

	2013		2014	2015	2016	2017	2018		2019	2020	2021
General Merchandise	\$ 9,722	\$	7,005	\$ 7,471	\$ 5,072	\$ 4,358	\$ 4,215	6	5,854	\$ 4,980	\$ 2,427
Food	93,952		105,771	96,009	92,936	93,838	95,457		144,134	189,599	203,271
Drinking and Eating Places	165,386		180,023	163,447	173,473	182,278	177,620		261,770	216,636	290,619
Apparel	68,135		68,291	75,606	73,785	72,540	67,069		116,944	115,308	181,680
Furniture & H.H. & Radio	38,821		39,494	36,526	32,774	28,424	29,524		47,907	62,235	111,261
Lumber, Building, Hardware	9,862		-	-	7,537	8,238	9,633		17,362	27,244	30,082
Automobile and Filling Stations	37,025		34,895	28,267	26,735	30,895	35,146		48,650	45,234	65,741
Drugs and Miscellaneous Retail	110,554		117,262	118,740	117,224	102,558	103,843		154,528	179,191	551,958
Agriculture and All Others	121,651		105,139	129,721	116,945	105,670	66,743		146,885	148,739	217,430
Manufacturers	-		7,095	(3,818)	-	-	-		-	-	12,293
Censored categories	 -		-	-	-	-	-		-	-	
Total	\$ 655,108	\$	664,975	\$ 651,969	\$ 646,481	\$ 628,799	\$ 589,250	6	944,034	\$ 989,166	\$ 1,666,760
Total Number of Payers	N/A		N/A	N/A	N/A	N/A	N/A		N/A	N/A	N/A
City direct sales tax rate	0.50%)	0.50%	0.50%	0.50%	0.50%	0.50%		1.00%	1.00%	1.00%

Data Source

Illinois Department of Revenue

Note: Blank categories have less than 4 taxpayers, therefore no data is shown to protect the confidentiality of individual taxpayers.

Effective July 2003, a .5% home rule sales tax was imposed.

Effective July 1 2019, an additional .5% home rule sales tax was imposed.

The City of Lake Forest became a home rule community in November 2004.

Sales Tax Base and Number of Principal Payers Taxable Sales by Category - Municipal Sales Tax Last Ten Calendar Years

	2012	2013	2014	2015	2016	2017	2018	2019*	 2020		2021
General Merchandise	\$ 24,726	\$ 19,656	\$ 14,010	\$ 14,930	\$ 11,412	\$ 10,496	\$ 10,069	\$ 8,964	\$ 5,204	\$	2,465
Food	585,517	593,446	673,803	591,893	564,049	550,591	535,167	528,469	615,073		594,801
Drinking and Eating Places	317,291	338,382	364,221	329,303	350,024	372,173	362,713	349,961	224,312		297,355
Apparel	128,633	136,270	136,582	151,212	147,576	145,141	134,201	146,455	115,423		182,571
Furniture & H.H. & Radio	75,071	77,642	78,988	73,061	65,571	56,848	59,046	66,569	62,239		111,580
Lumber, Building, Hardware	13,742	19,724	-	-	15,076	16,479	19,267	21,891	27,245		30,893
Automobile and Filling Stations	146,865	241,339	178,178	133,684	139,764	141,260	131,243	575,290	134,743		170,053
Drugs and Miscellaneous Retail	400,096	433,159	430,482	414,407	431,966	399,115	381,239	393,920	391,545		879,413
Agriculture and All Others	274,807	285,401	255,189	295,974	271,061	246,697	166,637	222,162	170,645		248,950
Manufacturers	-	-	14,415	(5,107)	-	-	-	-	-		13,645
Censored categories	 -	-	-	-	-	-	-	-	 -		-
Total	\$ 1,966,748	\$ 2,145,019	\$ 2,145,868	\$ 1,999,357	\$ 1,996,499	\$ 1,938,800	\$ 1,799,582	\$ 2,313,681	\$ 1,746,430	\$ 2	2,531,724
Total Number of Payers	647	637	637	673	687	687	604	578	510		2897
City direct sales tax rate	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%		1.00%

Data Source

Illinois Department of Revenue

Note: Blank categories have less than 4 taxpayers, therefore no data is shown to

protect the confidentiality of individual taxpayers.

The categories, Lumber, Bldg. and Hardware and General Merchandise became a censored status in the 2nd quarter of 2008.

The category of Furniture & H.H. & Radio became a censored status in the 4th quarter of 2011

* A onetime estimated payment of \$400,000 was received in November 2019

Direct and Overlapping Sales Tax Rates Last Ten Fiscal Years

Fiscal Year	City Direct Rate	State Rate	Metra Rate	Special County Rate	Total
2013	1.50%	5.00%	0.50%	0.50%	7.50%
2014	1.50%	5.00%	0.50%	0.50%	7.50%
2015	1.50%	5.00%	0.50%	0.50%	7.50%
2016	1.50%	5.00%	0.50%	0.50%	7.50%
2017	1.50%	5.00%	0.50%	0.50%	7.50%
2018	1.50%	5.00%	0.50%	0.50%	7.50%
2019	1.50%	5.00%	0.50%	0.50%	7.50%
2020	2.00%	5.00%	0.50%	0.50%	8.00%
2021	2.00%	5.00%	0.50%	0.50%	8.00%
2022	2.00%	5.00%	0.50%	0.50%	8.00%

Data Source

City records

The City of Lake Forest became a home rule community in November 2004. The City increased the home rules sales tax by .5% July 1, 2019

Ratios of Outstanding Debt by Type Last Ten Fiscal Years

	Government		Business-Ty	pe Activities		Ratio of Total	Percentage	Total
Fiscal	General	Installment	General		Total	Outstanding Debt	of	Outstanding
Year	Obligation	Purchase	Obligation	Revenue	Primary	To Equalized	Personal	Debt Per
Ended	Bonds	Contracts	Bonds	Bonds	Government	Assessed Valuation*	Income*	Capita*
2013	\$ 37,203,146	\$-	\$ 21,060,000	s -	\$ 58,263,146	2.45%	3.90%	\$ 3,007.13
2014	35,852,197	Ψ -	19,245,000	Ψ	55,097,197	2.44%	3.69%	2,843.73
2015	34,258,902	-	17,602,838	-	51,861,740	2.30%	3.47%	2,676.73
2016	42,510,566	-	15,679,654	-	58,190,220	2.52%	3.90%	3,003.37
2017	34,775,542	-	13,737,111	-	48,512,653	1.99%	3.25%	2,503.88
2018	33,460,538	-	21,111,864	-	54,572,402	2.15%	3.65%	2,816.64
2019	32,016,478	-	19,090,324	-	51,106,802	2.02%	3.42%	2,637.77
2020	30,340,954	-	16,863,419	-	47,204,373	1.92%	3.16%	2,436.35
2021	28,339,248	-	14,756,030	-	43,095,278	1.80%	2.89%	2,224.27
2022	26,227,244	-	12,701,765	-	38,929,009	1.63%	2.61%	2,009.24

Note: Details of the City's outstanding debt can be found in the notes to the financial statements.

* See the Schedule of Demographic and Economic Statistics for equalized assessed valuation of property, population data and personal income.

Ratios of General Bonded Debt Outstanding Last Ten Fiscal Years

			Less Amounts	F	Percentage of Estimate	d	
Fiscal		General	Available In Debt		Actual Taxable		Per
Year	Obli	igation Bonds	Service Fund	Total	Value of Property*		Capita
2013	\$	58,263,146	\$ 1,908,750	\$ 55,855,871	0.78%	\$	2,882.88
2014		55,097,197	1,144,118	53,953,079	0.80%		2,784.68
2015		51,861,740	1,316,900	50,544,840	0.75%		2,608.77
2016		58,190,220	1,201,300	56,988,920	0.82%		2,941.36
2017		48,512,653	1,067,027	47,073,830	0.64%		2,429.62
2018		54,572,402	1,161,697	53,410,705	0.70%		2,756.68
2019		51,106,802	1,292,816	49,813,986	0.66%		2,571.04
2020		47,204,373	1,596,241	45,608,132	0.61%		2,353.97
2021		43,095,278	1,640,674	41,454,604	0.57%		2,139.59
2022		38,929,009	1,289,569	37,639,440	0.52%		1,942.68

Note: Details of the City's outstanding debt can be found in the notes to the financial statements.

* See the Schedule of Assessed Value and estimated Actual Value of Taxable Property for property value data.

Direct and Overlapping Governmental Activities Debt April 30, 2022

Governmental Unit	Gross Debt	Percentage Debt Applicable to the City of Lake Forest*	City of Lake Forest Share of Debt
Lake County	\$ 137,310,000	9.94%	\$ 13,648,614
Lake County Community College #532	90,210,000	10.48%	9,454,008
Lake County Forest Preserve District	181,865,000	9.94%	18,077,381
School District #67	3,040,000	100.00%	3,040,000
School District #103	6,595,000	0.01%	679
High School District #115	 17,415,000	79.50%	 13,844,925
Subtotal, overlapping debt	436,435,000		58,065,607
City of Lake Forest direct debt	 26,227,244	100.00%	 26,227,244
Total direct and overlapping debt	\$ 462,662,244		\$ 84,292,851

Source: Lake County Clerk

District Bond Principal Payments Report

* Determined by ratio of assessed valuation of property subject to taxation in the City of

Lake Forest to valuation of property subject to taxation in overlapping unit. The Percentage of debt is calculated by the percentage of the City's EAV in relation to the overlapping government's EAV. The gross debt is found on the Lake County website.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Lake Forest. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

Legal Debt Margin Information Last Ten Fiscal Years

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Debt limit	N/A									
Total net debt applicable to limit	N/A									
Legal debt margin	N/A									
Total net debt applicable to the limit as a percentage of debt limit	N/A									

Note: Legal debt margin from 1997-2004 was 8.625% of assessed value.

* City of Lake Forest achieved home rule status in November 2004. To date the General Assembly has set no limits for home rule municipalities.

Pledged Revenue Coverage Last Ten Fiscal Years

		W	aterworks and	Sev	werage and Golf (Cour	se Bonds			
Fiscal	Gross	Les	ss: Operating		Net Available		Debt Se	ervi	ce	
Year	Revenue		Expenses		Revenue		Principal		Interest	Coverage
2013	\$ 9,956,387	\$	6,938,272	\$	3,018,115	\$	1,744,000	\$	482,866	1.36
2014	9,043,227		5,406,022		3,637,205		1,815,000		433,125	1.62
2015	8,918,081		5,445,461		3,472,620		1,847,000		402,951	1.54
2016	10,190,948		5,826,164		4,364,784		1,877,000		373,266	1.94
2017	9,881,831		6,438,798		3,443,033		1,902,000		339,386	1.54
2018	10,022,069		5,644,942		4,377,127		1,952,000		544,461	1.75
2019	10,357,788		6,992,668		3,365,120		1,987,000		580,023	1.31
2020	9,655,908		6,253,668		3,402,240		2,067,000		530,673	1.31
2021	10,796,575		6,752,827		4,043,748		1,934,413		607,064	1.59
2022	12,543,737		5,821,671		6,722,067		1,871,947		523,002	2.81

Note: Details of the City's outstanding debt can be found in the notes to the financial statements. Water Charges and Other includes investment earnings but excludes sale of property and grants Operating expenses does not include debt service, depreciation or reserve requirements

Demographic and Economic Information Last Ten Fiscal Years

Fiscal Year	Population			alized Accessed aluation (EAV)		Per Capita EAV		Personal Income		Per Capita rsonal Income	Unemployment Rate
2013 *	19,375	(A)	\$	2,378,047,139	\$	122,738	\$	1,493,657,500	\$	77,092	6.9%
2014 *	19,375	(A)	Ψ	2,253,547,404	Ψ	116,312	Ψ	1,493,657,500	Ψ	77.092	6.7%
2015 *	19,375	(A)		2,250,468,636		116,153		1,493,657,500		77,092	5.5%
2016 *	19,375	(A)		2,307,936,059		119,119		1,493,657,500		77,092	4.7%
2017 *	19,375	(A)		2,443,072,671		126,094		1,493,657,500		77,092	4.6%
2018 *	19,375	(A)		2,533,957,443		130,785		1,493,657,500		77,092	4.0%
2019 *	19,375	(A)		2,526,924,079		130,422		1,493,657,500		77,092	3.9%
2020 *	19,375	(A)		2,457,796,598		126,854		1,493,657,500		77,092	3.4%
2021 *	19,375	(A)		2,396,662,125		123,699		1,493,657,500		77,092	6.4%
2022 *	19,375	(A)		2,381,873,010		122,935		1,493,657,500		77,092	3.8%

(A) Actual

(E) Estimate by City of Lake Forest

Data Source

City records, Department of Labor and Office of the County Clerk.

* The State of Illinois revised the annual unemployment rates for small communities back to 2010 in 2014

Census information for 2022 was not available from the City as of issuance date

Principal Employers Current Year and Nine Years Ago

		2022			2013	
			% of Total			% of Total
Employer	Employees	Rank	City Population	Employees	Rank	City Population
Northwestern Medicine Lake Forest Hospital	1,545	1	7.97%	1,600	1	8.26%
Abbott	1,136	2	5.86%			
Hospira Inc.	921	3	4.75%	1,350	2	6.97%
Pfizer	**					
Trustmark Insurance Company	498	4	2.57%	800	3	4.13%
Pactiv Corporation	492	5	2.54%	300	7	1.55%
Solo Cup Co.				600	4	3.10%
Lake Forest College excludes student employees	438	6	2.26%	500	5	2.58%
Lake Forest H.S. District 115 teacher, support staff	321	7	1.66%	350	6	1.81%
Lake Forest Elem. S.D. No. 67	304	8	1.57%			
Packaging Corporation of America	298	9	1.54%	200	10	1.03%
City of Lake Forest	210	10	1.08%	275	8	1.42%
Brunswick Corporation Packaging Corp	-			200	9	1.03%

Data Source City staff contacted companies via mail. ** No response received

Full-Time Equivalent Employees

Last Ten Fiscal Years

	I	Full-Time-E	quivalent B	udgeted Em	ployees as	of April 30				
Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Government										
Administration	25	25	25	25.0	25.4	23.5	23.8	23.75	24.75	24.75
Community Development	13.0	13.0	13.0	13.0	13.0	13.0	13.0	13.0	13.0	13.0
Public Safety										
Fire Protection										
Firefighters	33	33	33	33	33	32	32	32	32	32
Administrative	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Police	40	40	40	40	40	40	10	40	40	40
Officers Civilians	40 18.0	40 18.0	40 18.0	40 8.0	40 9.0	40 7.0	40 7.0	40 7.0	40 7.0	40 7.0
Public Works	10.0	16.0	10.0	0.0	9.0	7.0	7.0	7.0	7.0	7.0
Public Works Administration	4	4	4	4	4	4	4	4	4	4
Building Maintenance	6	7	7	7	7	7	7	7	7	7
Engineering	5	5	5	5	5	5	5	5	5	5
Streets	8	8	7.5	7.5	8.0	8.0	8.0	8.0	8.0	8.0
Sanitation	12	11	10.5	10.5	10.0	10.0	10.0	10.0	10.0	10.0
Forestry	0	0	0	0	0	0	0	0	0	0
Fleet (vehicle) Maintenance	6	6	6	6	6	6	6	6	6	6
Water										
Water Plant	7	7	7	6.5	6.5	6.5	6.5	6.5	6.5	6.5
Water and Sewer	10	9	9	8.5	8.5	8.5	8.5	8.5	8.5	8.5
Parks	15.4	15.4	15.4	15.4	15.0	15.0	15.0	15.0	15.0	15.0
Recreation	15.4	15.4	15.4	15.4	16.0	16.0	16.0	16.0	16.0	16.0
Golf Course	2.2	2.2	2.2	2.2	0.0	0.0	0.0	0.0	0.0	0.0
Cemetery	2	2	2	2	2	3	3	3	3	3
Senior Resources	3	3	3	3	3	3	3	3	3	3
Sub - total City	226	224	224	214	213.4	209.5	209.75	209.75	210.75	210.75
_ibrary	27.8	28.2	28.2	29.2	30.5	30.5	31.0	30.0	31.0	30.0
Total all	253.8	252.2	252.2	243.2	243.9	240	240.75	239.75	241.75	240.75

Data Source

City Departments and employee totals as of April 30th

Operating Indicators

Last Ten Fiscal Years

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Government										
City Clerk										
Real Estate Transfer Tax (1)										
Number of Transactions	382	440	394	355	361	425	418	369	663	637
Rebates Issued	40	67	40	44	37	40	45	33	63	67
Birth Certificates Issued	2,675	2,250	2,556	2,575	2,474	2,807	2,759	2,525	2,617	3,212
Passports Issued (2)	0	0	0	0	, 0	0	0	0	0	0
Community Development	-	-	-	-	-	-	-	-	-	-
Building permits issued	3.197	3,418	3.667	3,855	3,632	3,753	4,275	3.716	3,847	4,446
Residential construction	7	13	20	27	21	9	13	18	29	32
Commercial construction	2	1	1	1	1	4	-	1	2	2
Building inspections conducted		8,651	9,657	11,009	11,707	10,798	11,214	10,586	10,466	10,065
Public Safety	0,020	0,001	0,001	11,000	11,101	10,100	,	10,000	10,100	10,000
Fire protection										
I.S.O. rating	4	4	4	4	3	3	3	3	3	3
Number of calls answered	-	-	-	-	0	0	Ũ	0	0	0
EMS	1,726	1,574	1,785	1,712	1,923	1,909	1,839	2,232	1,868	2,159
Fire	1,403	1,497	1,503	1,367	1,325	1,303	1,450	1,448	1,000	1,403
Police (calendar year)	1,403	1,497	1,505	1,307	1,505	1,440	1,450	1,440	1,127	1,403
Non traffic arrests	237	191	89	166	129	76	157	83	80	95
Parking violations	7,013	5,979	69 5,250	3,907	5,396	4,325	6,891	03 3,748	00 1,107	95 2,242
Traffic violations								,		
	2,220	1,877	1,741	1,985	1,718	949	1,909	1,583	1,487	1,336
Public Works										
Streets										
Street resurfacing (miles) (calendar year)	5.92	5.00	5.50	2.40	3.28	2.63	2.20	3.40	1.90	1.20
Number of snow events										
Salting	23	27	21	24	15	10	9	6	5	5
Plowing	12	21	20	10	5	10	9	10	14	13
Inches of snow	36	48	50	24	22	45	46	26	63	37
Sanitation										
Refuse collection customers	6,472	6,462	6,654	6,295	6,467	6,467	6,484	6,503	6,527	6,550
Parks and Recreation (3)										
Fitness										
Number of programs	264	336	181	346	215	200	257	246	682	70
Units of participation	1,060	1,587	1,216	1,271	1,473	1,430	1,446	1,442	2,079	1,502
Athletics										
Number of programs	283	270	341	168	275	237	466	460	792	213
Units of Participation	2,704	2,524	2,282	1,348	2,006	2,026	1,931	1,958	561	1,901
Lakefront, Early Childhood Education and Lifetime Activities										
Number of programs	319	294	126	130	176	161	228	223	298	124
Units of participation	1,576	1,380	752	1,393	1,221	1,385	1,679	1,685	443	1,233
Cultural Arts/Special Events	.,	.,		.,	· ,== ·	.,	.,	.,		.,0
Number of programs	306	286	87	147	286	246	310	312	550	259
Units of participation	1,972	1,999	1,329	1,579	4,133	4,743	5,064	5,078	1,698	5,269
	1,012	.,000	164		1,100	1,1 40	0,004	5,010	1,000	-
			104	т						203

Operating Indicators (Continued) Last Ten Fiscal Years

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Wildlife Discovery Center, Ridge Teams Course										
and Adventure										
Number of programs	37	47	20	20	26	34	31	33	24	23
Units of participation	301	360	2,263	2,802	3,685	2,148	2,233	2,224	98	698
Developed parks and recreation areas	10	10	10	11	11	11	10	11	11	11
Developed park acreage	404	404	404	405	405	405	344	344	344	344
Sites with playgrounds	9	9	9	9	9	9	9	9	9	9
Sites with baseball diamonds	8	8	8	8	8	8	8	7	7	7
Sites with soccer fields	7	7	7	7	7	7	7	7	7	7
Sites with basketball standards	5	5	5	5	5	5	5	4	4	4
Sites with tennis courts	6	6	6	6	6	6	6	6	6	6
Deer Path Golf Course										
Size	18 holes									
Rounds of Play	30,321	29,435	27,956	29,445	27,101	24,631	26,184	24,666	24,508	26,293
Daily fee	13,646	17,449	17,646	20,478	19,755	18,660	21,172	20,089	20,380	22,112
Seasonal	16,675	11,986	10,310	8,967	7,346	5,971	5,012	4,577	4,128	4,181
Water										
New Connections (tap-ons)	20	28	33	66	30	23	29	21	27	15
Meters in operation	6,754	6,751	6,764	6,810	6,854	6,854	6,840	6,850	6,899	6,911
Meters connected to sewerage system	6,584	6,587	6,577	6,645	6,718	6,778	6,766	6,789	6,832	6,842
Average daily consumption (MGD)	4.202	3.652	3.250	3.162	3.499	3.550	3.430	3.132	3.400	3.802
Peak daily consumption (MGD)	10.298	8.611	7.345	8.268	8.315	8.926	7.247	7.916	8.180	9.216
Rated daily pumping capacity (MGD)	14	14	14	14	14	14	14	14	14	14
Total gallons pumped during fiscal year										
(in millions)	1,534.0	1,332.8	1,187.6	1,157.2	1,277.0	1,296.0	1,252.0	1,146.4	1,241.0	1,387.8
Municipal paid parking facilities										
Long- term parking spaces										
Miscellaneous lots	813	813	813	813	813	813	813	813	813	813
Union Pacific (CBD district)	98	98	98	98	98	98	98	98	98	98
Metra (Telegraph Road)	502	502	502	502	502	502	502	502	502	502
Short-term parking spaces	341	341	341	341	341	341	341	341	341	341
Component Unit										
Library services										
Books and non print materials	147,330	148,318	146,214	146,153	221,568	248,598	147,024	149,026	350,692	366,063
Registered borrowers	15,160	15,403	15,440	15,460	15,518	13,588	13,946	7,908	9,408	9,377
Fiscal yearbooks, items				-	-	-			•	
or materials circulation	457,632	450,876	410,852	383,561	376,144	551,232	366,128	346,603	262,366	350,541
		•							•	

Data Source

City departments

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

(2) The City began to issue passports in FY2003 and stopped in FY2012.

(3) a. Fitness data does not include Fitness Center memberships.

b. Units of participation may include an individual participant more than once.

N/A equals data not available

City of Lake Forest Capital Asset Statistics

Last Ten Fiscal Years

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Public Safety	<u>.</u>									
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Vehicles	25	23	23	21	24	24	23	23	23	23
Fire protection										
Stations	2	2	2	2	2	2	2	2	2	2
Vehicles	14	17	15	17	17	15	18	18	19	23
Public Works										
Bridges										
Vehicle	14	14	14	14	14	14	14	14	14	14
Pedestrian	12	12	12	12	12	12	13	13	13	13
Streets										
Streets (centerline miles)	119.00	119.24	119.24	119.24	119.24	119.24	119.24	119.24	119.24	119.24
Streetlights										
Gas	438	438	438	438	438	438	438	438	438	438
Electric	1,526	1,536	1,570	1,570	1,570	1,570	1,570	1,570	1,570	1,570
Storm sewer (miles)	219.41	219.41	219.41	219.43	219.43	219.46	219.54	219.54	219.54	219.54
Parks and Recreation										
Acreage	404	404	404	405	405	405	344	344	344	344
Water										
Water mains (miles)	165.25	165.79	166.44	166.44	166.89	167.68	167.68	167.73	167.84	167.84
Fire hydrants	1,362	1,362	1,511	1,511	1,511	1,519	1,374	1,400	1,400	1,400
Wastewater										
Sanitary sewers (miles)	138.90	138.95	138.95	139.43	139.43	140.25	140.25	140.25	140.25	140.25
Data Source										
Other dama stars and a										

City departments

N/A = data not available

The City of Lake Forest <u>CITY COUNCIL MEETING</u> Proceedings of the Monday, October 17, 2022 City Council Meeting - City Council Chambers 220 E Deerpath, Lake Forest, IL 60045

CALL TO ORDER AND ROLL CALL Mayor Pandaleon called the meeting to order at 7:25p.m, and Deputy City Clerk Joyce Reda called the roll of Council members.

Present: Alderman Morris, Alderman Novit, Alderman Rummel, Alderman Preschlack, Alderman Goshgarian, Alderman Buschmann, and Weber.

Absent: Alderman Notz

CALL TO ORDER AND ROLL CALL

PLEDGE OF ALLEGIANCE was recited.

REPORTS OF CITY OFFICERS

COMMENTS BY MAYOR

A. ICMA Community Sustainability Program Excellence Award -Dan Martin, Superintendent of Public Works and Dana Olson, Communications Manager

Mayor Pandaleon recognized the Community Sustainability Excellence award given to the City from the International City/County Manager's Association (ICMA) for the Rethink Recycling Campaign. Mayor Pandaleon acknowledged the importance of financial support from the Lake Forest Garden Club through generous donations. Photos were taken with those engaged in the project and Public Works Superintendent Dan Martin provided the Council with an overview of the project.

COMMENTS BY CITY MANAGER

OPPORTUNITY FOR CITIZENS TO ADDRESS THE CITY COUNCIL

COMMITTEE REPORTS

ITEMS FOR OMNIBUS VOTE CONSIDERATION

- 1. Approval of October 3, 2022, City Council Meeting Minutes
- 2. Acknowledgement of Receipt of the fiscal year 2022 Treasurer's Report

- 3. Award of Contract with Advanced Tree Care for an amount not to exceed \$52,000 to extend MPI Tree Pruning services for tree pruning in fiscal year 2023.
- 4. Approval to purchase nine 420-class Sailboats from Simmons Boatworks in amount not to exceed \$60,000.
- 5. Consideration of Ordinances Approving Recommendations from the Building Review Board (First Reading, and if Desired by the City Council, Final Approval).
- 6. Consideration of Ordinances Approving Recommendations from the Zoning Board of Appeals (First Reading, and if Desired by the City Council, Final Approval).

COUNCIL ACTION: Approval of the six (6) omnibus items as presented.

Mayor Pandaleon asked members of the Council if they would like to remove any item or take it separately. Seeing none, he asked for a motion.

Alderman Morris a motion to approve the six (6) Omnibus items as presented, seconded by Alderman Preschlack. The following voted "Aye": Alderman Morris, Novit, Rummel, Preschlack, Goshgarian, Buschmann and Weber. 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.

ORDINANCES

OLD BUSINESS

1. Consideration of a Settlement Agreement in the matter of 361 Westminster, LLC and the 705 North McKinley Development, LLC v. City of Lake Forest and Various Other Parties. (Approval by motion).

Mayor Pandaleon stated it is time for the City Council to take a leadership role by approving the settlement agreement. Mayor Pandaleon introduced Kurt Ashprooth, City Attorney, who stated the litigation will be stayed until December 5, to allow the city to hear the revised plan at the Planning and HPC Commission.

The City Council had lengthy discussion with City staff in regards to the specifics on the cash lieu of affordable housing in accordance with City code.

Mayor Pandaleon asked if anyone from the public would like to make a comment. The following persons made comments:

Susan Athenson, President of the Lake Forest Preservation Foundation offered her opinion to the City Council in opposition of the settlement agreement, noting drawbacks in compromise.

Jeff Torosian offered opinion to the City Council in opposition of the settlement agreement, noting drawbacks in compromise.

Rommy Lopat offered her opinion to the City Council in opposition of the settlement agreement, noting drawbacks in compromise.

Todd Curry offered his opinion to the City Council in support of the settlement agreement, noting possible improvements in public notification and to not bypass the Planning and HPC Committees.

Art Miller offered his opinion to the City Council in opposition of the settlement agreement, noting geographical challenges that could arise.

Sally Downey offered her opinion to the City Council in opposition of the settlement agreement, noting an emphasis on development through city code and guidelines.

Reed Dailey offered his opinion to the City Council in opposition of the settlement agreement, noting inconveniences to surrounding properties.

Mayor Pandaleon asked City Council members for final comment.

<u>COUNCIL ACTION:</u> If desired by the Council, approve the Settlement Agreement as presented in the Council packet by Motion.

Alderman Goshgarian made a motion to approve the Settlement Agreement as presented in the Council packet by motion, seconded by Alderman Rummel. The following voted "Aye": Alderman Morris, Novit, Rummel, Preschlack, Goshgarian, and Weber. The following voted "Nay": Alderman Buschmann. 6-Ayes, 1 Nays, motion carried.

2. Approval of Amendment to the Contract for Architecture and Engineering Services for Synthetic Turf Field at Deerpath Community Park with Hitchcock Design Group, to Include Additional Design Services in the Amount of \$85,200

Chuck Myers, Superintendent of Parks & Forestry, gave an overview of the amendment to the contract for architecture and engineering services, outlining an updated plan on size and cost. The City Council had discussion on the additional building and boardwalk that is included in the funding proposed.

City Manager Jason Wicha proposed that the storage facility, or additional building, is critical for the project in order to adequately maintain the fields.

<u>COUNCIL ACTION</u>: Approval of an Amendment to the Contract for Architecture and Engineering Services for New Synthetic Turf Field at Deerpath Community Park with Hitchcock Design Group, to Include Additional Design Services in the Amount of \$85,200.

Alderman Novit made a motion of Approval of an Amendment to the Contract for Architecture and Engineering Services for New Synthetic Turf Field at Deerpath Community Park with Hitchcock Design Group, to Include Additional Design Services in the Amount of \$85,200, seconded by Alderman Weber. The following voted "Aye": Alderman Morris, Novit, Rummel, Preschlack, Goshgarian, Buschmann and Weber. The following voted "Nay": None. 7-Ayes, 0 Nays, motion carried.

NEW BUSINESS

ADDITIONAL ITEMS FOR COUNCIL DISCUSSION/COMMENTS BY COUNCIL MEMBERS

ADJOURNMENT

There being no further business Mayor Pandaleon asked for a motion. Alderman Rummel made a motion to adjourn, seconded by Alderman Buschmann. Motion carried unanimously by voice vote at 9:28 p.m.

Respectfully Submitted, Joyce Reda, Deputy 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 <u>www.cityoflakeforest.com</u>. Click on I Want To, then click on View, then choose Archived Meetings Videos.

AMENDED AND RESTATED EMPLOYMENT AGREEMENT

THIS AGREEMENT is made and entered into this _____ day of _____, 2022, by and between the THE CITY OF LAKE FOREST, an Illinois home rule municipality ("*City*") and JASON C. WICHA ("*Employee*").

WHEREAS, in 2018, the City entered into an employment agreement with Employee to set forth the terms, provisions, and conditions of the employment of Employee as the City Manager; and

WHEREAS, the City desires to continue the Employee's services as the City Manager under the terms, provisions, and conditions set forth in this Agreement; and

WHEREAS, Employee desires to continue employment with the City under the terms, provisions, and conditions set forth in this Agreement;

NOW, THEREFORE, in consideration of the recitals set forth above, the promises and agreements in this Agreement, and other valuable consideration, the parties agree as follows:

<u>Section 1.</u> <u>Employment and Duties</u>. The City agrees to employ Employee as City Manager, and Employee agrees to continue employment as City Manager. Employee agrees to perform all duties of the City Manager as set forth in the City Charter, the City Code, and Illinois statute, as well as other duties that may be assigned to Employee by the Mayor and City Council from time-to-time.

<u>Section 2.</u> <u>Term</u>. Employee will serve as City Manager for an indefinite term at the pleasure of the Mayor and City Council. Nothing in this Agreement will prevent, limit, or otherwise interfere with the right of the Mayor and City Council to terminate the employment of the Employee at any time, with or without cause, subject only to the provisions of this Agreement. Moreover, nothing in this Agreement will prevent, limit, or otherwise interfere with the right of the Employee to resign at any time from his position as City Manager, subject only to the provisions of this Agreement.

Section 3. Termination and Severance Pay.

A. <u>Termination without Cause</u>. The City may terminate this Agreement and remove Employee, without cause, subject to payment of severance as provided by this Subsection 3.A. Termination without cause is defined as termination of Employee's employment for any reason other than as defined in Subsection 3.B below. If Employee is terminated by the Mayor and City Council without cause, Employee will be entitled to a lump sum cash payment equal to six months' base salary. The City will continue to provide health insurance benefits as provided for in this Agreement for six months or until Employee obtains health insurance coverage elsewhere, whichever is less. In exchange for the severance payment, Employee agrees to execute all waivers and releases that the City customarily requires of employees upon separation of employment with the City, including waivers and releases of specific statutory rights after required waiting periods. B. <u>Termination with Cause</u>. The City may terminate this Agreement and remove Employee with just cause. If Employee is terminated by the Mayor and City Council for just cause, Employee will not be entitled to any severance payment. Termination with just cause is defined as termination of Employee's employment for conviction of any felony, conviction of any crime involving moral turpitude damaging the integrity of the City, or official misconduct as defined by Illinois statutes.

C. <u>Resignation</u>. If Employee voluntarily resigns from his position as City Manager, Employee must give the City a minimum of three months advance notice in writing, unless otherwise modified by the Mayor and City Council.

D. <u>Disability</u>. If Employee becomes disabled or is otherwise unable to perform his duties with reasonable accommodation because of sickness, accident, injury, mental incapacity, or health for a period of four successive weeks or for 20 working days over a 30 working day period, following exhaustion of any accrued sick leave, the City has the option to terminate this Agreement unless otherwise prohibited by applicable law, subject to termination and severance requirements.

E. <u>Payout of Accrued Leave</u>. Upon any termination of Employee under this Section 3, Employee will be entitled to compensation for any accrued but unused vacation or other leave time in the manner required by law and as set forth in the City's then-applicable Personnel Policies and Procedures.

Section 4. <u>Compensation and Benefits</u>.

A. <u>Base Salary</u>. The City agrees to pay Employee a base salary of Two Hundred and Twenty-Five Thousand Dollars (\$225,000.00), payable in installments in accordance with the City's normal payroll practices, effective as of May 1, 2022. The base salary may be adjusted from time-to-time as the Mayor and City Council, in their sole discretion, may determine without having to amend this Agreement.

B. <u>Bonus</u>. The City reserves the right to recognize and reward successful performance and may, at the time of evaluation or at any other time, and in the City's sole discretion, pay Employee such additional bonus compensation as the City deems appropriate.

C. <u>Deferred Compensation</u>. The City agrees to execute all necessary documents for the Employee's participation in an ICMA-RC 457 deferred compensation plan or the Voluntary Additional Contribution deferred compensation plan administered by the Illinois Municipal Retirement Fund ("*Deferred Compensation Plan*"). The City agrees to pay an amount equal to 8.75% of the Employee's base salary into the Deferred Compensation Plan on Employee's behalf, in equal proportionate amounts each pay period.

D. <u>Health Insurance Benefits</u>. Employee is eligible and entitled to participate in the City's medical and dental insurance program on the same terms applicable to other City management employees from time-to-time.

E. <u>Life Insurance Benefits</u>. Employee will receive the same life insurance benefits received by all City management employees from time-to-time.

F. <u>IMRF</u>. Employee will be eligible to enroll in the Illinois Municipal Retirement Fund ("*IMRF*") pursuant to its terms and provisions, and the City will make the employer's contribution.

G. <u>Professional Development</u>. In order to maintain Employee's professional standing and continued education, the City agrees to pay the reasonable cost of Employee's dues in professional associations and other reasonable expenses of professional development, and attendance at state and national city management conferences.

Section 5. Vacation, Sick Leave, Holidays, and Personal Days.

A. <u>Vacation</u>. On Employee's start date, Employee will receive 40 hours of vacation leave. For the remainder of Employee's first calendar year of employment, Employee will receive 6.15 hours of vacation leave per pay period. In the second and subsequent years, Employee will receive 6.46 hours of vacation leave per pay period, equivalent to four weeks per year.

B. <u>Sick Leave</u>. On Employee's start date, Employee will receive 40 hours of sick leave. Thereafter, Employee will be eligible for the same sick leave benefits received by City management employees from time-to-time, up to 96 hours per year.

C. <u>Holidays and Personal Days</u>. The Employee will receive the same holidays and personal days each calendar year as received by City management employees from time-to-time.

D. <u>Policies on Use and Accrual of Leave</u>. Employee's use and accrual of vacation leave, sick leave, holidays, and personal days will be subject to the rules and policies contained in the then-applicable City's Personnel Policies and Practices.

Section 6. <u>Relocation and Residency</u>.

A. <u>Residency</u>. The City and Employee agree that residency in the City is a condition of employment under this Agreement.

B. <u>Lake Forest Residence Loan</u>.

1. In recognition of the expenses involved in residing in Lake Forest, the City agreed to provide a loan ("*Loan*") to Employee in the amount of \$200,000.00 for a portion of the purchase price of a residence purchased by Employee in Lake Forest ("*Lake Forest Residence*"). The Loan will be without interest. The City paid this sum as directed by Employee on the date of closing of the Lake Forest Residence. The Loan is evidenced by a promissory note ("*Note*"), which Note was made by the Employee and any co-owner of the Lake Forest Residence.

2. The Loan is due and payable upon the earlier of (a) the date of closing of the sale or other transfer by Employee and/or a co-owner of any of their interest in the Lake Forest Residence or (b) the date that is nine months after the termination of the Employee's employment as City Manager under this Agreement, whether voluntary or involuntary, with or without cause or (c) 25 years from the effective date of the Note.

3. The provisions of this Subsection 6.B will survive the termination of this Agreement.

4. In recognition of the value of the Employee's continued service to the City as the City Manager, the City agrees that the blance of its Housing Loan to the Employee shall be reduced on each anniversary of this Agreement as follows:

5/1/2020	- \$185,000
5/1/2021	- \$170,000
5/1/2022	- \$155,000
5/1/2023	- \$140,000
5/1/2024	- \$125,000
5/1/2025	- \$110,000
5/1/2026	- \$95,000
5/1/2027	- \$80,000
5/1/2028	- \$65,000
5/1/2029	- \$50,000
5/1/2030	- \$35,000
5/1/2031	- \$20,000
5/1/2032	- \$0

Employee will only realize the reduction in the Housing Loan set forth in the preceding table if the Employee is serving as the City Manager on any particular adjustment date. Unless otherwise approved by the City Council, no proration of the adjustment oin the Housing Loan will be awarded to the Employee.

<u>Section 7.</u> <u>Performance Evaluation</u>. The Mayor and City Council will review and evaluate the performance of the Employee at least once annually. At a minimum, the performance evaluation process will include a written evaluation of the work performance during the previous rating period, a review of Employee's goals and performance objectives for the next rating period, and a written summary of the evaluation results.

Section 8. Exclusive Employment. Employee's position as City Manager will be his sole employment.

Section 9. Other Terms and Conditions of Employment. All provisions of the City Charter, the City Code, the City's Personnel Policies and Practices, and other rules or policies of the City as they now exist or may be amended from time-to-time will also apply to the Employee as they would to other employees of the City, except as expressly set forth in this Agreement.

<u>Section 10</u>. <u>Indemnification</u>. The City agrees to defend, save harmless and indemnify Employee against any tort, professional liability claim, or demand or other legal action arising out of an alleged act or omission occurring in the performance of Employee's duties as City Manager. The City will have the right to compromise and settle any such claim or suit and thereupon pay the amount of any settlement or judgment rendered thereon.

Section 11. Attorney Review. Employee acknowledges that he has been informed by the City, through the terms of this Agreement, that he was advised to review and discuss the terms of this Agreement with an attorney of his choice prior to signing this Agreement.

<u>Section 12.</u> <u>General Provisions</u>. This Agreement constitutes the entire Agreement between the parties and it will be binding upon and inure to the benefits of the heirs, executors, successors and assigns of the parties. This Agreement may only be amended by written instrument executed by both parties, and each provision of this Agreement will be deemed severable. Neither party may assign their rights or obligations under this Agreement without the express written consent of the other party. This agreement supersedes all prior agreements between the parties regarding the matters herein set forth. This Agreement will be construed under the laws of the State of Illinois.

Section 13. <u>Notices</u>. Any notice required under this Agreement will be deemed given when deposited in the U.S. mail to the following:

City:

Employee:

Mayor City Hall, The City of Lake Forest 220 E Deerpath Rd Lake Forest, Illinois 60045

Jason C. Wicha 220 E. Deerpath Lake Forest, IL 60045

IN WITNESS WHEREOF, the parties have executed this Agreement the day and year first above written.

THE CITY OF LAKE FOREST, a home rule municipality

ATTEST:

By ____

Mayor

City Clerk

JASON C. WICHA





Mayor Pandaleon The City of Lake Forest 220 E. Deerpath Lake Forest, IL 60045

Dear Mayor Pandaleon,

My Name is Davis Hamilton; I am a sophomore at Lake Forest College pursuing a major in Communication with a double minor in African American Studies and Entrepreneurship & Innovation. Here on campus, I am on the executive board for both the Entrepreneurship Society-Head of Incubation, and within our collegiate chapter of the American Marketing Association (AMA) - Vice President. I am writing to you today regarding the latter of those organizations, AMA; we are preparing to hold our annual AMAzing Raffle. This Raffle will be an on-campus Fundraising event to support our membership's ability to participate in conferences, networking events, and competitions at the national level of AMA. I am writing on behalf of the Lake Forest College Chapter of the American Marketing Association to ask for the City Council's consideration of a waiver for the fidelity bond requirements regarding our AMAzing Raffle license application. The AMAzing Raffle includes items with an estimated value of approximately \$1,700, and we anticipate the number of tickets to be sold at 600. I also extend our gratitude to you, Mayor Pandaleon, the staff at City Hall, and the larger community of Lake Forest. Our ability as students to achieve and learn is in part due to the support and steadfast operation of this incredible community and the people who welcome us into this space. We are fortunate to have the opportunities, resources, and environment which is provided to us by the Community of Lake Forest.

Thank you again for your support of this community and the consideration of this waiver.

Sincerely,

Davis B. Hamilton (641) 990-3139 <u>hamiltondba37@lakeforest.edu</u> davisbhamilton@gmail.com

Sales- Kiddles Sports (Lake Forest, IL) Manager- Bikes To You (Grinnell, IA) Assistant Charter Director- Bikes To You RAGBRAI Charter (Grinnell, IA) Grinnell High School- Spring 2021 Lake Forest College- Spring 2025 Chapter Vice President- American Marketing Association Head of Incubation- Entreprenourship Society



November 1, 2022

Mayor Pandaleon The City of Lake Forest 220 E. Deerpath Rd. Lake Forest, IL 60045

Dear Mayor Pandaleon,

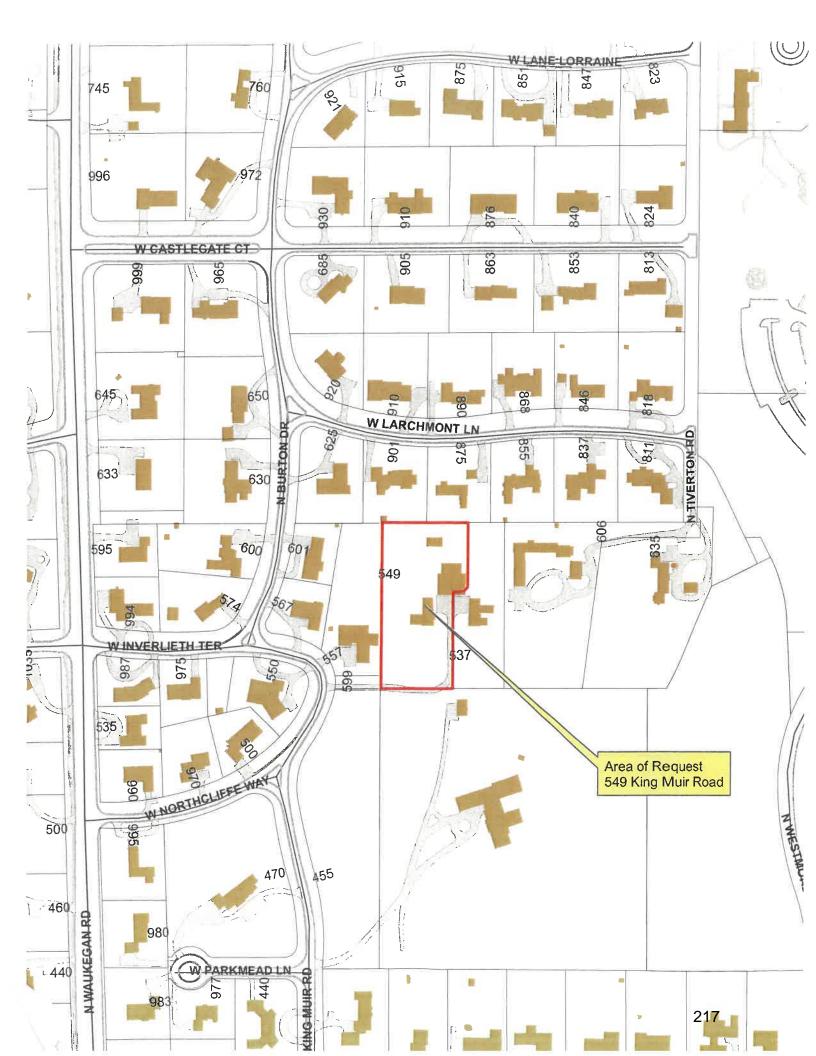
Lake Forest College Athletics is asking for the City Council's consideration of a waiver for the requirement of the fidelity bond, with regards to our Lake Forest College Athletics Cash Raffle license application. The raffle includes cash winnings of \$5,000 and we anticipate the number of tickets to be sold at 4,000.

Thank you for your consideration.

Sincerely,

Chris Pier

Chris Pier Associate Athletic Director – Budget & Compliance



THE CITY OF LAKE FOREST

ORDINANCE NO. 2022-____

AN ORDINANCE APPROVING ARCHITECTURAL AND SITE DESIGN REVIEW AND GRANTING A FLOOR AREA EXCEPTION FOR THE PROPERTY LOCATED AT 549 KING MUIR ROAD

WHEREAS, Richard N. Loope and Lynne A. Beyer ("Owners") are the owners of that certain real property commonly known as 549 King Muir Road, Lake Forest, Illinois and legally described in Exhibit A, attached hereto ("**Property**"); and

WHEREAS, the Property is located in the R-3, Single Family Residence District; and WHEREAS, the Owners desire to construct a mudroom and covered entrance at the rear of the home ("Improvements") as depicted on the site plan and architectural drawings that are attached hereto as Group Exhibit B ("Plans"); and

WHEREAS, the Owners submitted an application ("Application") to permit the construction of the Improvements and were required to present the Plans to the Building Review Board ("BRB") for its evaluation and recommendation; and

WHEREAS, the Improvements as depicted on the Plans would exceed the maximum floor area allowances as set forth in Section 150.148 (C) of the City Code, which apply to new construction on, or additions and alterations to existing construction on, residential property; and

WHEREAS, pursuant to notice duly published, the BRB reviewed and evaluated the Plans at a public hearing held on October 6, 2022; and

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WHEREAS, the BRB, having fully heard and having considered the evidence

and testimony by all those attending the public hearing who wished to testify,

made the following findings:

- 1. the Property is located within the R-3 District under the City Code,
- 2. Owners propose to construct the Improvements as depicted on the Plans,
- 3. as depicted on the Plans, a portion of the Improvements exceed the maximum floor area allowances set forth in Section 150.148(C) of the City Code,
- 4. the Improvements are consistent with the design standards in Section 150.147 of the City Code,
- 5. mature trees and other vegetation on the Property, in combination with the additional plantings planned as part of the project, effectively mitigate the appearance of excessive mass of the structure 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,
- 6. the Improvements are sited in a manner that minimizes the appearance of mass from the streetscape,
- 7. the proposed Improvements will not have a significant negative impact on the light to or views from neighboring homes,
- 7. 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 neighborhood,
- 8. 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' Application to construct the Improvements on the Property, and the findings and recommendations of the BRB, have determined that it is in the best interests of the City and its residents to grant approval to the Application and exception to the maximum allowable floor area, 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: Approval of Application. Pursuant to Section 150.147 of the City Code, and subject to the limitations therein and the conditions set forth in Section Four of this Ordinance, the City Council does hereby grant approval of the Application to allow the construction of the Improvements on the Property, as more fully depicted on the Plans.

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SECTION THREE: Maximum Floor Area Exception Granted. Pursuant to

Section 150.148 of the City Code, and subject to the limitations therein and the conditions set forth in Section Four of this Ordinance, the City Council does hereby grant 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 and other structures on the Property to have a maximum square footage not to exceed 7,542 square feet.

SECTION FOUR: Conditions on Approval. The approval granted pursuant to

Sections Two and Three of this Ordinance shall be, and are 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. <u>No Authorization of Work</u>. 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. <u>Compliance with Laws</u>. Chapters 150, regarding building and construction, 156, regarding subdivisions, and 159, regarding zoning, of the City Code, and all other applicable ordinances and regulations of the City shall continue to apply to the Property, and the development and use of the Property shall be in compliance with all laws and regulations of all other federal, state, and local governments and agencies having jurisdiction.
- C. <u>Tree Preservation</u>. The Owners will fully comply with Chapter 99 of the City Code, regarding trees, as it relates to the construction of the Improvements.

- D. <u>Compliance with the Plans</u>. The Improvements must be developed on the Property in substantial compliance with the Plans.
- Fees and Costs. The Owners shall be responsible for paying all E. 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 consideration, connection with the review, 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. <u>Other conditions.</u> The improvements shall be substantially in conformance with the Board's deliberations as reflected on Exhibit C, Notice of Action Board Recommendation, attached hereto.

SECTION FIVE: Effective Date. This Ordinance shall be in full force and effect from and after its passage, approval, and publication in pamphlet form in the manner provided by law; provided, however, that this Ordinance shall, in the discretion of the City Council, be of no force or effect if Owners have not (i) executed and (ii) thereafter filed with the City Clerk, within 90 days following the passage of this Ordinance, the unconditional agreement and consent, in the form attached hereto as Exhibit 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 _____, 2022.

AYES: ()

NAYS: ()

ABSENT: ()

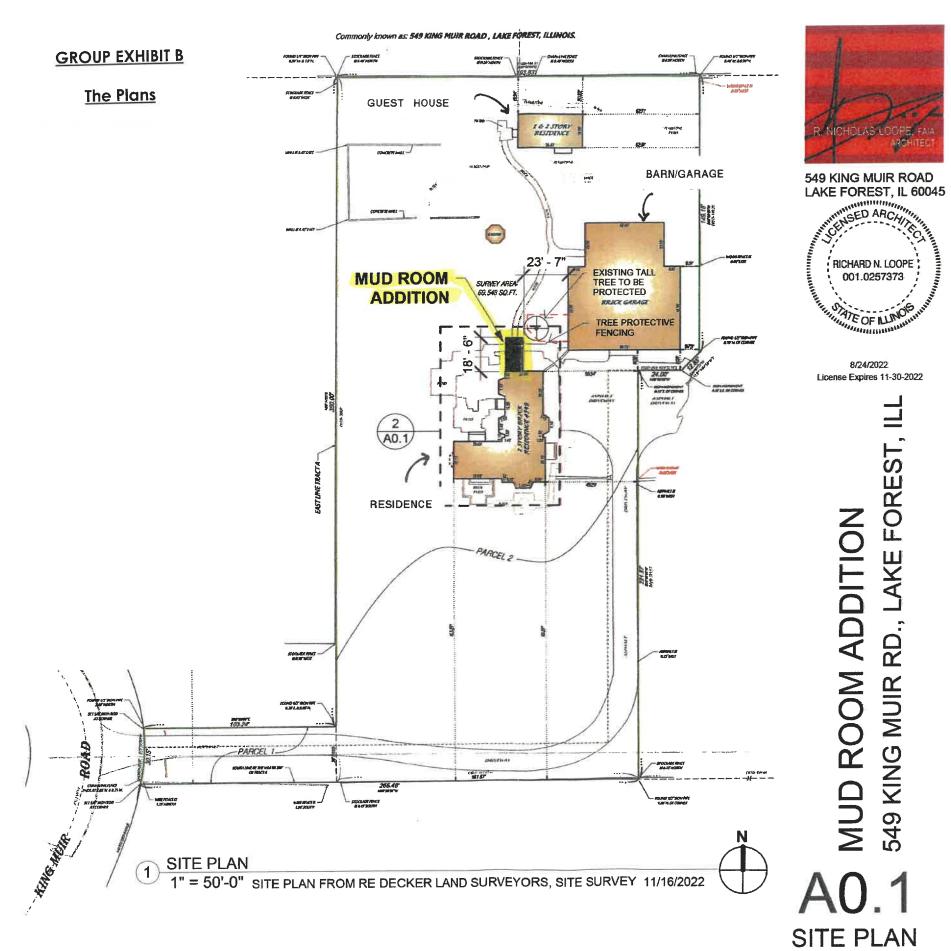
ABSTAIN: ()

PASSED THIS __ DAY OF _____, 2022.

Mayor

ATTEST:

City Clerk



SITE PLAN

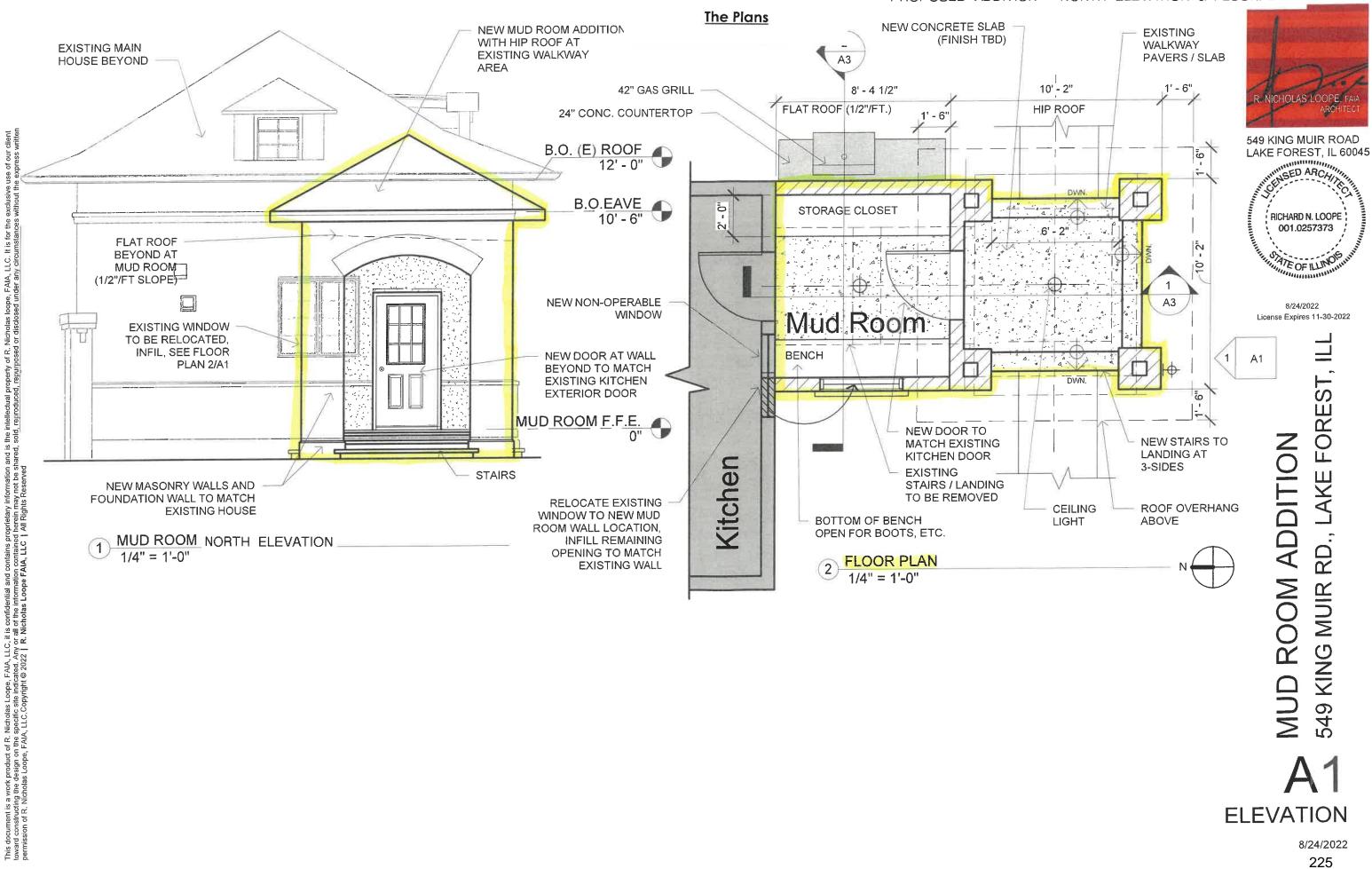




LAKE FOREST, 549 KING MUIR RD., 8/24/2022

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GROUP EXHIBIT B



PROPOSED ADDITION - NORTH ELEVATION & FLOORPLAN