

Comprehensive Annual Financial Report



City of Lake Forest, Illinois

For the Year Ended April 30, 2021

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

Fiscal Year Ended April 30, 2021

City of Lake Forest Finance Department

Elizabeth Holleb, Finance Director
Diane Hall, Assistant Finance Director

City of Lake Forest

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October 21, 2021

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

The Comprehensive Annual Financial Report of the City of Lake Forest (City) for the year ended April 30, 2021, 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.

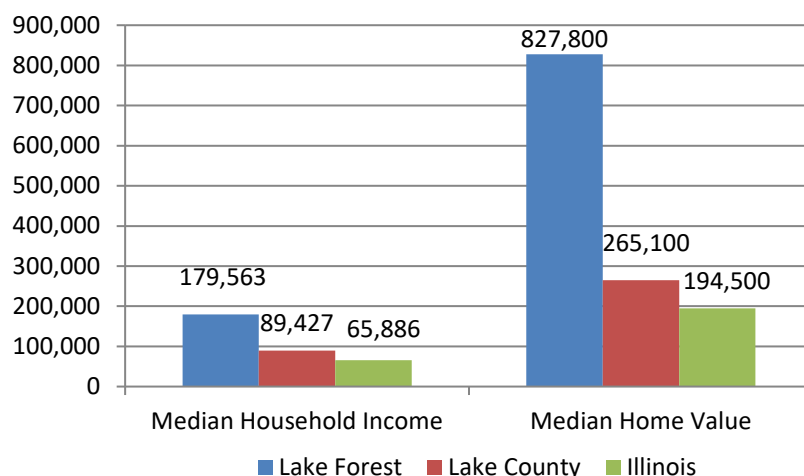
The City of Lake Forest utilizes an independent Audit Committee for reviewing the audit process and to report and make recommendations to the City Council. The Audit Committee members are Lake Forest residents having expertise in the area of financial administration and auditing.

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, 2021, 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, 2021, 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 require 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, 2015-2019 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 2020, the City's annual average unemployment rate was estimated to be 6.3%, compared to 8.1% for Lake County and 9.5% 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 2021, the index was 115.2, down from 129.1 in July, and comparing favorably to the August 2020 index of 86.3. The index remains above 90, the minimum level associated with a healthy economy. An index above 100 signals growth.

As revenues declined in 2008-2010 due to national economic conditions, the City has proactively reduced operating expenses to ensure a balanced budget and compliance with the City's fiscal policies. Since personnel costs represent approximately 70% of the General Fund operating budget, it has been necessary to achieve cost savings through reduced personnel. In fiscal years (FY) 2004-2022, the City has reduced budgeted full time employees by 47 positions (18%), 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 FY2021 budget estimates in aggregate. Effective May 1, 2014, the City implemented a new sanitation fee that generates \$915,000 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 has reduced income tax distributions and imposed an administration fee of 2% on home rule sales tax collections (reduced to 1.5% for SFY19). 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 FY2021. 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 in FY2020 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 City's golf course was shut down in March 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 \$203,482 in Federal Emergency Management Agency (FEMA) funding to assist with COVID-19 expenses.

Long-Term Financial Planning. The City is funding infrastructure expenditures primarily on a pay-as-you-go basis from dedicated revenues. A real estate transfer tax is imposed on residential and commercial real estate transactions and is deposited into the Capital Improvements Fund. The transfer tax of \$4.00 per \$1,000 of value is levied on the buyer of the real estate. FY2021 real estate transfer tax revenue totaled \$2.7 million, which is \$1.8 million over budget. Significant fluctuations occur in this revenue source due to changes in economic conditions, and more specifically the housing market. The City will remain conservative in projecting this revenue source and in spending monies on capital projects.

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

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

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

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

Pension Benefits. Escalating costs for employee pension benefits will continue to pose financial challenges to the City. Sworn police and fire personnel receive retirement and disability benefits from the Police Pension Fund and Firefighters' Pension Fund, respectively. Both of these plans are defined benefit, single-employer plans administered by boards of trustees. The defined benefits and employee contribution levels are governed by Illinois Compiled Statutes and may only be amended by the Illinois General Assembly. Police participants are required to contribute 9.91% of their base salaries and fire participants are required to contribute 9.455% of their base salaries. The City is required to contribute the remaining amounts necessary to finance each plan as determined by an independent actuary. As of April 30, 2021, the most recent actuarial valuation date, the funded ratio for the Police Pension Plan is 58.8% and for the Firefighters' Pension Plan is 78.2%.

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, 2020 due to a 2020 investment return of 14.79%, the funded ratio for IMRF is 104.16%, including the actuarial accrued liability for retirees which is 100% funded.

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

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

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

Post-Retirement Benefits. The City provides post-employment health care benefits to retirees and eligible dependents. Rising health care cost continue to pose financial challenges to the City.

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

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

Major Initiatives

The City is committed to maintaining the quality of life and preserving the character and heritage of Lake Forest. The City must continue to adhere to its prudent financial management practices and remain focused on sustaining long-term financial stability. For FY2021, 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, 2021 construction of the three apartment buildings is complete and nearly fully occupied. The first of the two condominiums is complete with 17 units sold and one additional under contract. Construction of the second building has not started. Seven single family homes have been sold.
- In March 2020, the City Council authorized \$443,150 to renovate the Fire Department locker room.
- In April 2020, the City Council authorized \$764,811 for improvements to South Park. The City received an OSLAD grant in the amount of \$280,000 to assist with the project funding.
- In May 2020, the City Council authorized \$800,000 for inflow and infiltration repairs to the City's sanitary sewer lines.

- Staff pursued Federal grant funding through the CARES ACT to recover costs associated with the Coronavirus pandemic. The City received \$899,471 from Lake County's CARES allocation. The City transferred \$50,624 to Lake Forest Library to assist with their additional expenses.
- The City provided \$116,686 in COVID-19 stimulus grants to City businesses to assist with economic hardships related to the COVID-19 pandemic.
- The City transferred \$500,000 from the General Fund to the Parks and Recreation Fund due to COVID-19 related losses.
- In July 2021, the City Council authorized transferring from FY2021 General Fund surplus, \$750,000 to the Park and Public Land Fund and Housing Trust Fund and \$2,842,640 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 comprehensive annual financial report for the fiscal year ended April 30, 2020. This was the 42nd 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 comprehensive annual 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 comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

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

Respectfully submitted,



Jason Wicha
City Manager



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 Comprehensive Annual
Financial Report
For the Fiscal Year Ended

April 30, 2020

Christopher P. Morill

Executive Director/CEO

Voters and Residents of The City of Lake Forest

Mayor and
City Council

Office of the
City Manager

Community
Development

CROYA

Finance

Fire

Human
Resources

Innovation &
Technology

Parks &
Recreation

Police

Public Works

Senior Center

APPOINTED BOARDS, COMMISSION, COMMITTEES

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

List of Principal Officials

Year Ended April 30, 2021

LEGISLATIVE

City Council

George Pandaleon, Mayor

Jennifer Karras

Melanie Rummel

James E. Morris

Ted Notz

Jim Preschlack

Ara Goshgarian

Raymond P. Buschmann

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

Independent Auditors' Report

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Lake Forest, Illinois, as of and for the year ended April 30, 2021, and the related notes to the financial statements, which collectively comprise the City of Lake Forest's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of the Lake Forest Library were not audited in accordance with *Government Auditing Standards*.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control over financial reporting relevant to the City of Lake Forest's preparation and fair presentation of the financial statements 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 of Lake Forest's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

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 aggregate remaining fund information of the City of Lake Forest, Illinois, as of April 30, 2021 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.

Other Matters

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, 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 of Lake Forest'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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Lake Forest's basic financial statements. The introductory section and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 21, 2021 on our consideration of the City of Lake Forest'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 of Lake Forest'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 of Lake Forest's internal control over financial reporting and compliance.

Baker Tilly US, LLP

Oak Brook, Illinois
October 21, 2021

CITY OF LAKE FOREST, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
APRIL 30, 2021

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 \$12.2 million for the fiscal year ending April 30, 2021 (FY21). Governmental net position increased \$11.9 million and business-type net position increased \$.3 million.
- The governmental activities revenue increased by \$4.9 million (8.6%) due to increased taxes, capital grants/contributions, investment income and coronavirus relief funds, offset by decreases to charges for services and operating grants and contributions. The expenses decreased by \$8.7 million (17.4 %) due primarily to adjustments related to pensions and reduced expenditures due to the pandemic.
- The business-type activities revenue increased by \$1.3 million (13.7%) primarily due to an increase in charges for services in the Water and Sewer Fund and Golf Course Fund offset by a decrease in investment income. The City's business-type activity expenses increased by \$.4 million (4.0 %) due primarily to pension adjustments and non-capitalized improvements.
- The total cost of all City programs decreased from \$68.8 million in FY20 to \$60.5 million in FY21 – a decrease of \$8.3 million or 13.7% - attributable to decreased expenses attributed to the pandemic, pension adjustments and non-capitalized improvements.

**USING THE FINANCIAL SECTION OF THE
COMPREHENSIVE ANNUAL 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.

CITY OF LAKE FOREST, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
APRIL 30, 2021

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.

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.

CITY OF LAKE FOREST, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
APRIL 30, 2021

GOVERNMENT-WIDE STATEMENT

Statement of Net Position

The City's combined net position increased by \$12.2 million for FY21 – from \$223.4 million to \$235.6 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 \$11.9 million – from \$174.7 million to \$186.6 million. The business-type activities net position increased by \$.3 million – from \$48.7 million to \$49.0 million. Table 1 reflects the condensed Statement of Net Position compared to FY20. Table 2 will focus on the changes in net position of the governmental and business-type activities.

Table 1
Statement of Net Position
As of April 30, 2020 and 2021
(in millions)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2020	2021	2020	2021	2020	2021
Current and Other Assets	\$103.0	\$117.8	\$11.8	\$13.5	\$114.8	\$131.3
Capital Assets	195.6	193.2	55.9	52.9	251.5	246.1
Total Assets	298.6	311.0	67.7	66.4	366.3	377.4
Deferred Outflows	15.2	10.1	.4	0.2	15.6	10.3
Long- Term Liabilities	97.1	76.7	18.0	15.2	115.1	91.9
Other Liabilities	7.3	7.8	0.8	1.0	8.1	8.8
Total Liabilities	104.4	84.5	18.8	16.2	123.2	100.7
Deferred Inflows	34.7	50.0	0.6	1.3	35.3	51.3
Net Position:						
Net Investment in						
Capital Assets	165.2	164.8	39.0	38.1	204.2	202.9
Restricted	27.8	36.5	0.0	0.6	27.8	37.1
Unrestricted	(18.3)	(14.7)	9.7	10.3	(8.6)	(4.4)
Total Net Position	\$174.7	\$186.6	\$48.7	\$49.0	\$223.4	\$235.6

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.

CITY OF LAKE FOREST, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
APRIL 30, 2021

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

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

Current Year Impacts

The City's \$12.2 million increase in combined net position (which is the City's bottom line) was the result of the governmental activities net position increasing by \$11.9 million and the business-type activities net position increasing by \$.3 million.

The governmental activities total assets increased by \$12.4 million (>.4 %) while the governmental activities total liabilities decreased by \$19.9 million (23.6 %). 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 decrease in total liabilities is due primarily to decreases 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 \$5.1 million related to pensions, while an increase in deferred inflows of \$15.3 million related to pensions, OPEB and an increase in property taxes levied for future periods.

Net investment in capital assets decreased by \$.4 million (>.1%) due to depreciation and the pay down of G.O. Bonds that funded the capital assets. Restricted net position increased \$8.7 million largely due to excess fund balance from the General Fund transferred to the Capital Improvement Fund to fund current year capital improvements and Cemetery increased investment income. Unrestricted net position increased by \$3.6 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 million, from \$48.7 million to \$49.0 million. The primary change in assets of the business-type activities was a decrease in capital assets, offset by an increase in restricted net position for employee retirements.

Long-term liabilities decreased by \$2.8 million due to scheduled maturities of debt obligations and decreases to net pension liabilities. Net investment in capital assets decreased by \$.9 million due to bond-funded capital improvements, restricted net position increased by \$.6 million and unrestricted net position increased by \$.6 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 \$12.2 million in FY21. The City's total revenues increased by \$6.2 million, primarily driven by increased property taxes, intergovernmental taxes and investment income. The City's cost of all programs decreased by \$8.3 million, largely attributable to pension adjustments, as well as non-capitalized improvements.

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

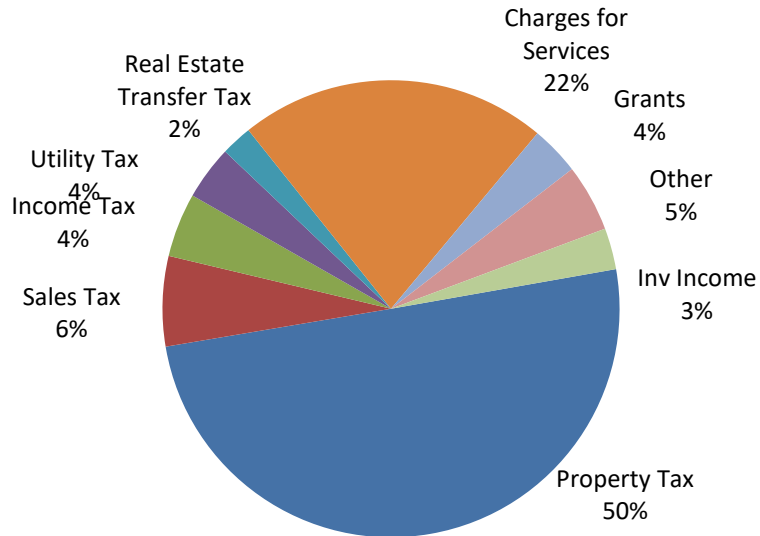
CITY OF LAKE FOREST, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
APRIL 30, 2021

Table 2
Changes in Net Position
For the Fiscal Year Ended April 30, 2020 and 2021
(in millions)

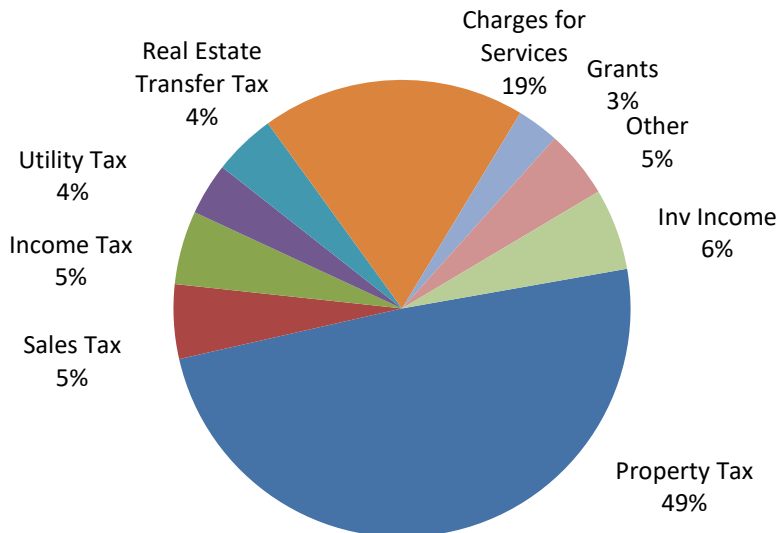
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2020	2021	2020	2021	2020	2021
REVENUE						
Program Revenue						
Charges for Services	\$12.4	\$11.5	\$9.0	\$10.4	\$21.4	\$21.9
Grants and Contributions						
Operating	1.5	1.1	0.0	0.0	1.5	1.1
Capital	0.5	0.8			0.5	0.8
General Revenue						
Property Taxes	28.6	30.4			28.6	30.4
Other Taxes	4.7	6.3			4.7	6.3
Intergovernmental - Taxes	6.3	6.9			6.3	6.9
Interest Revenue	1.7	3.6	0.2	0.1	1.9	3.7
Other	1.3	1.3	0.3	0.3	1.6	1.6
Total Revenue	57.0	61.9	9.5	10.8	66.5	72.7
EXPENSES						
Governmental Activities						
General Government	13.9	12.9			13.9	12.9
Highways and Streets	8.7	7.5			8.7	7.5
Sanitation	2.7	2.4			2.7	2.4
Culture and Recreation	9.0	9.5			9.0	9.5
Public Safety	23.3	16.8			23.3	16.8
Interest	1.1	0.9			1.1	0.9
Business-Type Activities						
Water and Sewer			8.2	8.5	8.2	8.5
Golf			1.9	2.0	1.9	2.0
Total Expenses	58.7	50.0	10.1	10.5	68.8	60.5
Excess before Transfers	(1.7)	11.9	(0.6)	0.3	(2.3)	12.2
Transfers In (out)	(0.2)	0.0	0.2	0.0	0.0	0.0
Change in Net Position	(1.9)	11.9	(0.4)	0.3	(2.3)	12.2
Net Position - Beginning	176.6	174.7	49.1	48.7	225.7	223.4
Net Position - Ending	\$174.7	\$186.6	\$48.7	\$49.0	\$223.4	\$235.6

CITY OF LAKE FOREST, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
APRIL 30, 2021

FY2020 Governmental Activities Revenue

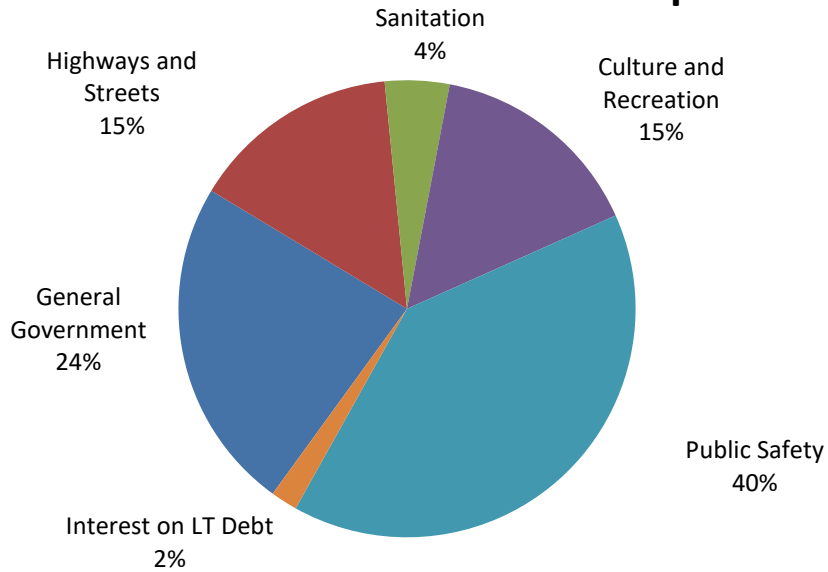


FY2021 Governmental Activities Revenue

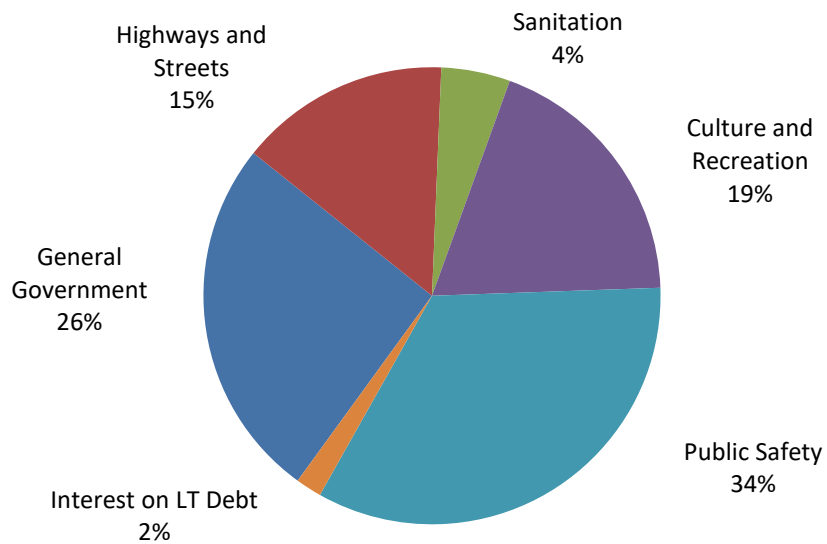


CITY OF LAKE FOREST, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
APRIL 30, 2021

FY2020 Governmental Activities Expenses



FY2021 Governmental Activities Expenses



CITY OF LAKE FOREST, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
APRIL 30, 2021

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, 2021, revenues from governmental activities totaled \$61.9 million, increasing \$4.9 million compared to FY20. The primary changes occurred in Property Taxes (up \$1.8 million), Real Estate Transfer Tax (up \$1.4 million) Charges for Services (down \$.9 million), Operating Grants and Contributions (down \$.4 million), Sales Taxes (down \$.3 million), Income Taxes (up \$.6 million) Interest Revenue (up \$1.9 million) and coronavirus relief funds (up \$.5 million). The decrease in Charges for Services was largely due to the cancellation of Recreation programs due to COVID-19. Sales Taxes decrease was due primarily to the pandemic's effect on business operations. Real Estate Transfer Tax increased due to a record year in home sales. Investment income increased due to return on investments. Property tax revenue continues to be the City's single largest revenue source, contributing \$30.4 million (49 %) 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 \$41.9 million and represent 68% of the total governmental activities revenue.

CITY OF LAKE FOREST, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
APRIL 30, 2021

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 2020 equalized assessed valuation decreased 2.6% compared to the prior year and totaled \$2,396,662,125. 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 6.3% over FY20 in property taxes was generated as a result of the City Council adopting a 4.64% increase in the levy and new growth. The City received \$.8 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 1.9%, the levies for debt service and capital improvements combined exceeded the tax cap.

Investment income increased by \$1.9 million, from \$1.7 million to \$3.6 million. The City's strategy for investing did not change but the City benefitted from improved market conditions primarily in the Cemetery Fund.

Expenses

For the fiscal year ended April 30, 2021, expenses for governmental activities totaled \$50.0 million, a decrease of \$8.7 million (17.4 %). The decrease is due in large part to pension adjustments and cancellation of Recreation programs due to the pandemic. Increases in personnel costs, which represent nearly 70% 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 FY21 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 \$1.3 million (13.7%) primarily due to an increase of charges for services in the Water and Sewerage Fund and Golf Course Fund, offset by a decrease in investment income.

Expenses

The City's business-type activity expenses increased by \$.4 million (4.0 %) primarily due to increased operating expenses in the Water and Sewerage Fund.

CITY OF LAKE FOREST, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
APRIL 30, 2021

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

Governmental Funds

At April 30, 2021, the governmental funds (as presented on the balance sheet) reported a combined fund balance of \$64.8 million which is an \$8.2 million (14.5%) increase from the beginning of the year (\$56.6 million). This increase was largely driven by excess of revenues over expenditures in the General Fund and Cemetery Fund and decrease of revenue to the Parks and Recreation Fund. The City Council elected to transfer from the General Fund an additional \$3.5 million of the FY21 operating surplus to the Capital Improvement Fund to provide additional funding for capital improvements, \$.7 million was transferred to the Parks and Public Lands Fund and Affordable Housing Fund to support future projects and \$.5 million to the Parks and Recreation Fund of the surplus set aside in FY20 for assistance to other funds for COVID-19 related expenses in FY21. The Motor Fuel Tax fund received additional funding from a Rebuild Illinois Grant received issued by the state. Of the total fund balance of \$64.8 million, \$.2 million is not available for continuing City services and capital projects, and \$36.7 million is restricted in its use. The unassigned fund balance for the total of all governmental funds is \$27.8 million, which is a \$.9 million (3.0%) decrease over the prior year. The City had reserved \$1.0 million of FY2020 General Fund operating surplus for potential impacts related to COVID-19 in FY2021.

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 decreased by \$1.2 million or 4.3% from FY20 (from \$29.6 million to \$28.4 million). The General Fund revenues increased by \$1.3 million (3.4%) due primarily to higher property taxes and grants and contribution revenue offset by decreases in charges for services and interest revenue. The General Fund expenditures increased by \$1.0 million (3.0%) due to personnel costs. The excess of revenues over expenditures (before transfers) for FY21 of \$5.2 million was \$.3 million greater than FY20 \$4.9 million. The other financing sources (uses) for FY21 of \$6.4 million was significantly higher than FY20 \$4.3 million due to one-time revenues being transferred to other funds for capital improvements and to provide assistance for COVID-19 reduced revenues.

Property taxes increased \$1.2 million, while charges for services decreased \$.5 million and contributions increased \$.8 million due to the City pursuing CARES Act funding 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 2019 levy extension (FY21 revenue) allowed for a 4.64% increase as well as new equalized assessed valuation growth.

General Fund expenditures increased overall due to personnel cost increases. General government increased 5.0%, highways and streets increased 13.0% (personnel; snow and ice control), sanitation and public safety remained constant.

CITY OF LAKE FOREST, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
APRIL 30, 2021

Table 3
General Fund Budgetary Highlights
(in millions)

General Fund	Original Budget	Final Budget	Actual
Revenues:			
Taxes	\$22.6	\$22.6	\$22.5
Intergovernmental	4.6	4.6	6.6
Other	8.7	8.7	10.0
Total	35.9	35.9	39.1
Expenditures and Transfers:			
Expenditures	38.6	39.3	33.9
Transfers (Net)	1.0	1.4	6.4
Total	39.6	40.7	40.3
Change in Fund Balance	(\$3.7)	(\$4.8)	(\$1.2)

Actual General Fund revenues were higher than budgeted revenues by \$3.2 million during FY21. The primary variance resulted from income tax, sales tax and building permits exceeding projections and receiving \$.8 million in coronavirus relief funding. Actual General Fund expenditures and transfers were lower than the final budget by \$.4 million. It is the City's policy to add 10%, which is \$3.7 million, of contingency funding to the budget appropriation. The contingency amount is only for specific uses as determined by the City Council and was not expended in FY21. 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 \$.1 million, from \$1.3 million to \$1.4 million. The Parks and Recreation Fund revenues decreased by \$.8 million due to cancellation of programs as the result of COVID-19 and reduced investment income. Expenses decreased by \$1 million due to cancellation of programs as the result of COVID-19. Total other financing sources (uses) were \$.1 million in FY20, but \$.8 million in FY21, due to a onetime transfer from the General Fund to assist with COVID-19 related impacts and decreased transfers to the Golf Course Fund for capital improvements.

The Capital Improvements Fund is reported as a Major Fund for FY21 and is used to account for revenues associated with City building and infrastructure projects. Fund balance of this fund increased by \$4.9 million in FY21. Compared to FY20, revenue increased by \$1.3 million due to increases in real estate transfer taxes offset by decreases in property taxes and investment income. Total expenditures decreased by \$2.8 million in the capital outlay category. Transfers in of \$3.9 million for FY21 consisted of one time fund balance transfer of the General Fund for one-time capital improvements.

The Cemetery Fund is reported as a Major Fund in FY21 and is used to account for the operations of the Cemetery Commission. Fund balance for this fund increased by \$3.3 million in FY21. Compared to FY20, revenues increased \$2.9 million due to investment income. Expenses remained constant in FY21.

CITY OF LAKE FOREST, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
APRIL 30, 2021

CAPITAL ASSETS

Table 4
Capital Assets at Year End - 2020 and 2021
Net of Depreciation
(in millions)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2020	2021	2020	2021	2020	2021
Land and Improvements	\$40.2	\$40.6	\$0.5	\$0.5	\$40.7	\$41.1
Infrastructure - Land	66.7	66.7			66.7	66.7
Construction in Progress	0.1	0.1	0.0	0.0	0.1	0.1
Infrastructure	53.1	50.9			53.1	50.9
Buildings	17.0	16.3	9.4	8.4	26.4	24.7
Improvements	14.4	14.3	32.3	31.1	46.7	45.4
Machinery and Equipment	4.1	4.3	1.6	1.4	5.7	5.7
Sanitary Sewers	0.0	0.0	12.1	11.5	12.1	11.5
Total	\$195.6	\$193.2	\$55.9	\$52.9	\$251.5	\$246.1

At the end of FY21, the City had a combined total of \$246.1 million invested in a broad range of capital assets. This amount represents a net decrease (including additions and deductions) of \$5.4 million. The net decrease is attributable to a \$2.4 million decrease in governmental activities and a \$3.0 million decrease in the business-type activities.

The decrease in the governmental activities was due to depreciation exceeding additions by \$2.9 million. The decrease in business-type activities was due primarily to \$3.0 million of depreciation exceeding additions.

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

Table 5
Change in Capital Assets
(in millions)

	Governmental Activities	Business-Type Activities	Total
Beginning Balance	\$195.6	\$55.9	\$251.5
Additions			
Depreciable	3.2	0.3	3.5
Construction in Progress	0.1	0.0	0.1
Retirements			
Depreciable	(0.4)	(0.1)	(0.5)
Depreciation	(5.7)	(3.3)	(9.0)
Retirements	0.4	0.1	0.5
Ending Balance	\$193.2	\$52.9	\$246.1

The increase in Governmental Activities of \$3.2 million was due to equipment purchases and improvements to South Park.

CITY OF LAKE FOREST, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
APRIL 30, 2021

Debt Outstanding

The City had \$42.0 million of general obligation bonds outstanding at April 30, 2021. Of this amount \$21.1 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 \$5,409 and \$4,330 if self-supporting debt is excluded.

The City operated as a home rule community for FY21. 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, 2021, the City's net pension liability is \$44.1 million, a decrease of \$18.6 million compared to the \$62.7 million balance as of April 30, 2020. Additional information regarding the net pension liability can be found in Note 4.

As of April 30, 2021, the City's OPEB liability is \$2.3 million, a decrease of \$.5 million compared to the \$2.8 million balance as of April 30, 2020. Additional information regarding the OPEB liability can be found in Note 3.

Economic Factors

Unemployment levels in Lake Forest are well below the levels for Lake County and the State of Illinois. For calendar year 2020, the City's annual average unemployment rate was estimated to be 6.3%, compared to 8.1% for Lake County and 9.5% for the State of Illinois.

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

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

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

BASIC FINANCIAL STATEMENTS

City of Lake Forest

Statement of Net Position

April 30, 2021

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Lake Forest Library
Assets and Deferred Outflows of Resources				
Assets				
Cash and cash equivalents	\$ 63,241,382	\$ 10,179,676	\$ 73,421,058	\$ 6,269,624
Investments	10,216,223	-	10,216,223	-
Receivables (net):				
Property taxes	30,539,126	-	30,539,126	4,329,806
Other taxes	366,880	-	366,880	13,581
Accounts	1,376,157	1,484,338	2,860,495	-
Loans	10,559	-	10,559	-
Other	5,622,731	3,976	5,626,707	-
Due from other governmental units	2,164,910	-	2,164,910	-
Internal balances	(1,019,708)	1,019,708	-	-
Inventories	520,639	101,152	621,791	-
Prepaid items	757,056	90,745	847,801	-
Net pension asset	3,773,917	580,012	4,353,929	451,219
Due from fiduciary funds	222,845	-	222,845	-
Capital assets:				
Capital assets not being depreciated	107,476,009	441,413	107,917,422	238,500
Capital assets being depreciated, net of accumulated depreciation	<u>85,689,936</u>	<u>52,456,796</u>	<u>138,146,732</u>	<u>2,446,033</u>
Total assets	<u>310,958,662</u>	<u>66,357,816</u>	<u>377,316,478</u>	<u>13,748,763</u>
Deferred Outflows of Resources				
Deferred charge on refunding	-	717	717	-
Deferred outflows related to pensions	9,795,605	168,784	9,964,389	134,645
Deferred outflows related to total OPEB liability	<u>300,562</u>	<u>28,259</u>	<u>328,821</u>	<u>6,127</u>
Total deferred outflows of resources	<u>10,096,167</u>	<u>197,760</u>	<u>10,293,927</u>	<u>140,772</u>

See notes to financial statements

City of Lake Forest

Statement of Net Position

April 30, 2021

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Lake Forest Library
Liabilities, Deferred inflows of Resources and Net Position				
Liabilities				
Accounts payable	\$ 2,570,986	\$ 303,716	\$ 2,874,702	\$ 77,795
Accrued liabilities	1,606,468	60,517	1,666,985	54,991
Accrued interest payable	260,061	198,987	459,048	-
Deposits	920,335	-	920,335	-
Unearned revenue	2,356,880	413,985	2,770,865	-
Due to fiduciary funds	72,962	-	72,962	-
Noncurrent liabilities:				
Due within one year	2,129,665	1,876,947	4,006,612	39,756
Due in more than one year	74,563,511	13,340,243	87,903,754	277,108
Total liabilities	<u>84,480,868</u>	<u>16,194,395</u>	<u>100,675,263</u>	<u>449,650</u>
Deferred Inflows of Resources				
Property taxes levied for future periods	30,539,126	-	30,539,126	4,329,806
Deferred inflows related to pensions	19,017,112	1,312,370	20,329,482	1,020,954
Deferred inflows related to total OPEB liability	394,576	37,098	431,674	19,963
Deferred charge on refunding	<u>28,365</u>	<u>-</u>	<u>28,365</u>	<u>-</u>
Total deferred inflows of resources	<u>49,979,179</u>	<u>1,349,468</u>	<u>51,328,647</u>	<u>5,370,723</u>
Net Position				
Net investment in capital assets	164,798,332	38,142,896	202,941,228	2,636,468
Restricted for:				
Culture and recreation	3,077,211	-	3,077,211	-
Highways and streets	1,344,272	-	1,344,272	-
Public safety	1,224,850	-	1,224,850	-
Cemetery purposes	11,353,154	-	11,353,154	-
Affordable housing	1,647,067	-	1,647,067	-
Capital projects	16,222,288	-	16,222,288	-
Debt service	1,640,674	-	1,640,674	-
Employee retirement	-	580,012	580,012	451,219
Unrestricted	<u>(14,713,066)</u>	<u>10,288,805</u>	<u>(4,424,261)</u>	<u>4,981,475</u>
Total net position	<u>\$ 186,594,782</u>	<u>\$ 49,011,713</u>	<u>\$235,606,495</u>	<u>\$ 8,069,162</u>

See notes to financial statements

City of Lake Forest

Statement of Activities Year Ended April 30, 2021

Functions/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Unit
					Governmental Activities	Business-Type Activities	Total	Lake Forest Library
Primary Government								
Governmental activities:								
General government	\$ 12,863,134	\$ 3,754,897	\$ 69,253	\$ 138,610	\$ (8,900,374)	\$ -	\$ (8,900,374)	\$ -
Highway and streets	7,457,325	2,476,794	693,704	638,444	(3,648,383)	-	(3,648,383)	-
Sanitation	2,438,916	1,053,692	-	-	(1,385,224)	-	(1,385,224)	-
Culture and recreation	9,453,397	1,733,927	326,712	-	(7,392,758)	-	(7,392,758)	-
Public safety	16,854,590	2,517,398	7,730	-	(14,329,462)	-	(14,329,462)	-
Interest on long-term debt	920,485	-	-	-	(920,485)	-	(920,485)	-
Total governmental activities	49,987,847	11,536,708	1,097,399	777,054	(36,576,686)	-	(36,576,686)	-
Business-type activities:								
Waterworks and Sewerage	8,486,272	8,569,806	-	-	-	83,534	83,534	-
Deerpath Golf Course	2,042,874	1,864,338	-	-	-	(178,536)	(178,536)	-
Total business-type activities	10,529,146	10,434,144	-	-	-	(95,002)	(95,002)	-
Total primary government	\$ 60,516,993	\$ 21,970,852	\$ 1,097,399	\$ 777,054	(36,576,686)	(95,002)	(36,671,688)	-
Component Unit								
Lake Forest Library	\$ 3,508,284	\$ 40,251	\$ 185,550	\$ -	-	-	-	(3,282,483)
General Revenues								
Taxes								
Property					30,459,112	-	30,459,112	4,260,835
Home rule sales					1,081,489	-	1,081,489	-
Utility					2,282,346	-	2,282,346	-
Real estate transfer					2,735,405	-	2,735,405	-
Other					156,412	-	156,412	-
Intergovernmental, unrestricted								
Sales					2,175,264	-	2,175,264	-
Income					3,223,407	-	3,223,407	-
Telecommunication					820,169	-	820,169	-
Replacement					179,967	-	179,967	48,298
Coronavirus relief fund					502,065	-	502,065	-
Other					1,294,923	290,648	1,585,571	-
Investment income					3,564,117	42,285	3,606,402	28,467
Total general revenues					48,474,676	332,933	48,807,609	4,337,600
Transfers					(29,500)	29,500	-	-
Total general revenues and transfers					48,445,176	362,433	48,807,609	4,337,600
Change in net position					11,868,490	267,431	12,135,921	1,055,117
Net Position, Beginning					174,726,292	48,744,282	223,470,574	7,014,045
Net Position, Ending					\$ 186,594,782	\$ 49,011,713	\$ 235,606,495	\$ 8,069,162

See notes to financial statements

City of Lake Forest

Balance Sheet
Governmental Funds
April 30, 2021

	<u>General</u>	<u>Parks and Recreation</u>	<u>General Cemetery</u>	<u>Capital Improvements</u>
Assets				
Cash and cash equivalents	\$ 28,883,403	\$ 1,702,865	\$ 916,970	\$ 15,790,833
Investments	-	-	10,216,223	-
Receivables (net):				
Property taxes	20,571,984	6,369,188	-	1,528,217
Other taxes	366,880	-	-	-
Accounts	1,097,550	269,858	-	8,749
Loans	10,559	-	-	-
Other	200,000	-	76,050	-
Due from other governments	1,280,112	16,107	-	524,467
Advances to other funds	-	-	-	-
Due from other funds	-	125,000	-	624,815
Due from fiduciary funds	-	-	222,845	-
Inventories	104,760	-	-	-
Prepaid items	103,901	-	-	-
	<u>\$ 52,619,149</u>	<u>\$ 8,483,018</u>	<u>\$ 11,432,088</u>	<u>\$ 18,477,081</u>
Total assets				
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities				
Accounts payable	\$ 416,536	\$ 98,718	\$ 70,446	\$ 309,828
Accrued liabilities	617,483	81,097	5,838	-
Deposits	874,335	-	-	28,000
Unearned revenue	1,708,921	498,246	2,650	8,749
Due to other funds	-	-	-	-
Due to fiduciary funds	72,962	-	-	-
Advances from other funds	-	-	-	380,000
	<u>3,690,237</u>	<u>678,061</u>	<u>78,934</u>	<u>726,577</u>
Total liabilities				
Deferred Inflows of Resources				
Property taxes levied for a future period	20,571,984	6,369,189	-	1,528,216
Unavailable revenues	-	-	-	31,449
	<u>20,571,984</u>	<u>6,369,189</u>	<u>-</u>	<u>1,559,665</u>
Total deferred inflows of resources				
Fund Balances				
Nonspendable	208,661	-	-	-
Restricted	-	1,435,768	11,353,154	16,190,839
Unassigned	28,148,267	-	-	-
	<u>28,356,928</u>	<u>1,435,768</u>	<u>11,353,154</u>	<u>16,190,839</u>
Total fund balances				
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 52,619,149</u>	<u>\$ 8,483,018</u>	<u>\$ 11,432,088</u>	<u>\$ 18,477,081</u>

See notes to financial statements

Nonmajor Governmental Funds	Total
\$ 7,318,054	\$ 54,612,125
-	10,216,223
2,069,737	30,539,126
-	366,880
-	1,376,157
-	10,559
885,732	1,161,782
344,224	2,164,910
380,000	380,000
-	749,815
-	222,845
-	104,760
<u>28,878</u>	<u>132,779</u>
<u>\$ 11,026,625</u>	<u>\$ 102,037,961</u>

\$ 688,221	\$ 1,583,749
4,508	708,926
18,000	920,335
138,314	2,356,880
624,815	624,815
-	72,962
<u>-</u>	<u>380,000</u>
<u>1,473,858</u>	<u>6,647,667</u>

2,069,737	30,539,126
<u>-</u>	<u>31,449</u>
<u>2,069,737</u>	<u>30,570,575</u>

28,878	237,539
7,758,367	36,738,128
<u>(304,215)</u>	<u>27,844,052</u>
<u>7,483,030</u>	<u>64,819,719</u>
<u>\$ 11,026,625</u>	<u>\$ 102,037,961</u>

City of Lake Forest

Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
April 30, 2021

Total Fund Balances, Governmental Funds \$ 64,819,719

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. 193,165,945

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. 31,449

The net pension asset does not relate to current financial resources and is not reported in the governmental funds. 3,773,917
Less amount reported in the internal service fund below. (181,912)

Deferred outflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds. 9,795,605
Less amount reported in the internal service fund below. (52,500)

Deferred inflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds. (19,017,112)
Less amount reported in the internal service fund below. 411,603

Deferred outflows of resources related to total OPEB liability do not relate to current financial resources and are not reported in the governmental funds. 300,562
Less amount reported in the internal service fund below. (9,020)

Deferred inflows of resources related to total OPEB liability do not relate to current financial resources and are not reported in the governmental funds. (394,576)
Less amount reported in the internal service fund below. 11,842

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	(27,631,868)
Compensated absences	(2,167,764)
Accrued interest	(260,061)
Unamortized debt premium	(707,380)
Net pension liabilities	(44,127,517)
Total OPEB liability	(2,058,647)
Less internal service fund long-term liabilities	100,121

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. (28,365)

Internal service funds are reported in the statement of net position as governmental activities. 10,820,741

Net Position of Governmental Activities \$ 186,594,782

City of Lake Forest

Statement of Revenues, Expenditures and Changes in Fund Balances -
Governmental Funds
Year Ended April 30, 2021

	<u>General</u>	<u>Parks and Recreation</u>	<u>General Cemetery</u>	<u>Capital Improvements</u>
Revenues				
Taxes:				
Property	\$ 20,128,373	\$ 5,866,617	\$ -	\$ 1,540,186
Other taxes	2,371,746	-	-	3,300,150
Intergovernmental	6,591,951	57,390	-	-
Licenses and permits	3,133,137	-	-	-
Fines, forfeitures and penalties	260,726	-	-	-
Charges for services	4,358,718	1,520,239	796,458	108,896
Grants and contributions	857,585	214,577	12,915	597,073
Investment income	109,451	8,962	3,336,237	48,333
Miscellaneous revenues	<u>1,294,224</u>	<u>8,136</u>	<u>-</u>	<u>43,015</u>
Total revenues	<u>39,105,911</u>	<u>7,675,921</u>	<u>4,145,610</u>	<u>5,637,653</u>
Expenditures				
Current:				
General government	10,436,328	-	685,410	1,614,995
Highways and streets	2,643,326	-	-	588,833
Sanitation	2,628,512	-	-	25,126
Culture and recreation	-	8,069,319	-	104,090
Public safety	18,163,049	-	-	-
Capital Outlay	-	251,758	172,616	2,327,808
Debt Service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>33,871,215</u>	<u>8,321,077</u>	<u>858,026</u>	<u>4,660,852</u>
Excess (deficiency) of revenues over expenditures	<u>5,234,696</u>	<u>(645,156)</u>	<u>3,287,584</u>	<u>976,801</u>
Other Financing Sources (Uses)				
Transfers in	-	802,000	-	3,892,640
Transfers out	(6,455,153)	(23,000)	-	-
Proceeds from capital asset sales	<u>-</u>	<u>9,323</u>	<u>-</u>	<u>5,520</u>
Total other financing sources (uses)	<u>(6,455,153)</u>	<u>788,323</u>	<u>-</u>	<u>3,898,160</u>
Net change in fund balances	(1,220,457)	143,167	3,287,584	4,874,961
Fund Balances, Beginning	<u>29,577,385</u>	<u>1,292,601</u>	<u>8,065,570</u>	<u>11,315,878</u>
Fund Balances, Ending	<u>\$ 28,356,928</u>	<u>\$ 1,435,768</u>	<u>\$ 11,353,154</u>	<u>\$ 16,190,839</u>

See notes to financial statements

Nonmajor Governmental Funds	Total
<u> </u>	<u> </u>
\$ 2,923,936	\$ 30,459,112
564,744	6,236,640
1,333,442	7,982,783
-	3,133,137
-	260,726
827,483	7,611,794
277,139	1,959,289
28,514	3,531,497
<u>1,146</u>	<u>1,346,521</u>
<u>5,956,404</u>	<u>62,521,499</u>
405,738	13,142,471
-	3,232,159
-	2,653,638
1,086,968	9,260,377
286,764	18,449,813
1,816,113	4,568,295
1,910,089	1,910,089
<u>1,026,472</u>	<u>1,026,472</u>
<u>6,532,144</u>	<u>54,243,314</u>
<u>(575,740)</u>	<u>8,278,185</u>
2,110,201	6,804,841
(356,688)	(6,834,841)
<u>-</u>	<u>14,843</u>
<u>1,753,513</u>	<u>(15,157)</u>
1,177,773	8,263,028
<u>6,305,257</u>	<u>56,556,691</u>
<u>\$ 7,483,030</u>	<u>\$ 64,819,719</u>

City of Lake Forest

Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
Year Ended April 30, 2021

Net Change in Fund Balances, Total Governmental Funds	\$ 8,263,028
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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	3,286,798
Depreciation is reported in the government-wide financial statements	(5,658,178)
Retirement of capital assets	(15,269)

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	(671,611)
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Debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Principal repaid	1,910,089
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Governmental funds report debt premiums and discounts as other financing sources or uses. However, in the statement of net position, these are reported as additions to or deductions from long-term debt. These are allocated over the period the debt is outstanding in the statement of activities and are reported as interest expense.

Debt premium	91,617
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Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

Compensated absences	42,724
Accrued interest on debt	10,690
Amortization of deferred charge on refunding	3,678
Net pension asset	3,773,917
Deferred outflows of resources related to pensions	(5,101,085)
Deferred inflows of resources related to pensions	(13,655,602)
Net pension liability	17,890,241
Deferred outflows of resources related to OPEB Liability	(26,313)
Deferred inflows of resources related to OPEB Liability	(394,576)
Total OPEB liability	465,030
Less amount reported in internal service funds below	(77,141)

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

<u>1,730,453</u>

Change in Net Position of Governmental Activities	<u>\$ 11,868,490</u>
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City of Lake Forest

Statement of Net Position
Proprietary Funds
April 30, 2021

	<u>Business-Type Activities - Enterprise Funds</u>			
	<u>Waterworks and Sewerage</u>	<u>Nonmajor Enterprise Fund - Deerpath Golf Course</u>	<u>Total</u>	<u>Governmental Activities - Internal Service Funds</u>
Assets				
Current assets:				
Cash and cash equivalents	\$ 9,517,054	\$ 662,622	\$ 10,179,676	\$ 8,629,257
Receivables:				
Accounts	1,482,846	1,492	1,484,338	-
Other	3,976	-	3,976	4,460,949
Inventories	-	101,152	101,152	415,879
Prepaid items	<u>-</u>	<u>90,745</u>	<u>90,745</u>	<u>624,277</u>
Total current assets	<u>11,003,876</u>	<u>856,011</u>	<u>11,859,887</u>	<u>14,130,362</u>
Noncurrent assets:				
Net pension asset	570,454	9,558	580,012	181,912
Capital assets:				
Capital assets not being depreciated	345,896	95,517	441,413	-
Capital assets being depreciated	116,011,893	5,580,364	121,592,257	48,047
Less accumulated depreciation	<u>(65,505,453)</u>	<u>(3,630,008)</u>	<u>(69,135,461)</u>	<u>(48,047)</u>
Total noncurrent assets	<u>51,422,790</u>	<u>2,055,431</u>	<u>53,478,221</u>	<u>181,912</u>
Total assets	<u>62,426,666</u>	<u>2,911,442</u>	<u>65,338,108</u>	<u>14,312,274</u>
Deferred Outflows of Resources				
Deferred charge on refunding	717	-	717	-
Deferred outflows related to pensions	163,221	5,563	168,784	52,500
Deferred outflows related to total OPEB liability	<u>27,804</u>	<u>455</u>	<u>28,259</u>	<u>9,020</u>
Total deferred outflows of resources	<u>191,742</u>	<u>6,018</u>	<u>197,760</u>	<u>61,520</u>

See notes to financial statements

City of Lake Forest

Statement of Net Position
Proprietary Funds
April 30, 2021

	Business-Type Activities - Enterprise Funds			
	Waterworks and Sewerage	Nonmajor Enterprise Fund - Deerpath Golf Course	Totals	Governmental Activities - Internal Service Funds
Liabilities				
Current liabilities:				
Accounts payable	\$ 142,830	\$ 160,886	\$ 303,716	\$ 987,237
Accrued liabilities	48,063	12,454	60,517	897,542
Accrued interest payable	193,968	5,019	198,987	-
Unearned revenue	24,229	389,756	413,985	-
General obligation bonds	1,782,347	89,600	1,871,947	-
Compensated absences	4,981	19	5,000	-
Due to other funds	-	125,000	125,000	-
Total current liabilities	<u>2,196,418</u>	<u>782,734</u>	<u>2,979,152</u>	<u>1,884,779</u>
Noncurrent liabilities:				
Long-term debt:				
General obligation debt payable	12,692,949	191,134	12,884,083	-
Compensated absences	256,740	5,864	262,604	38,338
Total OPEB liability	<u>190,441</u>	<u>3,115</u>	<u>193,556</u>	<u>61,783</u>
Total noncurrent liabilities	<u>13,140,130</u>	<u>200,113</u>	<u>13,340,243</u>	<u>100,121</u>
Total liabilities	<u>15,336,548</u>	<u>982,847</u>	<u>16,319,395</u>	<u>1,984,900</u>
Deferred Inflows of Resources				
Deferred inflows related to pensions	1,290,745	21,625	1,312,370	411,603
Deferred inflows related to total OPEB liability	<u>36,501</u>	<u>597</u>	<u>37,098</u>	<u>11,842</u>
Total deferred inflows of resources	<u>1,327,246</u>	<u>22,222</u>	<u>1,349,468</u>	<u>423,445</u>
Net Position				
Net investment in capital assets	36,377,757	1,765,139	38,142,896	-
Restricted for:				
Employee retirement	570,454	9,558	580,012	181,912
Unrestricted	<u>9,006,403</u>	<u>137,694</u>	<u>9,144,097</u>	<u>11,783,537</u>
Total net position	<u>\$ 45,954,614</u>	<u>\$ 1,912,391</u>	47,867,005	<u>\$ 11,965,449</u>
Adjustments to reflect the consolidation of internal service funds activities related to enterprise funds.			<u>1,144,708</u>	
Net position business-type activities			<u>\$ 49,011,713</u>	

See notes to financial statements

City of Lake Forest

Statement of Revenues, Expenses and Changes in Net Position

Proprietary Funds

Year Ended April 30, 2021

	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	\$ 8,669,225	\$ 1,864,338	\$ 10,533,563	\$ 10,117,701
Connection fees	182,688	-	182,688	-
Miscellaneous	<u>5,845</u>	<u>-</u>	<u>5,845</u>	<u>-</u>
Total operating revenues	<u>8,857,758</u>	<u>1,864,338</u>	<u>10,722,096</u>	<u>10,117,701</u>
Operating Expenses				
General and administrative	2,210,663	677,589	2,888,252	8,247,697
Operations and maintenance	2,996,457	1,053,520	4,049,977	-
Depreciation and amortization	<u>2,993,900</u>	<u>348,026</u>	<u>3,341,926</u>	<u>-</u>
Total operating expenses	<u>8,201,020</u>	<u>2,079,135</u>	<u>10,280,155</u>	<u>8,247,697</u>
Operating income (loss)	<u>656,738</u>	<u>(214,797)</u>	<u>441,941</u>	<u>1,870,004</u>
Nonoperating Revenues (Expenses)				
Investment income	39,495	2,790	42,285	32,620
Gain on disposal of capital assets	1,221	-	1,221	-
Other	1,475	-	1,475	-
Interest expense	(411,948)	(8,528)	(420,476)	-
Paying agent fees	<u>(1,176)</u>	<u>(10)</u>	<u>(1,186)</u>	<u>-</u>
Total nonoperating revenues (expenses)	<u>(370,933)</u>	<u>(5,748)</u>	<u>(376,681)</u>	<u>32,620</u>
Income (loss) before transfers	<u>285,805</u>	<u>(220,545)</u>	<u>65,260</u>	<u>1,902,624</u>
Transfers				
Transfers in	<u>6,500</u>	<u>23,000</u>	<u>29,500</u>	<u>500</u>
Total transfers	<u>6,500</u>	<u>23,000</u>	<u>29,500</u>	<u>500</u>
Change in net position	292,305	(197,545)	94,760	1,903,124
Net Position, Beginning	<u>45,662,309</u>	<u>2,109,936</u>	<u>47,772,245</u>	<u>10,062,325</u>
Net Position, Ending	<u>\$ 45,954,614</u>	<u>\$ 1,912,391</u>	<u>47,867,005</u>	<u>\$ 11,965,449</u>
Adjustment to change in net position to reflect the consolidation of internal service funds activities related to enterprise funds			<u>172,671</u>	
Change in net position of business-type activities			<u>\$ 267,431</u>	

See notes to financial statements

City of Lake Forest

Statement of Cash Flows
Proprietary Funds
Year Ended April 30, 2021

	Business-Type Activities - Enterprise Funds			
	Waterworks and Sewerage	Nonmajor Enterprise Fund - Deerpath Golf Course	Total	Governmental Activities - Internal Service Funds
Cash Flows From Operating Activities				
Received from customers	\$ 8,702,583	\$ 2,099,089	\$ 10,801,672	\$ 8,928,998
Paid to suppliers for goods and services	(2,981,694)	(1,030,081)	(4,011,775)	(7,305,935)
Paid to employees for services	(2,591,253)	(687,138)	(3,278,391)	(663,606)
Net cash flows from operating activities	<u>3,129,636</u>	<u>381,870</u>	<u>3,511,506</u>	<u>959,457</u>
Cash Flows From Investing Activities				
Investment income	<u>39,495</u>	<u>2,790</u>	<u>42,285</u>	<u>32,620</u>
Net cash flows from investing activities	<u>39,495</u>	<u>2,790</u>	<u>42,285</u>	<u>32,620</u>
Cash Flows From Noncapital Financing Activities				
Transfers from (to) other funds	6,500	23,000	29,500	500
Miscellaneous	<u>2,696</u>	<u>-</u>	<u>2,696</u>	<u>-</u>
Net cash flows from noncapital financing activities	<u>9,196</u>	<u>23,000</u>	<u>32,196</u>	<u>500</u>
Cash Flows From Capital and Related Financing Activities				
Principal paid	(1,844,332)	(90,081)	(1,934,413)	-
Interest paid	(598,000)	(17,592)	(615,592)	-
Acquisition and construction of capital assets	(183,505)	(142,444)	(325,949)	-
Other, paying agent fees	<u>(1,176)</u>	<u>(10)</u>	<u>(1,186)</u>	<u>-</u>
Net cash flows from capital and related financing activities	<u>(2,627,013)</u>	<u>(250,127)</u>	<u>(2,877,140)</u>	<u>-</u>
Net change in cash and cash equivalents	551,314	157,533	708,847	992,577
Cash and Cash Equivalents, Beginning	<u>8,965,740</u>	<u>505,089</u>	<u>9,470,829</u>	<u>7,636,680</u>
Cash and Cash Equivalents, Ending	<u>\$ 9,517,054</u>	<u>\$ 662,622</u>	<u>\$ 10,179,676</u>	<u>\$ 8,629,257</u>

See notes to financial statements

City of Lake Forest

Statement of Cash Flows
Proprietary Funds
Year Ended April 30, 2021

<u>Business-Type Activities - Enterprise Funds</u>				
	<u>Waterworks and Sewerage</u>	<u>Nonmajor Enterprise Fund - Deerpath Golf Course</u>	<u>Total</u>	<u>Governmental Activities - Internal Service Funds</u>
Reconciliation of Operating Income (Loss) to Net Cash Flows From Operating Activities				
Operating income (loss)	\$ 656,738	\$ (214,797)	\$ 441,941	\$ 1,870,004
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:				
Depreciation	2,993,900	348,026	3,341,926	-
Changes in assets and liabilities:				
Accounts receivable	(161,107)	7,318	(153,789)	(1,187,575)
Inventories	-	(19,017)	(19,017)	(31,416)
Prepaid items	-	2,823	2,823	(39,424)
Net pension asset	(570,454)	-	(570,454)	(181,912)
Deferred outflows related to pensions	214,390	516	214,906	61,012
Deferred outflows related to OPEB	3,654	32	3,686	327
Accounts payable	14,763	39,633	54,396	261,700
Accrued liabilities	-	-	-	164,437
Accrued salaries	(43,144)	(4,788)	(47,932)	-
Net pension liability	(650,249)	(19,947)	(670,196)	(194,028)
Deferred inflows related to pensions	677,903	11,834	689,737	228,737
Deferred inflows related to OPEB	36,501	597	37,098	11,842
Unearned revenue	5,932	227,433	233,365	(1,128)
Compensated absences	3,241	2,850	6,091	7,262
Total OPEB liability	<u>(52,432)</u>	<u>(643)</u>	<u>(53,075)</u>	<u>(10,381)</u>
Net cash flows from operating activities	<u>\$ 3,129,636</u>	<u>\$ 381,870</u>	<u>\$ 3,511,506</u>	<u>\$ 959,457</u>
Noncash Capital and Related Financing Activities				
None				

See notes to financial statements

City of Lake Forest

Statement of Fiduciary Net Position

Fiduciary Funds

April 30, 2021

	Private Purpose Trust Fund	Pension Trust Funds
Assets		
Cash	\$ -	\$ 172,980
Money markets	13,655	4,062,853
Investments:		
U.S. Treasury obligations	-	11,316,487
U.S. Government agencies	-	3,400,195
Municipal/corporate bonds	-	11,125,412
Equity securities	519,035	-
Mutual funds	495,198	58,859,929
Real estate investment fund	-	3,929,533
Receivables:		
Interest	-	149,785
Prepaid items	-	15,332
Due from other funds	-	72,962
	<u>1,027,888</u>	<u>93,105,468</u>
Liabilities		
Accounts payable	-	60,725
Due to primary government	<u>222,845</u>	<u>-</u>
	<u>222,845</u>	<u>60,725</u>
Net Position		
Restricted for pension benefits	-	93,044,743
Restricted for other purposes	<u>805,043</u>	<u>-</u>
	<u>\$ 805,043</u>	<u>\$ 93,044,743</u>
Total net position		

See notes to financial statements

City of Lake Forest

Statement of Changes in Fiduciary Net Position

Fiduciary Funds

Year Ended April 30, 2021

	Private Purpose Trust Fund	Pension Trust Funds
Additions		
Contributions:		
Employer	\$ -	\$ 6,148,605
Employee	-	776,960
Total contributions	-	6,925,565
Investment income:		
Interest	11,646	1,310,521
Net appreciation in fair value of investments	304,886	18,340,725
Total investment income	316,532	19,651,246
Less Investment expense	-	(152,494)
Net investment income	316,532	19,498,752
Miscellaneous	-	837
Total additions	316,532	26,425,154
Deductions		
Pension benefits and refunds	-	5,928,689
Other administrative expenses	55,270	83,726
Total deductions	55,270	6,012,415
Change in fiduciary net position	261,262	20,412,739
Net Position, Beginning	543,781	72,632,004
Net Position, Ending	<u>\$ 805,043</u>	<u>\$ 93,044,743</u>

See notes to financial statements

City of Lake Forest

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April 30, 2021

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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 governing body and management of the primary government has operational responsibility for the component unit, (3) the component unit serves or benefits, exclusively or almost exclusively, the primary government rather than its citizens or (4) the total debt of the component unit will be paid entirely or almost entirely from resources of the primary government.

Discretely Presented Component Unit

Lake Forest Library

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

Fiduciary Component Units

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

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

Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

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

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

Fund Financial Statements

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

City of Lake Forest

Notes to Financial Statements
April 30, 2021

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 percent 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 percent test is at least 5 percent 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 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.

City of Lake Forest

Notes to Financial Statements
April 30, 2021

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
Improvements

Enterprise Fund

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

- Deerpath Golf Course

In addition, the City reports the following fund types:

Internal Service Funds

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

- Fleet
- Self Insurance
- Liability Insurance

Private-Purpose Trust Fund

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

Cemetery Trust

Pension Trust Funds

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

Police Pension
Firefighters' Pension

Measurement Focus, Basis of Accounting and Financial Statement Presentation**Government-Wide Financial Statements**

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

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

Fund Financial Statements

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

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

City of Lake Forest

Notes to Financial Statements
April 30, 2021

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

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

Proprietary and Fiduciary Funds

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

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

All Financial Statements

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

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

Deposits and Investments

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

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

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

City of Lake Forest

Notes to Financial Statements

April 30, 2021

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

City of Lake Forest

Notes to Financial Statements

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- 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 percent 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 percent of the fund's investments;
- General accounts of Illinois-licensed life insurance companies;
- Separate accounts of Illinois-licensed insurance companies invested in stocks, bonds and real estate limited to 10 percent 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.

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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 %	2.10 %
Domestic equities	39.00	5.80
International equities	15.00	6.30
Real estate	10.00	5.50
Cash and cash equivalents	1.00	0.10

Illinois Compiled Statutes (ILCS) limit the Police Pension Fund's investments in equities, mutual funds and variable annuities to 65 percent. Securities in any one company should not exceed 5 percent 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
Cash	6.00 %	0.85 %
US Fixed Income Taxable	27.60	1.75
US Large Cap	49.00	6.95
US Mid Cap	6.70	7.45
US Small Cap	1.60	7.35
International Equities	7.60	6.05
Equity Hedge Assets	1.50	4.65

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

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. Although the Firefighters' Pension Fund's investment policy does not specifically limit the length of maturity of investments, it manages interest rate risk by investing fixed income assets in proportion to the present value of the Fund's projected liabilities.

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 percent of the funds' total assets. The Cemetery fund also limits the investment in any one equity industry group to no more than 15 percent 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 percent of such deposits, by U.S. Government Securities, obligations of Federal instrumentalities, obligations of the state of Illinois or general obligation bonds of the City. The Cemetery Investment Fund and the Pension Funds do not have a deposit policy for custodial credit risk.

Custodial Credit Risk, Investments

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

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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 2020 attaches as an enforceable lien on January 1, 2020, 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 2021 tax levy, which attached as an enforceable lien on the property as of January 1, 2021, has not been recorded as a receivable as of April 30, 2021, as the tax has not yet been levied by the City and will not be levied until December 2021 and therefore, the levy is not measurable at April 30, 2021.

Tax bills for levy year 2020 are prepared by Lake County and issued on or about May, 2021 and are payable in two installments, on or about June 1, 2021 and September 1, 2021 or within 30 days of the tax bills being issued.

The County collects such taxes and remits them periodically. The 2020 property tax levy is recognized as a receivable and deferred inflows in fiscal 2021, net the 1.5 percent allowance for uncollectible. As the taxes become available to finance current expenditures, they are recognized as revenues. At April 30, 2021, the property taxes receivable and related deferred inflows consisted of the estimated amount collectible from the 2020 levy.

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

Inventories and Prepaid Items

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

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

Capital Assets

Government-Wide Statements

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

City of Lake Forest

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April 30, 2021

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:

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

Fund Financial Statements

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

Deferred Outflows of Resources

A deferred outflow of resources represents a consumption of net position/fund balance 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.

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 represents an acquisition of net position/fund balance that applies to a future period and therefore will not be recognized as an inflow of resources (revenue) until that future time.

Equity Classifications

Government-Wide Statements

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

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

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

Fund Statements

Governmental fund balances are displayed as follows:

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

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

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

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

See Note 3 for further information.

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

2. Stewardship, Compliance and Accountability

Budgetary Information

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

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

City of Lake Forest

Notes to Financial Statements
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- (3) The budget and the appropriation ordinance, which is 10 percent 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.

Deficit Balances

Generally accepted accounting principles require disclosure of individual funds that have deficit balances at year end.

As of April 30, 2021, the following individual fund held a deficit balance:

Fund	Amount
Laurel/Western Redevelopment TIF Improvements	\$ 304,215

City of Lake Forest

Notes to Financial Statements
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3. Detailed Notes on All Funds

Deposits and Investments

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

	<u>Carrying Value</u>	<u>Statement Balances</u>	<u>Associated Risks</u>
Deposits	\$ 61,691,770	\$ 62,034,628	Custodial Credit Risk, Deposits
Money markets	4,371,828	4,371,828	Custodial Credit Risk, Deposits
U.S. government agencies, explicitly guaranteed	5,994	5,994	Custodial Credit Risk - Investments, Interest Rate Risk
U.S. government agencies, implicitly guaranteed	3,394,201	3,394,201	Credit Risk, Custodial Credit Risk, Investments, Concentration of Credit Risk, Interest Rate Risk
Mutual funds, other than bonds	61,080,975	61,080,975	N/A
U.S. treasury obligations	11,316,487	11,316,487	Custodial Credit Risk, Investments, Interest Rate Risk
Real estate investment fund	3,929,533	3,929,533	Custodial Credit Risk, Investments
Municipal/corporate bonds	11,125,412	11,125,412	Credit Risk, Custodial Credit Risk, Investments, Concentration of Credit Risk, Interest Rate Risk
Illinois funds	17,865,247	17,865,247	Credit Risk
Equity securities	6,662,695	6,662,695	Custodial Credit Risk, Investments, Foreign Currency Risk
Mutual funds, bond funds	2,346,715	2,346,715	Credit Risk, Interest Rate Risk
Petty cash	<u>11,325</u>	<u>-</u>	
Total deposits and investments	<u>\$183,802,182</u>	<u>\$184,133,715</u>	

City of Lake Forest

Notes to Financial Statements

April 30, 2021

Reconciliation to financial statements

Per statement of net position

Cash and cash equivalents, primary government	\$ 73,421,058
Investments - primary government	10,216,223
Cash and cash equivalents, Lake Forest Library	6,269,624

Per statement of net position, fiduciary funds

Private Purpose Trust, money markets	13,655
Private Purpose Trust, equity securities	519,035
Private Purpose Trust, mutual funds	495,198
Pension Trusts, cash	172,980
Pension Trusts, money markets	4,062,853
Pension Trusts, U.S. treasury obligations	11,316,487
Pension Trusts, U.S. government agencies	3,400,195
Pension Trusts, Municipal/corporate bonds	11,125,412
Pension Trusts, mutual funds	58,859,929
Pension Trusts, real estate investment fund	<u>3,929,533</u>

Total deposits and investments \$183,802,182

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.

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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 \$3,929,533 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).

City

Investment Type	April 30, 2021			
	Level 1	Level 2	Level 3	Total
Equity securities	\$ 6,143,660	\$ -	\$ -	\$ 6,143,660
Mutual funds, bond funds	2,125,762	-	-	2,125,762
Mutual funds, other than bond funds	1,946,801	-	-	1,946,801
Total	<u>\$ 10,216,223</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,216,223</u>

Private Purpose Trust

Investment Type	April 30, 2021			
	Level 1	Level 2	Level 3	Total
Equity securities	\$ 519,035	\$ -	\$ -	\$ 519,035
Mutual funds, bond funds	220,953	-	-	220,953
Mutual funds, other than bond funds	274,245	-	-	274,245
Total	<u>\$ 1,014,233</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,014,233</u>

Police Pension Fund

Investment Type	April 30, 2021			
	Level 1	Level 2	Level 3	Total
U.S. treasury obligations	\$ 8,151,306	\$ -	\$ -	\$ 8,151,306
U.S. government agencies	-	208,595	-	208,595
Mutual funds, other than bond funds	26,252,509	-	-	26,252,509
Corporate bonds	-	4,196,108	-	4,196,108
Total	<u>\$ 34,403,815</u>	<u>\$ 4,404,703</u>	<u>\$ -</u>	<u>\$ 38,808,518</u>

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Notes to Financial Statements
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Firefighter's Pension Fund

Investment Type	April 30, 2021			
	Level 1	Level 2	Level 3	Total
U.S. treasury obligations	\$ 3,165,181	\$ -	\$ -	\$ 3,165,181
U.S. government agencies	-	3,191,600	-	3,191,600
Mutual funds, other than bond funds	32,607,420	-	-	32,607,420
Municipal bonds	-	334,826	-	334,826
Corporate bonds	-	6,594,478	-	6,594,478
Total	<u>\$ 35,772,601</u>	<u>\$ 10,120,904</u>	<u>\$ -</u>	<u>\$ 45,893,505</u>

Custodial Credit Risk

Deposits

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

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

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, 2021, the City's investments were rated as follows:

Investment Type	Standard & Poors	Moody's Investors Services
Illinois funds	AAAm	Not rated
U.S. government agencies - implicitly guaranteed	Not rated to AA+	Not rated to Aaa
Municipal bonds	Not rated to AAA	Aa2 to Aaa
Corporate bonds	BBB- to AAA	Baa3 to Aaa
Mutual funds - bond funds	Not rated	Not rated

City of Lake Forest

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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, 2021, the City's investments were as follows:

Police Pension Fund

Investment Type	Fair Value	Maturity (In Months)		
		Less Than One Year	1 - 5 Years	6-10 Years
U.S. treasury obligations	\$ 8,151,306	\$ -	\$ 7,187,183	\$ 964,123
U.S. government agencies	208,595	116,860	91,735	-
Corporate bonds	<u>4,196,108</u>	<u>157,136</u>	<u>660,361</u>	<u>3,378,611</u>
Total	<u>\$ 12,556,009</u>	<u>\$ 273,996</u>	<u>\$ 7,939,279</u>	<u>\$ 4,342,734</u>

Firefighters' Pension Fund

Investment Type	Fair Value	Maturity (In Months)			
		Less than One Year	1 - 5 Years	6 - 10 Years	More Than 10 Years
U.S. treasury obligations	\$ 3,165,181	\$ -	\$ 487,114	\$ 1,071,054	\$ 1,607,013
U.S. government agencies	3,191,600	1,516	649,907	517,477	2,022,700
Municipal bonds	334,826	233,230	42,556	59,040	-
Corporate bonds	<u>6,594,478</u>	<u>259,878</u>	<u>1,822,837</u>	<u>3,000,023</u>	<u>1,511,740</u>
Total	<u>\$ 13,286,085</u>	<u>\$ 494,624</u>	<u>\$ 3,002,414</u>	<u>\$ 4,647,594</u>	<u>\$ 5,141,453</u>

The City and Private Purpose Trust have \$2,346,715 invested in mutual funds, bond funds that have a maturity of less than one year.

Money-Weighted Rate of Return

Police Pension Fund

For the year ended April 30, 2021, the annual money-weighted rate of return on the Police Pension plan investments, net of pension plan investment expense, was 25.29 percent. 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, 2021, the annual money-weighted rate of return on the Firefighters' Pension plan investments, net of pension plan investment expense, was 28.13 percent. 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.

City of Lake Forest

Notes to Financial Statements
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Capital Assets

Capital asset activity for the year ended April 30, 2021, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Governmental Activities				
Capital assets not being depreciated:				
Land and land improvements	\$ 40,168,317	\$ 431,122	\$ -	\$ 40,599,439
Infrastructure - land	66,740,770	-	-	66,740,770
Construction in progress	19,560	116,240	-	135,800
Total capital assets not being depreciated	<u>106,928,647</u>	<u>547,362</u>	<u>-</u>	<u>107,476,009</u>
Capital assets being depreciated:				
Infrastructure	188,028,723	266,235	-	188,294,958
Buildings	30,002,059	-	-	30,002,059
Improvements other than buildings	34,014,111	1,065,562	-	35,079,673
Machinery and equipment	19,177,952	1,407,639	407,437	20,178,154
Total capital assets being depreciated	<u>271,222,845</u>	<u>2,739,436</u>	<u>407,437</u>	<u>273,554,844</u>
Total capital assets	<u>378,151,492</u>	<u>3,286,798</u>	<u>407,437</u>	<u>381,030,853</u>
Less accumulated depreciation for:				
Infrastructure	(134,902,356)	(2,458,894)	-	(137,361,250)
Buildings	(13,037,172)	(658,228)	-	(13,695,400)
Improvements other than buildings	(19,597,606)	(1,265,463)	-	(20,863,069)
Machinery and equipment	(15,061,764)	(1,275,593)	392,168	(15,945,189)
Total accumulated depreciation	<u>(182,598,898)</u>	<u>(5,658,178)</u>	<u>392,168</u>	<u>(187,864,908)</u>
Net capital assets being depreciated	<u>88,623,947</u>	<u>(2,918,742)</u>	<u>15,269</u>	<u>85,689,936</u>
Total governmental activities capital assets, net of accumulated depreciation	<u>\$ 195,552,594</u>	<u>\$ (2,371,380)</u>	<u>\$ 15,269</u>	<u>\$ 193,165,945</u>

Depreciation expense was charged to functions as follows:

Governmental Activities	
General Government	\$ 1,425,711
Highways and streets	2,601,247
Sanitation	101,410
Culture and recreation	1,012,953
Public safety	<u>516,857</u>
Total governmental activities depreciation expense	<u>\$ 5,658,178</u>

City of Lake Forest

Notes to Financial Statements
April 30, 2021

	Beginning Balance	Additions	Deletions	Ending Balance
Business-Type Activities				
Capital assets not being depreciated:				
Land	\$ 441,413	\$ -	\$ -	\$ 441,413
Construction in progress	14,929	-	14,929	-
Total capital assets not being depreciated	456,342	-	14,929	441,413
Capital assets being depreciated:				
Buildings	27,020,235	-	-	27,020,235
Improvements other than buildings	57,740,682	190,273	10,301	57,920,654
Machinery and equipment	5,497,324	150,605	54,315	5,593,614
Sanitary sewers and related property	31,057,754	-	-	31,057,754
Total capital assets being depreciated	121,315,995	340,878	64,616	121,592,257
Total capital assets	121,772,337	340,878	79,545	122,033,670
Less accumulated depreciation for:				
Buildings	(17,609,560)	(1,003,574)	-	(18,613,134)
Improvements other than buildings	(25,459,559)	(1,400,097)	10,301	(26,849,355)
Machinery and equipment	(3,882,504)	(364,480)	54,315	(4,192,669)
Sanitary sewers and related property	(18,906,528)	(573,775)	-	(19,480,303)
Total accumulated depreciation	(65,858,151)	(3,341,926)	64,616	(69,135,461)
Net capital assets being depreciated	55,457,844	(3,001,048)	-	52,456,796
Business-type capital assets, net of accumulated depreciation	<u>\$ 55,914,186</u>	<u>\$ (3,001,048)</u>	<u>\$ 14,929</u>	<u>\$ 52,898,209</u>
Component Unit				
Capital assets not being depreciated:				
Land	\$ 70,000	\$ -	\$ -	\$ 70,000
Art	168,500	-	-	168,500
Total capital assets not being depreciated	238,500	-	-	238,500
Capital assets being depreciated:				
Buildings	1,180,907	-	-	1,180,907
Improvements other than buildings	2,271,093	-	-	2,271,093
Machinery and equipment	3,892,724	280,024	350,944	3,821,804
Total capital assets being depreciated	7,344,724	280,024	350,944	7,273,804
Total capital assets	7,583,224	280,024	350,944	7,512,304
Less accumulated depreciation for:				
Buildings	(766,929)	(19,713)	-	(786,642)
Improvements other than buildings	(1,606,441)	(63,615)	-	(1,670,056)
Machinery and equipment	(2,361,593)	(360,424)	350,944	(2,371,073)
Total accumulated depreciation	(4,734,963)	(443,752)	350,944	(4,827,771)
Net capital assets being depreciated	2,609,761	(163,728)	-	2,446,033
Total component units capital assets, net of accumulated depreciation	<u>\$ 2,848,261</u>	<u>\$ (163,728)</u>	<u>\$ -</u>	<u>\$ 2,684,533</u>

City of Lake Forest

Notes to Financial Statements
April 30, 2021

Interfund Receivables/Payables, Advances and Transfers

Interfund Receivables/Payables

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

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Parks and Recreation	Deerpath Golf Course	\$ 125,000
Capital Improvements	Laurel/Western Redevelopment TIF	<u>624,815</u>
Total, fund financial statements		749,815
Less interfund receivables created with internal service fund eliminations		(1,144,708)
Less government-wide eliminations		<u>(624,815)</u>
Total internal balances, government-wide statement of net position		<u><u>\$ (1,019,708)</u></u>

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.

Advances

The following is a schedule of interfund advances:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Amount Not Due Within One Year</u>
Laurel/Western Redevelopment TIF	Capital Improvements	<u>\$ 380,000</u>	\$ 380,000
Total, fund financial statements		380,000	
Less fund eliminations		<u>(380,000)</u>	
Total, interfund advances, government-wide statement of net position		<u><u>\$ -</u></u>	

The principal purpose of this advance is between the Laurel/Western Redevelopment TIF Fund and the Capital Improvements Fund is to repay the Laurel/Western Redevelopment TIF Fund for a parcel of land it owned that was sold during fiscal year 2017 and the receipts were recorded within the Capital Improvements Fund. The amount is not expected to be repaid within 1 year as it is based on TIF increment proceeds.

City of Lake Forest

Notes to Financial Statements
April 30, 2021

Transfers

The following is a schedule of interfund transfers:

<u>Fund Transferred To</u>	<u>Fund Transferred From</u>	<u>Amount</u>	<u>Principal Purpose</u>
Parks and Recreation	General	\$ 802,000	Funding for parks and recreation operations as well as for debt service payment
Water and Sewer	General	6,500	Funding for budgeted salary amounts
Internal service fund	General	500	Funding for budgeted salary amounts
Nonmajor government	General	253,513	Funding for debt service payment
Nonmajor government	Nonmajor government	356,688	Funding for debt service payment
Nonmajor government	General	1,500,000	Funding for projects relating to the purposes of the Housing Trust as well as Parks and Public Land funds
Capital Improvement	General	3,892,640	Funding for capital outlay projects
Nonmajor enterprise	Parks and Recreation	<u>23,000</u>	Funding for debt service payment
Total, fund financial statements		6,834,841	
Less government-wide eliminations		<u>(6,805,341)</u>	
Total transfers, government-wide statement of activities		<u>\$ 29,500</u>	

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

City of Lake Forest

Notes to Financial Statements

April 30, 2021

Long-Term Obligations

Long-term obligations activity for the year ended April 30, 2021, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Governmental Activities					
Bonds and notes payable:					
General obligation debt	\$ 29,541,957	\$ -	\$ 1,910,089	\$ 27,631,868	\$ 2,009,665
Premiums	<u>798,997</u>	<u>-</u>	<u>91,617</u>	<u>707,380</u>	<u>-</u>
Total bonds and notes payable	<u>30,340,954</u>	<u>-</u>	<u>2,001,706</u>	<u>28,339,248</u>	<u>2,009,665</u>
Other liabilities:					
Compensated absences	2,210,488	2,613,952	2,656,676	2,167,764	120,000
Total OPEB liability	2,523,677	121,290	586,320	2,058,647	-
Net pension liability	<u>62,017,758</u>	<u>17,944,742</u>	<u>35,834,983</u>	<u>44,127,517</u>	<u>-</u>
Total other liabilities	<u>66,751,923</u>	<u>20,679,984</u>	<u>39,077,979</u>	<u>48,353,928</u>	<u>120,000</u>
Total governmental activities long-term liabilities	<u>\$ 97,092,877</u>	<u>\$ 20,679,984</u>	<u>\$ 41,079,685</u>	<u>\$ 76,693,176</u>	<u>\$ 2,129,665</u>
Business-Type Activities					
Bonds and notes payable:					
General obligation debt	\$ 16,348,978	\$ -	\$ 1,934,413	\$ 14,414,565	\$ 1,871,947
Premium	<u>514,441</u>	<u>-</u>	<u>172,976</u>	<u>341,465</u>	<u>-</u>
Total bonds and notes payable	<u>16,863,419</u>	<u>-</u>	<u>2,107,389</u>	<u>14,756,030</u>	<u>1,871,947</u>
Other liabilities:					
Compensated absences	261,513	248,838	242,747	267,604	5,000
Total OPEB liability	246,631	11,404	64,479	193,556	-
Net pension liability	<u>660,638</u>	<u>1,145,058</u>	<u>1,805,696</u>	<u>-</u>	<u>-</u>
Total other liabilities	<u>1,168,782</u>	<u>1,405,300</u>	<u>2,112,922</u>	<u>461,160</u>	<u>5,000</u>
Total business-type activities long-term liabilities	<u>\$ 18,032,201</u>	<u>\$ 1,405,300</u>	<u>\$ 4,220,311</u>	<u>\$ 15,217,190</u>	<u>\$ 1,876,947</u>
Component Unit					
Other liabilities:					
Compensated absences	\$ 149,402	\$ 99,187	\$ 139,667	\$ 108,922	\$ 5,000
Capital leases	82,475	-	34,410	48,065	34,756
Total OPEB liability	200,580	6,843	47,546	159,877	-
Net pension liability	<u>521,685</u>	<u>890,795</u>	<u>1,412,480</u>	<u>-</u>	<u>-</u>
Total other liabilities	<u>954,142</u>	<u>996,825</u>	<u>1,634,103</u>	<u>316,864</u>	<u>39,756</u>
Total component units long-term liabilities	<u>\$ 954,142</u>	<u>\$ 996,825</u>	<u>\$ 1,634,103</u>	<u>\$ 316,864</u>	<u>\$ 39,756</u>

City of Lake Forest

Notes to Financial Statements
April 30, 2021

General Obligation Debt

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

Governmental Activities

<u>General Obligation Debt</u>	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance April 30, 2021</u>
Special Service Area 25	5/1/2003	12/15/2022	1.95-2.95%	\$ 1,050,000	\$ 150,000
Special Service Area 26	10/7/2003	12/15/2022	2.50-3.40%	276,500	40,444
Special Service Area 29	12/20/2004	12/15/2023	2.55-3.65%	2,000,000	430,989
2013 Series	9/16/2013	12/15/2032	2.00-4.00%	9,715,000	8,455,000
2015 Series	8/3/2015	12/15/2036	2.50-3.75%	9,780,000	8,760,000
2019 Series Refunding	12/19/2019	12/15/2032	2.00-5.00%	10,751,022	9,795,435

Total governmental activities, general obligation debt \$ 27,631,868

Business-Type Activities

<u>General Obligation Debt</u>	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance April 30, 2021</u>
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	5,119,565

Total business-type activities, general obligation debt \$ 14,414,565

Debt service requirements to maturity are as follows:

<u>Years</u>	<u>Governmental Activities General Obligation Debt</u>		<u>Business-Type Activities General Obligation Debt</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2022	\$ 2,009,665	\$ 957,822	\$ 1,871,947	\$ 526,731
2023	2,087,958	878,328	1,976,252	433,540
2024	2,069,245	795,704	1,786,366	334,721
2025	1,475,000	712,525	525,000	260,853
2026	1,540,000	657,600	535,000	247,728
2027-2031	10,575,000	2,394,170	2,895,000	1,027,108
2032-2036	7,525,000	592,736	3,335,000	582,625
2037-2038	350,000	13,125	1,490,000	78,750
Total	<u>\$ 27,631,868</u>	<u>\$ 7,002,010</u>	<u>\$ 14,414,565</u>	<u>\$ 3,492,056</u>

Other Debt Information

Estimated payments of compensated absences, total OPEB liability and net pension liability are not included in the debt service requirement schedules. The compensated absences and the IMRF net pension liability 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.

City of Lake Forest

Notes to Financial Statements
April 30, 2021

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, 2021, are as follows:

<u>Years</u>	<u>Component Unit</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 34,756	\$ 322	\$ 35,078
2023	13,309	30	13,339
Total	<u>\$ 48,065</u>	<u>\$ 352</u>	<u>\$ 48,417</u>

Fund Balances

Governmental Funds

Governmental fund balances reported on the fund financial statements at April 30, 2021, include the following:

	<u>General Fund</u>	<u>Parks and Recreation Fund</u>	<u>Capital Improvements Fund</u>	<u>General Cemetery Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Fund Balances						
Nonspendable:						
Prepaid items	\$ 103,901	\$ -	\$ -	\$ -	\$ 28,878	\$ 132,779
Inventories	104,760	-	-	-	-	104,760
Subtotal	<u>208,661</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>28,878</u>	<u>237,539</u>
Restricted for:						
Culture and recreation	-	1,435,768	-	-	1,641,443	3,077,211
Highway and streets	-	-	-	-	1,344,272	1,344,272
Public safety, fire	-	-	-	-	350,664	350,664
Public safety, police	-	-	-	-	874,186	874,186
Cemetery perpetual care	-	-	-	11,353,154	-	11,353,154
Affordable housing	-	-	-	-	1,647,067	1,647,067
Capital projects	-	-	16,190,839	-	-	16,190,839
Debt service	-	-	-	-	1,900,735	1,900,735
Subtotal	<u>-</u>	<u>1,435,768</u>	<u>16,190,839</u>	<u>11,353,154</u>	<u>7,758,367</u>	<u>36,738,128</u>
Unassigned:	<u>28,148,267</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(304,215)</u>	<u>27,844,052</u>
Total fund balances	<u>\$ 28,356,928</u>	<u>\$ 1,435,768</u>	<u>\$ 16,190,839</u>	<u>\$ 11,353,154</u>	<u>\$ 7,483,030</u>	<u>\$ 64,819,719</u>

City of Lake Forest

Notes to Financial Statements
April 30, 2021

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.

For the year ended April 30, 2021, 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	\$ 115,430,285	\$ -	\$ 1,410,752	\$ 10,872,405	\$ 889,698
Police Pension Plan	73,432,245	30,232,313	4,459,766	4,520,746	3,538,008
Firefighters' Pension Plan	<u>63,740,015</u>	<u>13,895,204</u>	<u>4,228,516</u>	<u>5,957,285</u>	<u>1,705,170</u>
Total	<u>\$252,602,545</u>	<u>\$ 44,127,517</u>	<u>\$ 10,099,034</u>	<u>\$ 21,350,436</u>	<u>\$ 6,132,876</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 percent 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 percent for each year thereafter to a maximum of 75 percent 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 percent of their final rate of earnings for the first 15 years of service credit, plus 2 percent for each year of service after 15 years to a maximum of 75 percent of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased every year after retirement, upon reaching age 67, by the lesser of 3 percent of the original pension amount or 1/2 of the increase in the Consumer Price Index of the original pension amount.

City of Lake Forest

Notes to Financial Statements
April 30, 2021

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, 2020, the measurement date, membership in the plan was as follows:

Retirees and beneficiaries	297
Inactive, nonretired members	186
Active members	<u>187</u>
Total	<u><u>670</u></u>

Contributions

As set by statute, City and Library employees participating in IMRF are required to contribute 4.50 percent 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 2020 was 11.92 percent 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, 2020 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, 2020 using the following actuarial methods and assumptions:

Actuarial cost method	Entry Age Normal
Asset valuation method	Market Value
Actuarial assumptions	
Investment Rate of Return	7.25%
Salary increases	2.85% to 13.75%, including inflation
Price inflation	2.25%

Mortality

For nondisabled retirees, the Pub-2010, Amount-Weighted, below median income, General, Retiree, Male (adjusted 106 percent) and Female (adjusted 105 percent) 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:

Asset Class	Target Allocation	Projected Returns/Risks	
		One Year Arithmetic	Ten Year Geometric
Equities	37.00 %	6.35 %	5.00 %
International equities	18.00	7.65	6.00
Fixed income	28.00	1.40	1.30
Real estate	9.00	7.10	6.20
Alternatives	7.00		
Private equity		10.35	6.95
Hedge funds		-	-
Commodities		3.90	2.85
Cash equivalents	1.00	0.70	0.70

Discount Rate

The discount rate used to measure the total pension liability for IMRF was 7.25 percent. The discount rate calculated using the December 31, 2019 measurement date was 7.25 percent. 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 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.

City of Lake Forest

Notes to Financial Statements
April 30, 2021

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 calculated using the discount rate of 7.25 percent 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 percent) or 1 percentage point higher (8.25 percent) than the current rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
City:			
Total pension liability	\$ 113,838,442	\$ 102,234,444	\$ 92,944,044
Plan fiduciary net position	<u>106,588,373</u>	<u>106,588,373</u>	<u>106,588,373</u>
Net pension liability/(asset)	<u>\$ 7,250,069</u>	<u>\$ (4,353,929)</u>	<u>\$ (13,644,329)</u>
Library:			
Total pension liability	\$ 14,693,619	\$ 13,195,841	\$ 11,996,689
Plan fiduciary net position	<u>13,647,060</u>	<u>13,647,060</u>	<u>13,647,060</u>
Net pension liability/(asset)	<u>\$ 1,046,559</u>	<u>\$ (451,219)</u>	<u>\$ (1,650,371)</u>
Total:			
Total pension liability	\$ 128,532,061	\$ 115,430,285	\$ 104,940,733
Plan fiduciary net position	<u>120,235,433</u>	<u>120,235,433</u>	<u>120,235,433</u>
Net pension liability/(asset)	<u>\$ 8,296,628</u>	<u>\$ (4,805,148)</u>	<u>\$ (15,294,700)</u>

Changes in Net Pension Liability/(Asset)

The changes in net pension liability/(asset) for the calendar year ended December 31, 2020 were as follows:

	<u>Increase (Decrease)</u>		
	<u>Total Pension Liability (a)</u>	<u>Plan Fiduciary Net Position (b)</u>	<u>Net Pension Liability/(Asset) (a) - (b)</u>
City:			
Balances at December 31, 2019	\$ 100,882,053	\$ 96,060,540	\$ 4,821,513
Service cost	1,268,902	-	1,268,902
Interest on total pension liability	7,326,612	-	7,326,612
Differences between expected and actual experience of the total pension liability	(786,697)	-	(786,697)
Change of assumptions	(783,863)	-	(783,863)
Benefit payments, including refunds of employee contributions	(5,672,563)	(5,672,563)	-
Contributions, employer	-	1,525,544	(1,525,544)
Contributions, employee	-	610,488	(610,488)
Net investment income	-	14,246,702	(14,246,702)
Other (net transfer)	-	(182,338)	182,338
Balances at December 31, 2020	<u>\$ 102,234,444</u>	<u>\$ 106,588,373</u>	<u>\$ (4,353,929)</u>

City of Lake Forest

Notes to Financial Statements
April 30, 2021

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
	(a)	(b)	(a) - (b)
Library:			
Balances at December 31, 2019	\$ 13,077,695	\$ 12,556,010	\$ 521,685
Service cost	131,502	-	131,502
Interest on total pension liability	759,293	-	759,293
Differences between expected and actual experience of the total pension liability	(81,529)	-	(81,529)
Change of assumptions	(103,244)	-	(103,244)
Benefit payments, including refunds of employee contributions	(587,876)	(587,876)	-
Contributions, employer	-	158,100	(158,100)
Contributions, employee	-	63,268	(63,268)
Net investment income	-	1,476,456	(1,476,456)
Other (net transfer)	-	(18,898)	18,898
Balances at December 31, 2020	<u>\$ 13,195,841</u>	<u>\$ 13,647,060</u>	<u>\$ (451,219)</u>
Total:			
Balances at December 31, 2019	\$ 113,959,748	\$ 108,616,550	\$ 5,343,198
Service cost	1,400,404	-	1,400,404
Interest on total pension liability	8,085,905	-	8,085,905
Differences between expected and actual experience of the total pension liability	(868,226)	-	(868,226)
Change of assumptions	(887,107)	-	(887,107)
Benefit payments, including refunds of employee contributions	(6,260,439)	(6,260,439)	-
Contributions, employer	-	1,683,644	(1,683,644)
Contributions, employee	-	673,756	(673,756)
Net investment income	-	15,723,158	(15,723,158)
Other (net transfer)	-	(201,236)	201,236
Balances at December 31, 2020	<u>\$ 115,430,285</u>	<u>\$ 120,235,433</u>	<u>\$ (4,805,148)</u>
Plan fiduciary net position as a percentage of the total pension liability			104.16 %

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

For the year ended April 30, 2021, the City recognized pension expense of \$889,698. The City reported deferred outflows and inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
City:		
Difference between expected and actual experience	\$ 565,970	\$ 535,010
Assumption changes	143,882	546,645
Net difference between projected and actual earnings on pension plan investments	-	8,769,796
Contributions subsequent to the measurement date	<u>566,255</u>	<u>-</u>
Total	<u>\$ 1,276,107</u>	<u>\$ 9,851,451</u>

City of Lake Forest

Notes to Financial Statements
April 30, 2021

	Deferred Outflows of Resources	Deferred Inflows of Resources
Library:		
Difference between expected and actual experience	\$ 59,717	\$ 55,446
Assumption changes	15,181	56,651
Net difference between projected and actual earnings on pension plan investments	-	908,857
Contributions subsequent to the measurement date	<u>59,747</u>	<u>-</u>
Total	<u>\$ 134,645</u>	<u>\$ 1,020,954</u>
Total:		
Difference between expected and actual experience	\$ 625,687	\$ 590,456
Assumption changes	159,063	603,296
Net difference between projected and actual earnings on pension plan investments	-	9,678,653
Contributions subsequent to the measurement date	<u>626,002</u>	<u>-</u>
Total	<u>\$ 1,410,752</u>	<u>\$ 10,872,405</u>

The amount reported as deferred outflows resulting from contributions subsequent to the measurement date in the above table will be recognized as a reduction in the net pension liability/(asset) for the year ending April 30, 2022. The remaining amounts reported as deferred outflows and inflows of resources related to pensions is \$(10,087,655) and will be recognized in pension expense as follows:

Year Ending December 31,	City	Library	Total
2021	\$ (2,635,306)	\$ (272,726)	\$ (2,908,032)
2022	(1,531,313)	(158,474)	(1,689,787)
2023	(3,525,534)	(364,854)	(3,890,388)
2024	<u>(1,449,446)</u>	<u>(150,002)</u>	<u>(1,599,448)</u>
Total	<u>\$ (9,141,599)</u>	<u>\$ (946,056)</u>	<u>\$ (10,087,655)</u>

Police Pension

Plan Description

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

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

City of Lake Forest

Notes to Financial Statements

April 30, 2021

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 percent of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75 percent 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 percent of the original pension and 3 percent 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 percent 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 percent 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 percent or one-half the annual unadjusted percentage increase in the CPI, whichever is less.

Plan Membership

At April 30, 2021, the Police Pension membership consisted of:

Retirees and beneficiaries	44
Inactive, nonretired members	10
Active members	<u>38</u>
Total	<u><u>92</u></u>

Contributions

Covered employees are required to contribute 9.91 percent 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 percent funded by the year 2040. The City's actuarially determined contribution rate for the fiscal year ending April 30, 2021 was 75.80 percent of annual covered payroll.

Net Pension Liability/(Asset)

The net pension liability/(asset) was measured as of April 30, 2021 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, 2021 using the following actuarial methods and assumptions:

Actuarial cost method	Entry Age Normal
Asset valuation method	Market 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, projected 5 years past the valuation date with 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 October 5, 2017.

Discount Rate

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

City of Lake Forest

Notes to Financial Statements

April 30, 2021

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 percent 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 percent) or 1 percentage point higher (7.50 percent) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Total pension liability	\$ 83,996,580	\$ 73,432,245	\$ 64,816,382
Plan fiduciary net position	<u>43,199,932</u>	<u>43,199,932</u>	<u>43,199,932</u>
Net pension liability	<u><u>\$ 40,796,648</u></u>	<u><u>\$ 30,232,313</u></u>	<u><u>\$ 21,616,450</u></u>

Changes in Net Pension Liability/(Asset)

The City's changes in net pension liability/(asset) for the year ended April 30, 2021 was as follows:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/Asset (a) - (b)
Balances at April 30, 2020	\$ 69,868,229	\$ 33,562,716	\$ 36,305,513
Service cost	1,053,151	-	1,053,151
Interest on total pension liability	4,511,442	-	4,511,442
Differences between expected and actual experience of the total pension liability	1,028,579	-	1,028,579
Benefit payments, including refunds of employee contributions	(3,029,156)	(3,029,156)	-
Contributions, employer	-	3,581,389	(3,581,389)
Contributions, employee	-	427,305	(427,305)
Net investment income	-	8,702,747	(8,702,747)
Administration	-	(45,069)	45,069
Balances at April 30, 2021	<u><u>\$ 73,432,245</u></u>	<u><u>\$ 43,199,932</u></u>	<u><u>\$ 30,232,313</u></u>
Plan fiduciary net position as a percentage of the total pension liability			58.83 %

City of Lake Forest

Notes to Financial Statements
April 30, 2021

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

For the year ended April 30, 2021, the City recognized pension expense of \$3,538,008. The City reported deferred outflows and inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 1,640,176	\$ 786,565
Assumption changes	2,819,590	-
Net difference between projected and actual earnings on pension plan investments	-	3,734,181
Total	<u>\$ 4,459,766</u>	<u>\$ 4,520,746</u>

The amounts reported as deferred outflows and inflows of resources related to pensions is \$(60,980) and will be recognized in pension expense as follows:

<u>Year Ending April 30,</u>	<u>Amount</u>
2022	\$ 756,867
2023	762,426
2024	(487,829)
2025	<u>(1,092,444)</u>
Total	<u>\$ (60,980)</u>

Firefighters' Pension

Plan Description

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

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

City of Lake Forest

Notes to Financial Statements
April 30, 2021

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 percent of such monthly salary for each additional month over 20 years of service through 30 years of service to a maximum of 75 percent 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 percent of the original pension and 3 percent 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 percent 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 percent 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 percent or one-half the annual unadjusted percentage increase in the CPI, whichever is less.

Plan Membership

At April 30, 2021, the Firefighters' Pension Plan membership consisted of:

Retirees and beneficiaries	45
Inactive, nonretired members	2
Active members	<u>33</u>
Total	<u><u>80</u></u>

Contributions

Participants contribute a fixed percentage of their base salary to the plans. At April 30, 2021, the contribution percentage was 9.455 percent. 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 percent funded by the year 2040. The City's actuarially determined contribution rate for the fiscal year ending April 30, 2021 was 58.83 percent of annual covered payroll.

Net Pension Liability/(Asset)

The net pension liability/(asset) was measured as of April 30, 2021 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, 2021 using the following actuarial methods and assumptions:

Actuarial cost method	Entry Age
Asset valuation method	5-year average Market Value
Actuarial assumptions	
Interest rate	6.5%
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, projected 5 years past the valuation date with 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 October 5, 2017.

Discount Rate

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

City of Lake Forest

Notes to Financial Statements

April 30, 2021

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 percent 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 percent) or 1 percentage point higher (7.50 percent) than the current rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Total pension liability	\$ 72,753,647	\$ 63,740,015	\$ 56,383,988
Plan fiduciary net position	<u>49,844,811</u>	<u>49,844,811</u>	<u>49,844,811</u>
Net pension liability	<u>\$ 22,908,836</u>	<u>\$ 13,895,204</u>	<u>\$ 6,539,177</u>

Changes in Net Pension Liability/(Asset)

The City's changes in net pension liability/(asset) for the year ended April 30, 2021 was as follows:

	<u>Increase (Decrease)</u>		
	<u>Total Pension Liability (a)</u>	<u>Plan Fiduciary Net Position (b)</u>	<u>Net Pension Liability/Asset (a) - (b)</u>
Balances at April 30, 2020	\$ 60,620,657	\$ 39,069,288	\$ 21,551,369
Service cost	1,017,451	-	1,017,451
Interest on total pension liability	3,912,242	-	3,912,242
Differences between expected and actual experience of the total pension liability	1,089,198	-	1,089,198
Benefit payments, including refunds of employee contributions	(2,899,533)	(2,899,533)	-
Contributions, employer	-	2,567,216	(2,567,216)
Contributions, employee	-	349,655	(349,655)
Net investment income	-	10,796,842	(10,796,842)
Administration	-	(38,657)	38,657
Balances at April 30, 2021	<u>\$ 63,740,015</u>	<u>\$ 49,844,811</u>	<u>\$ 13,895,204</u>

Plan fiduciary net position as a percentage of
the total pension liability 78.20 %

City of Lake Forest

Notes to Financial Statements
April 30, 2021

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

For the year ended April 30, 2021, the City recognized pension expense of \$1,705,170. The City reported deferred outflows and inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 1,177,093	\$ -
Assumption changes	3,051,423	-
Net difference between projected and actual earnings on pension plan investments	-	5,957,285
Total	<u>\$ 4,228,516</u>	<u>\$ 5,957,285</u>

The amounts reported as deferred outflows and inflows of resources related to pensions is \$(1,728,769) and will be recognized in pension expense as follows:

<u>Year Ending April 30,</u>	<u>Amount</u>
2022	\$ (174,309)
2023	(339,347)
2024	(265,670)
2025	(1,130,976)
2026	181,533
Total	<u>\$ (1,728,769)</u>

City of Lake Forest

Notes to Financial Statements
April 30, 2021

Pension Segment Information

Fiduciary Net Position

	Pension Trust		Total
	Police Pension	Firefighters' Pension	
Assets			
Cash	\$ 148,721	\$ 24,259	\$ 172,980
Money markets	213,021	3,849,832	4,062,853
Investments:			
U.S. treasury obligations	8,151,306	3,165,181	11,316,487
U.S. government agencies	208,595	3,191,600	3,400,195
Municipal/corporate bonds	4,196,108	6,929,304	11,125,412
Mutual funds	26,252,509	32,607,420	58,859,929
Real estate investment fund	3,929,533	-	3,929,533
Receivables			
Interest	55,396	94,389	149,785
Prepaid items	11,203	4,129	15,332
Due from primary government	46,581	26,381	72,962
Total assets	<u>43,212,973</u>	<u>49,892,495</u>	<u>93,105,468</u>
Liabilities			
Accounts payable	<u>13,041</u>	<u>47,684</u>	<u>60,725</u>
Total liabilities	<u>13,041</u>	<u>47,684</u>	<u>60,725</u>
Net Position			
Restricted for pension benefits	<u>\$ 43,199,932</u>	<u>\$ 49,844,811</u>	<u>\$ 93,044,743</u>

City of Lake Forest

Notes to Financial Statements
April 30, 2021

Changes in Plan Net Position

	Pension Trust		
	Police Pension	Firefighters' Pension	Total
Additions			
Contributions:			
Employer	\$ 3,581,389	\$ 2,567,216	\$ 6,148,605
Employee	<u>427,305</u>	<u>349,655</u>	<u>776,960</u>
Total contributions	<u>4,008,694</u>	<u>2,916,871</u>	<u>6,925,565</u>
Investment income:			
Interest	562,525	747,996	1,310,521
Net appreciation in fair value of investments	<u>8,227,219</u>	<u>10,113,506</u>	<u>18,340,725</u>
Total investment income	8,789,744	10,861,502	19,651,246
Less investment expense	<u>(87,734)</u>	<u>(64,760)</u>	<u>(152,494)</u>
Net investment income	8,702,010	10,796,742	19,498,752
Miscellaneous	<u>737</u>	<u>100</u>	<u>837</u>
Total additions	<u>12,711,441</u>	<u>13,713,713</u>	<u>26,425,154</u>
Deductions			
Pension benefits and refunds	3,029,156	2,899,533	5,928,689
Other administrative expenses	<u>45,069</u>	<u>38,657</u>	<u>83,726</u>
Total deductions	<u>3,074,225</u>	<u>2,938,190</u>	<u>6,012,415</u>
Change in net position	9,637,216	10,775,523	20,412,739
Net Position, Beginning	<u>33,562,716</u>	<u>39,069,288</u>	<u>72,632,004</u>
Net Position, Ending	<u><u>\$ 43,199,932</u></u>	<u><u>\$ 49,844,811</u></u>	<u><u>\$ 93,044,743</u></u>

Risk Management

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

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

City of Lake Forest

Notes to Financial Statements
April 30, 2021

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.

	Beginning of Fiscal Year Liability	Claims and Changes in Estimates	Claim Payments	End of Fiscal Year Liability
2019-2020	\$ 213,395	\$ 262,847	\$ 273,503	\$ 202,739
2020-2021	202,739	307,508	292,523	217,724

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, 2021 and 2020 are as follows:

	Beginning of Fiscal Year Liability	Changes in Estimates	Claim Payments	End of Fiscal Year Liability
2019-2020	\$ 568,106	\$ 4,535,326	\$ 4,534,148	\$ 569,284
2020-2021	569,284	4,737,417	4,530,320	776,381

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 Solid Waste Agency of Lake County.

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.

City of Lake Forest

Notes to Financial Statements
April 30, 2021

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, 2021, the following employees were covered by the benefit terms:

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

Total OPEB Liability

The City's total OPEB liability of \$2,252,203 was measured as of April 30, 2021 and was determined by an actuarial valuation as of that date. The Library's total OPEB liability of \$159,877 was measured as of April 30, 2021 and was determined by an actuarial valuation as of that date.

City of Lake Forest

Notes to Financial Statements
April 30, 2021

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 RP-2014 Healthy Annuitant Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on the MP-2016 improvements rates, 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, 2021 valuation were based on the results of an actuarial experience study dated November 8, 2017.

Changes in the Total OPEB Liability

	<u>City- Total OPEB Liability</u>	<u>Library- Total OPEB Liability</u>
Balances at April 30, 2020	\$ 2,770,308	\$ 200,580
Changes for the year:		
Service cost	64,125	2,014
Interest	68,569	4,829
Differences between expected and actual experience	(473,423)	(19,803)
Changes in assumptions or other inputs	6,339	(3,818)
Benefit payments	<u>(183,715)</u>	<u>(23,925)</u>
Net changes	<u>(518,105)</u>	<u>(40,703)</u>
Balances at April 30, 2021	<u>\$ 2,252,203</u>	<u>\$ 159,877</u>

Changes of assumptions and other inputs reflect a change in the discount rate from 2.56 percent in 2020 to 2.27 percent in 2021 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 (1.3 percent) or 1-percentage-point higher (3.3 percent) than the current discount rate:

	<u>1% Decrease</u>	<u>Discount Rate</u>	<u>1% Increase</u>
Total OPEB liability, City	<u>\$ 2,398,345</u>	<u>\$ 2,252,203</u>	<u>\$ 2,113,139</u>
Total OPEB liability, Library	<u>\$ 162,859</u>	<u>\$ 159,877</u>	<u>\$ 156,965</u>

City of Lake Forest

Notes to Financial Statements
April 30, 2021

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 percent decreasing to 4.5 percent) or 1-percentage-point higher (7.0 percent decreasing to 6.5 percent) than the current healthcare cost trend rates:

	<u>1% Decrease</u>	<u>Healthcare Cost Trend Rates</u>	<u>1% Increase</u>
Total OPEB liability, City	\$ <u>2,011,653</u>	\$ <u>2,252,203</u>	\$ <u>2,535,652</u>
Total OPEB liability, Library	\$ <u>156,041</u>	\$ <u>159,877</u>	\$ <u>163,922</u>

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

For the year ended April 30, 2021, the City recognized OPEB expense of \$127,283. At April 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 431,674
Changes of assumptions or other inputs	<u>328,821</u>	<u>-</u>
Total	\$ <u>328,821</u>	\$ <u>431,674</u>

For the year ended April 30, 2021, the Library recognized OPEB expense of \$4,011. At April 30, 2021, the Library reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 16,737
Changes of assumptions or other inputs	<u>6,127</u>	<u>3,226</u>
Total	\$ <u>6,127</u>	\$ <u>19,963</u>

City of Lake Forest

Notes to Financial Statements

April 30, 2021

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

<u>Year Ended April 30:</u>	<u>City</u>	<u>Library</u>
2022	\$ (5,411)	\$ (2,832)
2023	(5,411)	(2,832)
2024	(5,411)	(2,832)
2025	(5,411)	(2,832)
2026	(5,411)	(2,832)
Thereafter	(75,798)	324
Total	<u><u>\$ (102,853)</u></u>	<u><u>\$ (13,836)</u></u>

Subsequent Event

The federal government passed the American Rescue Plan Act on March 11, 2021 to respond to the COVID-19 public health emergency and its negative economic impacts. Amounts were appropriated for fiscal year 2021 to units of local government to mitigate the fiscal effects stemming from the public health emergency. The City's award is \$2,643,571, which will be used for eligible expenses under ARPA. The City will receive 50 percent of the funds in fiscal year 2022, with the remaining expected a year later. The funds are to cover costs incurred by December 31, 2024.

On August 19, 2021 the City issued general obligation refunding bonds in the amount of \$7,590,000 with an interest rate of 2.00 percent. This amount will be used to refund \$8,020,000 of the City's 2013 series bonds.

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, 2021, the City received \$857,998 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. No payments on the TIF Note have been made as of April 30, 2021.

A redevelopment agreement between the City and developer was also executed in September 2016. As of April 30, 2021, 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 2021, construction of the three apartment buildings is complete and the buildings are nearly fully occupied on an ongoing basis with a normal rate of turnover as leases expire. The first of two condominiums is complete with seventeen (17) condominiums sold and one additional condominium under contract. Construction of the second condominium building has not yet started. Seven (7) single family homes are completed and have been sold. Five (5) vacant single family lots remain.

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. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*
- 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*

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

REQUIRED SUPPLEMENTARY INFORMATION

City of Lake Forest

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual - General Fund
Year Ended April 30, 2021

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Revenues				
Taxes				
Property	\$ 20,230,689	\$ 20,230,689	\$ 20,128,373	\$ (102,316)
Other taxes	2,427,249	2,427,249	2,371,746	(55,503)
Intergovernmental	4,628,374	4,628,374	6,591,951	1,963,577
Licenses and permits	2,262,630	2,262,630	3,133,137	870,507
Fines, forfeitures and penalties	226,500	226,500	260,726	34,226
Charges for services	4,320,537	4,320,537	4,358,718	38,181
Grants and contributions	-	-	857,585	857,585
Investment income	550,150	550,150	109,451	(440,699)
Miscellaneous revenues	1,277,500	1,277,500	1,294,224	16,724
Total revenues	35,923,629	35,923,629	39,105,911	3,182,282
Expenditures				
General government	11,258,915	11,907,372	10,436,328	1,471,044
Highways and streets	2,631,198	2,655,321	2,643,326	11,995
Sanitation	2,507,366	2,507,366	2,628,512	(121,146)
Public safety	18,515,269	18,554,955	18,163,049	391,906
Contingency	3,700,824	3,700,824	-	3,700,824
Total expenditures	38,613,572	39,325,838	33,871,215	5,454,623
Excess (deficiency) of revenues over (under) expenditures	(2,689,943)	(3,402,209)	5,234,696	8,636,905
Other Financing Sources (Uses)				
Transfers out	(964,222)	(1,383,222)	(6,455,153)	(5,071,931)
Total other financing sources (uses)	(964,222)	(1,383,222)	(6,455,153)	(5,071,931)
Net change in fund balance	\$ (3,654,165)	\$ (4,785,431)	(1,220,457)	\$ 3,564,974
Fund Balance, Beginning			29,577,385	
Fund Balance, Ending			\$ 28,356,928	

See notes to required supplementary information

City of Lake Forest

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual - Parks and Recreation Fund
Year Ended April 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Property taxes	\$ 5,898,289	\$ 5,898,289	\$ 5,866,617	\$ (31,672)
Intergovernmental	40,000	40,000	57,390	17,390
Charges for services	2,298,976	2,298,976	1,520,239	(778,737)
Grants and contributions	188,000	188,000	214,577	26,577
Investment income	87,000	87,000	8,962	(78,038)
Miscellaneous revenues	<u>30,500</u>	<u>30,500</u>	<u>8,136</u>	<u>(22,364)</u>
Total revenues	<u>8,542,765</u>	<u>8,542,765</u>	<u>7,675,921</u>	<u>(866,844)</u>
Expenditures				
Current:				
Culture and recreation	9,464,265	9,489,564	8,069,319	1,420,245
Capital Outlay	316,686	374,999	251,758	123,241
Contingency	<u>1,010,956</u>	<u>1,010,956</u>	<u>-</u>	<u>1,010,956</u>
Total expenditures	<u>10,791,907</u>	<u>10,875,519</u>	<u>8,321,077</u>	<u>2,554,442</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,249,142)</u>	<u>(2,332,754)</u>	<u>(645,156)</u>	<u>1,687,598</u>
Other Financing Sources (Uses)				
Transfers in	285,000	285,000	802,000	517,000
Transfers out	(90,000)	(90,000)	(23,000)	67,000
Proceeds from capital asset sales	<u>-</u>	<u>-</u>	<u>9,323</u>	<u>9,323</u>
Total other financing sources (uses)	<u>195,000</u>	<u>195,000</u>	<u>788,323</u>	<u>593,323</u>
Net change in fund balance	<u><u>\$ (2,054,142)</u></u>	<u><u>\$ (2,137,754)</u></u>	<u>143,167</u>	<u><u>\$ 2,280,921</u></u>
Fund Balance, Beginning			<u>1,292,601</u>	
Fund Balance, Ending			<u><u>\$ 1,435,768</u></u>	

See notes to required supplementary information

City of Lake Forest

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual - General Cemetery Fund
Year Ended April 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Charges for services	\$ 767,900	\$ 767,900	\$ 796,458	\$ 28,558
Grants and contributions	12,000	12,000	12,915	915
Investment income	<u>50,000</u>	<u>50,000</u>	<u>3,336,237</u>	<u>3,286,237</u>
Total revenues	<u>829,900</u>	<u>829,900</u>	<u>4,145,610</u>	<u>3,315,710</u>
Expenditures				
Current:				
General government	667,224	667,224	685,410	(18,186)
Capital Outlay	1,930,000	1,945,299	172,616	1,772,683
Contingency	<u>261,252</u>	<u>261,252</u>	<u>-</u>	<u>261,252</u>
Total expenditures	<u>2,858,476</u>	<u>2,873,775</u>	<u>858,026</u>	<u>2,015,749</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,028,576)</u>	<u>(2,043,875)</u>	<u>3,287,584</u>	<u>5,331,459</u>
Other Financing Sources (Uses)				
Refunding debt issued	<u>1,600,000</u>	<u>1,600,000</u>	<u>-</u>	<u>(1,600,000)</u>
Total other financing sources (uses)	<u>1,600,000</u>	<u>1,600,000</u>	<u>-</u>	<u>(1,600,000)</u>
Net change in fund balance	<u>\$ (428,576)</u>	<u>\$ (443,875)</u>	<u>3,287,584</u>	<u>\$ 3,731,459</u>
Fund Balance, Beginning			<u>8,065,570</u>	
Fund Balance, Ending			<u>\$ 11,353,154</u>	

See notes to required supplementary information

City of Lake Forest

Illinois Municipal Retirement Fund
Schedule of Changes in the City's Net Pension Liability and Related Ratios
Past Six 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	<u>96,324,203</u>	<u>12,936,367</u>	<u>109,260,570</u>	<u>87,093,580</u>	<u>11,696,692</u>	<u>98,790,272</u>	<u>89,528,501</u>	<u>11,857,696</u>	<u>101,386,197</u>
Total pension liability - ending (a)	<u>\$ 87,093,580</u>	<u>\$ 11,696,692</u>	<u>\$ 98,790,272</u>	<u>\$ 89,528,501</u>	<u>\$ 11,857,696</u>	<u>\$ 101,386,197</u>	<u>\$ 90,081,074</u>	<u>\$ 11,892,140</u>	<u>\$ 101,973,214</u>
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	<u>89,834,842</u>	<u>12,064,844</u>	<u>101,899,686</u>	<u>75,725,294</u>	<u>10,169,928</u>	<u>85,895,222</u>	<u>78,725,947</u>	<u>10,536,829</u>	<u>89,262,776</u>
Plan fiduciary net position - ending (b)	<u>\$ 75,725,294</u>	<u>\$ 10,169,928</u>	<u>\$ 85,895,222</u>	<u>\$ 78,725,947</u>	<u>\$ 10,536,829</u>	<u>\$ 89,262,776</u>	<u>\$ 89,012,730</u>	<u>\$ 11,764,626</u>	<u>\$ 100,777,356</u>
Employer's net pension liability - ending (a) - (b)	<u>\$ 11,368,286</u>	<u>\$ 1,526,764</u>	<u>\$ 12,895,050</u>	<u>\$ 10,802,554</u>	<u>\$ 1,320,867</u>	<u>\$ 12,123,421</u>	<u>\$ 1,068,344</u>	<u>\$ 127,514</u>	<u>\$ 1,195,858</u>
Plan fiduciary net position as a percentage of the total pension liability			86.95%			88.04%			98.83%
Covered payroll			\$ 13,391,112			\$ 13,135,941			\$ 13,224,884
Employer's net pension liability as a percentage of covered payroll			96.30%			92.29%			9.04%

Notes to Schedule:

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

See notes to required supplementary information

City of Lake Forest

Illinois Municipal Retirement Fund

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

Past Six Fiscal Years

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

Notes to Schedule:

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

See notes to required supplementary information

City of Lake Forest

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

	2021			2020			2019		
	City	Library	Total	City	Library	Total	City	Library	Total
Actuarially determined contribution	\$ 1,525,367	158,082	\$ 1,683,449	\$ 1,217,957	\$ 131,782	\$ 1,349,739	\$ 1,514,588	\$ 156,757	\$ 1,671,345
Contributions in relation to the actuarially determined contribution	(1,525,544)	(158,100)	(1,683,644)	(1,224,123)	(132,449)	(1,356,572)	(1,535,144)	(158,885)	(1,694,029)
Contribution deficiency (excess)	<u>\$ (177)</u>	<u>\$ (18)</u>	<u>\$ (195)</u>	<u>\$ (6,166)</u>	<u>\$ (667)</u>	<u>\$ (6,833)</u>	<u>\$ (20,556)</u>	<u>\$ (2,128)</u>	<u>\$ (22,684)</u>
Covered payroll			15,519,529			\$ 14,612,252			\$ 14,446,880
Contributions as a percentage of covered payroll			10.85%			9.28%			11.73%

	2018			2017			2016		
	City	Library	Total	City	Library	Total	City	Library	Total
Actuarially determined contribution	\$ 1,447,303	\$ 172,745	\$ 1,620,048	\$ 1,454,901	\$ 177,896	\$ 1,632,797	\$ 1,741,632	\$ 233,902	\$ 1,975,534
Contributions in relation to the actuarially determined contribution	(1,485,109)	(177,258)	(1,662,367)	(1,494,964)	(182,795)	(1,677,759)	(1,757,095)	(235,978)	(1,993,073)
Contribution deficiency (excess)	<u>\$ (37,806)</u>	<u>\$ (4,513)</u>	<u>\$ (42,319)</u>	<u>\$ (40,063)</u>	<u>\$ (4,899)</u>	<u>\$ (44,962)</u>	<u>\$ (15,463)</u>	<u>\$ (2,076)</u>	<u>\$ (17,539)</u>
Covered payroll			\$ 13,247,776			\$ 13,135,941			\$ 13,391,112
Contributions as a percentage of covered payroll			12.55%			12.77%			14.88%

Notes to Schedule:

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

Valuation date:

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

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Aggregate Entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	23 years
Asset valuation method	5-Year Smoothed Market, 20% corridor
Inflation	2.50%
Salary increases	3.35% to 14.25%, including inflation
Investment rate of return	7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition
Mortality	RP-2014 Employee Mortality Table, adjusted to match current IMRF experience

Other information:

There were no benefit changes during the year.

See notes to required supplementary information

City of Lake Forest

Police Pension Fund

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

Last Seven Fiscal Years

	2015	2016	2017	2018	2019	2020	2021
Total pension liability							
Service cost	\$ 845,979	\$ 883,178	\$ 931,083	\$ 895,320	\$ 900,450	\$ 908,951	\$ 1,053,151
Interest on total pension liability	3,219,893	3,657,765	3,660,514	3,908,626	4,051,210	4,435,870	4,511,442
Change on benefit terms						231,490	
Differences between expected and actual experience of the total pension liability	2,713	(2,129,040)	306,030	(39,964)	2,043,281	(1,297,619)	1,028,579
Changes of assumptions	3,568,719	-	1,248,764	-	3,709,450	2,226,349	
Benefit payments, including refunds of member contributions	(2,193,705)	(2,320,588)	(2,520,473)	(2,611,864)	(2,852,542)	(2,888,907)	(3,029,156)
Other	(16,057)	-	-	-	-	-	-
Net change in total pension liability	5,427,542	91,315	3,625,918	2,152,118	7,851,849	3,616,134	3,564,016
Total pension liability - beginning	47,103,353	52,530,895	52,622,210	56,248,128	58,400,246	66,252,095	69,868,229
Total pension liability - ending (a)	\$ 52,530,895	\$ 52,622,210	\$ 56,248,128	\$ 58,400,246	\$ 66,252,095	\$ 69,868,229	\$ 73,432,245
Plan fiduciary net position							
Employer contributions	\$ 1,706,203	\$ 1,806,270	\$ 1,895,500	\$ 2,094,124	\$ 2,504,581	\$ 2,589,534	\$ 3,581,389
Employee contributions	360,156	373,216	371,695	379,500	392,258	404,985	427,305
Net investment income	1,669,508	(475,655)	2,635,379	2,064,885	1,716,441	158,635	8,702,747
Benefit payments, including refunds of member contributions	(2,193,705)	(2,320,588)	(2,520,473)	(2,611,864)	(2,852,542)	(2,888,907)	(3,029,156)
Administrative expenses	(4,150)	(4,835)	(27,816)	(34,158)	(60,847)	(52,357)	(45,069)
Net change in plan fiduciary net position	1,538,012	(621,592)	2,354,285	1,892,487	1,699,891	211,890	9,637,216
Plan fiduciary net position - beginning	26,487,743	28,025,755	27,404,163	29,758,448	31,650,935	33,350,826	33,562,716
Plan fiduciary net position - ending (b)	\$ 28,025,755	\$ 27,404,163	\$ 29,758,448	\$ 31,650,935	\$ 33,350,826	\$ 33,562,716	\$ 43,199,932
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	\$ 30,232,313
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%
Covered payroll	\$ 3,590,934	\$ 3,759,611	\$ 3,750,706	\$ 3,800,841	\$ 3,940,419	\$ 4,059,797	\$ 4,077,656
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%

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.

See notes to required supplementary information

City of Lake Forest

Police Pension Fund
Schedule of Employer Contributions
Last Ten Fiscal Years

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Actuarially determined contribution	\$ 1,372,431	\$ 1,375,906	\$ 1,384,307	\$ 1,508,450
Contributions in relation to the actuarially determined contribution	<u>1,515,074</u>	<u>1,502,075</u>	<u>1,563,964</u>	<u>1,706,203</u>
Contribution deficiency (excess)	<u>\$ (142,643)</u>	<u>\$ (126,169)</u>	<u>\$ (179,657)</u>	<u>\$ (197,753)</u>
Covered payroll	\$ 3,359,679	\$ 3,170,518	\$ 3,518,797	\$ 3,590,934
Contributions as a percentage of covered payroll	45.10%	47.38%	44.45%	47.51%

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	5/1/2016 valuation); 22 years (as of 5/1/2019 valuation); 21 years (as of 5/1/2020 valuation); 21 years (as of 5/1/2021 valuation)
Asset valuation method	Investment gains and losses are smoothed over a 5- year period
Inflation	2.50%
Salary increases	5.21%
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-2018.

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
\$ 1,810,315	\$ 1,737,445	\$ 1,832,059	\$ 2,505,888	\$ 2,594,845	\$ 3,090,726
<u>1,806,270</u>	<u>1,895,500</u>	<u>2,094,124</u>	<u>2,504,581</u>	<u>2,589,534</u>	<u>3,581,389</u>
<u>\$ 4,045</u>	<u>\$ (158,055)</u>	<u>\$ (262,065)</u>	<u>\$ 1,307</u>	<u>\$ 5,311</u>	<u>\$ (490,663)</u>
\$ 3,759,611	\$ 3,750,706	\$ 3,800,841	\$ 3,940,419	\$ 4,059,797	\$ 4,077,656
48.04%	50.54%	55.10%	63.56%	63.78%	87.83%

See notes to required supplementary information

City of Lake Forest

Police Pension Fund
Schedule of Investment Returns
Last Seven Fiscal Years

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

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

Firefighters' Pension Fund

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

Last Seven Fiscal Years

	2015	2016	2017	2018	2019	2020	2021
Total pension liability							
Service cost	\$ 912,154	\$ 926,420	\$ 860,148	\$ 854,245	\$ 891,741	\$ 876,151	\$ 1,017,451
Interest on total pension liability	2,754,242	3,072,945	3,190,325	3,425,477	3,564,977	3,779,365	3,912,242
Changes in benefit terms						172,556	
Differences between expected and actual experience							
actual experience of the total pension liability	(213,530)	(186,474)	227,730	176,286	166,664	134,069	1,089,198
Changes of assumptions	2,024,054	-	1,401,097	-	3,101,793	1,900,513	-
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)
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
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
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
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
Employee contributions	296,676	297,946	290,383	296,202	311,675	330,725	349,655
Net investment income	1,871,817	60,335	3,053,497	2,897,100	3,032,134	988,063	10,796,842
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)
Administrative expenses	(4,150)	(4,835)	(34,006)	(35,547)	(52,598)	(44,220)	(38,657)
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
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
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
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
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%
Covered payroll	\$ 3,111,216	\$ 2,924,893	\$ 3,071,211	\$ 3,237,410	\$ 3,338,448	\$ 3,440,901	\$ 3,527,518
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%

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.

See notes to required supplementary information

City of Lake Forest

Firefighters' Pension Fund

Schedule of Employer Contributions

Last Ten Fiscal Years

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Actuarially determined contribution	\$ 862,452	\$ 894,551	\$ 894,384	\$ 950,325
Contributions in relation to the actuarially determined contribution	<u>983,298</u>	<u>1,026,345</u>	<u>1,090,695</u>	<u>1,168,287</u>
Contribution deficiency (excess)	<u>\$ (120,846)</u>	<u>\$ (131,794)</u>	<u>\$ (196,311)</u>	<u>\$ (217,962)</u>
Covered payroll	\$ 2,941,767	\$ 3,049,732	\$ 3,004,889	\$ 3,111,216
Contributions as a percentage of covered payroll	33.43%	33.65%	36.30%	37.55%

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	19 years (as of 05/01/2015 valuation), 23 years (as of the 05/01/2016 valuation), and 22 years (as of the 05/01/2019 valuation); 21 years (as of 5/1/2020 valuation); 20 years (as of 5/1/2021 valuation)
Asset valuation method	5-year average market value
Salary increases	5.90%
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-2018.

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
\$ 1,217,702	\$ 1,137,826	\$ 1,298,188	\$ 1,721,953	\$ 1,826,568	\$ 2,075,171
<u>1,216,585</u>	<u>1,211,587</u>	<u>1,308,348</u>	<u>1,719,445</u>	<u>1,822,064</u>	<u>2,567,216</u>
\$ <u>1,117</u>	\$ <u>(73,761)</u>	\$ <u>(10,160)</u>	\$ <u>2,508</u>	\$ <u>4,504</u>	\$ <u>(492,045)</u>
\$ 2,924,893	\$ 3,071,211	\$ 3,237,410	\$ 3,388,448	\$ 3,440,901	\$ 3,527,518
41.59%	39.45%	40.41%	50.74%	52.95%	72.78%

See notes to required supplementary information

City of Lake Forest

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

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

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 Three Fiscal Years

	2019		2020		2021	
	City	Library	City	Library	City	Library
Total OPEB liability						
Service cost	\$ 46,323	\$ 1,620	\$ 49,721	\$ 1,718	\$ 64,125	\$ 2,014
Interest	93,093	8,019	89,145	7,379	68,569	4,829
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)
Benefit payments, including refunds of member contributions	<u>(157,993)</u>	<u>(16,545)</u>	<u>(171,388)</u>	<u>(19,768)</u>	<u>(183,715)</u>	<u>(23,925)</u>
Net change in total OPEB liability	13,600	(5,685)	332,797	(3,985)	(518,105)	(40,703)
Total OPEB liability - beginning	<u>2,423,911</u>	<u>210,250</u>	<u>2,437,511</u>	<u>204,565</u>	<u>2,770,308</u>	<u>200,580</u>
Total OPEB liability - ending (a)	<u>\$ 2,437,511</u>	<u>\$ 204,565</u>	<u>\$ 2,770,308</u>	<u>\$ 200,580</u>	<u>\$ 2,252,203</u>	<u>\$ 159,877</u>
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Covered payroll	\$ 20,233,763	\$ 1,467,746	\$ 20,794,094	\$ 1,382,150	\$ 22,059,672	\$ 1,458,298
City's total OPEB liability as a percentage of covered payroll	12.05%	13.94%	13.32%	14.51%	10.21%	10.96%

Notes to Schedule:

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

See notes to required supplementary information

City of Lake Forest

Notes to Required Supplementary Information
Year Ended April 30, 2021

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.

Nonmajor Debt Service Fund

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

Nonmajor Capital Projects Fund

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

Major Capital Projects Fund

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

City of Lake Forest

Combining Balance Sheet
Nonmajor Governmental Funds
April 30, 2021

	Special Revenue Funds				
	Police Restricted	Foreign Fire Insurance Tax	Emergency Telephone	Parks and Public Land	Motor Fuel Tax
Assets					
Cash and cash equivalents	\$ 117,877	\$ 350,664	\$ (107,870)	\$ 1,488,087	\$ 1,885,669
Receivables:					
Property taxes	-	-	-	-	-
Other	390	-	865,386	-	-
Due from other governments	-	-	-	138,314	63,827
Advances to other funds	-	-	-	-	-
Prepaid items	-	-	28,878	-	-
	<u>-</u>	<u>-</u>	<u>28,878</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 118,267</u>	<u>\$ 350,664</u>	<u>\$ 786,394</u>	<u>\$ 1,626,401</u>	<u>\$ 1,949,496</u>
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities					
Accounts payable	\$ -	\$ -	\$ 1,597	\$ -	\$ 605,224
Accrued liabilities	-	-	-	-	-
Deposits	-	-	-	-	-
Unearned revenues	-	-	-	138,314	-
Due to other funds	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>-</u>	<u>-</u>	<u>1,597</u>	<u>138,314</u>	<u>605,224</u>
Deferred Inflows of Resources					
Property taxes levied for a future period	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances					
Nonspendable for prepaid items	-	-	28,878	-	-
Restricted for culture and recreation	-	-	-	1,488,087	-
Restricted for highways and streets	-	-	-	-	1,344,272
Restricted for public safety	118,267	350,664	755,919	-	-
Restricted for affordable housing	-	-	-	-	-
Restricted for debt service purposes	-	-	-	-	-
Unassigned	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>118,267</u>	<u>350,664</u>	<u>784,797</u>	<u>1,488,087</u>	<u>1,344,272</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 118,267</u>	<u>\$ 350,664</u>	<u>\$ 786,394</u>	<u>\$ 1,626,401</u>	<u>\$ 1,949,496</u>

Special Revenue Funds		Debt Service Funds	Capital Projects Fund	Total Nonmajor Governmental Funds
Senior Resources Commission	Housing Trust	Debt Service	Laurel/Western Redevelopment TIF	
\$ 153,978	\$ 1,670,997	\$ 1,758,652	\$ -	\$ 7,318,054
-	-	2,069,737	-	2,069,737
19,956	-	-	-	885,732
-	-	142,083	-	344,224
-	-	-	380,000	380,000
-	-	-	-	28,878
<u>\$ 173,934</u>	<u>\$ 1,670,997</u>	<u>\$ 3,970,472</u>	<u>\$ 380,000</u>	<u>\$ 11,026,625</u>
\$ 16,070	\$ 5,930	\$ -	\$ 59,400	\$ 688,221
4,508	-	-	-	4,508
-	18,000	-	-	18,000
-	-	-	-	138,314
-	-	-	624,815	624,815
<u>20,578</u>	<u>23,930</u>	<u>-</u>	<u>684,215</u>	<u>1,473,858</u>
-	-	2,069,737	-	2,069,737
-	-	2,069,737	-	2,069,737
-	-	-	-	28,878
153,356	-	-	-	1,641,443
-	-	-	-	1,344,272
-	-	-	-	1,224,850
-	1,647,067	-	-	1,647,067
-	-	1,900,735	-	1,900,735
-	-	-	(304,215)	(304,215)
<u>153,356</u>	<u>1,647,067</u>	<u>1,900,735</u>	<u>(304,215)</u>	<u>7,483,030</u>
<u>\$ 173,934</u>	<u>\$ 1,670,997</u>	<u>\$ 3,970,472</u>	<u>\$ 380,000</u>	<u>\$ 11,026,625</u>

City of Lake Forest

Combining Statement of Revenues, Expenditures and Changes
in Fund Balances
Nonmajor Governmental Funds
Year Ended April 30, 2021

	Special Revenue Funds				
	Police Restricted	Foreign Fire Insurance Tax	Emergency Telephone	Parks and Public Land	Motor Fuel Tax
Revenues					
Taxes:					
Property	\$ -	\$ -	\$ -	\$ -	\$ -
Other	-	-	-	-	-
Intergovernmental	1,294	-	-	-	1,332,148
Charges for services	27,184	159,441	435,032	151,024	-
Grants and contributions	-	-	-	112,135	-
Investment income	437	52	3,011	3,761	6,694
Miscellaneous revenues	-	-	-	-	-
Total revenues	<u>28,915</u>	<u>159,493</u>	<u>438,043</u>	<u>266,920</u>	<u>1,338,842</u>
Expenditures					
Current:					
General government	-	-	-	-	-
Culture and recreation	-	-	-	618,854	-
Public safety	450	71,833	214,481	-	-
Capital Outlay	-	-	64,993	-	1,751,120
Debt service:					
Principal retirement	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Total expenditures	<u>450</u>	<u>71,833</u>	<u>279,474</u>	<u>618,854</u>	<u>1,751,120</u>
Excess (deficiency) of revenues over expenditures	<u>28,465</u>	<u>87,660</u>	<u>158,569</u>	<u>(351,934)</u>	<u>(412,278)</u>
Other Financing Sources (Uses)					
Transfers in	-	-	-	750,000	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>750,000</u>	<u>-</u>
Net change in fund balances	28,465	87,660	158,569	398,066	(412,278)
Fund Balances (Deficit), Beginning	<u>89,802</u>	<u>263,004</u>	<u>626,228</u>	<u>1,090,021</u>	<u>1,756,550</u>
Fund Balances (Deficit), Ending	<u>\$ 118,267</u>	<u>\$ 350,664</u>	<u>\$ 784,797</u>	<u>\$ 1,488,087</u>	<u>\$ 1,344,272</u>

<u>Special Revenue Funds</u>		<u>Debt Service Funds</u>	<u>Capital Projects Fund</u>	<u>Total Nonmajor Governmental Funds</u>
<u>Senior Resources Commission</u>	<u>Housing Trust</u>	<u>Debt Service</u>	<u>Laurel/Western Redevelopment TIF</u>	
\$ -	\$ -	\$ 2,065,938	\$ 857,998	\$ 2,923,936
-	24,000	540,744	-	564,744
-	-	-	-	1,333,442
54,802	-	-	-	827,483
165,004	-	-	-	277,139
759	4,827	8,973	-	28,514
<u>1,146</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,146</u>
<u>221,711</u>	<u>28,827</u>	<u>2,615,655</u>	<u>857,998</u>	<u>5,956,404</u>
-	341,278	2,039	62,421	405,738
468,114	-	-	-	1,086,968
-	-	-	-	286,764
-	-	-	-	1,816,113
-	-	1,910,089	-	1,910,089
<u>-</u>	<u>-</u>	<u>1,026,472</u>	<u>-</u>	<u>1,026,472</u>
<u>468,114</u>	<u>341,278</u>	<u>2,938,600</u>	<u>62,421</u>	<u>6,532,144</u>
<u>(246,403)</u>	<u>(312,451)</u>	<u>(322,945)</u>	<u>795,577</u>	<u>(575,740)</u>
253,513	750,000	356,688	-	2,110,201
<u>-</u>	<u>-</u>	<u>-</u>	<u>(356,688)</u>	<u>(356,688)</u>
<u>253,513</u>	<u>750,000</u>	<u>356,688</u>	<u>(356,688)</u>	<u>1,753,513</u>
7,110	437,549	33,743	438,889	1,177,773
<u>146,246</u>	<u>1,209,518</u>	<u>1,866,992</u>	<u>(743,104)</u>	<u>6,305,257</u>
<u>\$ 153,356</u>	<u>\$ 1,647,067</u>	<u>\$ 1,900,735</u>	<u>\$ (304,215)</u>	<u>\$ 7,483,030</u>

City of Lake Forest

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual - Police Restricted Fund
Year Ended April 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ 8,500	\$ 8,500	\$ 1,294	\$ (7,206)
Charges for services	34,400	34,400	27,184	(7,216)
Investment income	<u>2,000</u>	<u>2,000</u>	<u>437</u>	<u>(1,563)</u>
Total revenues	<u>44,900</u>	<u>44,900</u>	<u>28,915</u>	<u>(15,985)</u>
Expenditures				
Public safety	88,000	88,000	450	87,550
Contingency	<u>8,800</u>	<u>8,800</u>	<u>-</u>	<u>8,800</u>
Total expenditures	<u>96,800</u>	<u>96,800</u>	<u>450</u>	<u>96,350</u>
Net change in fund balance	<u>\$ (51,900)</u>	<u>\$ (51,900)</u>	28,465	<u>\$ 80,365</u>
Fund Balance, Beginning			<u>89,802</u>	
Fund Balance, Ending			<u><u>\$ 118,267</u></u>	

City of Lake Forest

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual - Foreign Fire Insurance Tax Fund
Year Ended April 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Charges for services	\$ 100,000	\$ 100,000	\$ 159,441	\$ 59,441
Investment income	-	-	52	52
Total revenues	100,000	100,000	159,493	59,493
Expenditures				
Public safety	100,000	100,000	71,833	28,167
Total expenditures	100,000	100,000	71,833	28,167
Net change in fund balance	\$ -	\$ -	87,660	\$ 87,660
Fund Balance, Beginning			263,004	
Fund Balance, Ending			\$ 350,664	

City of Lake Forest

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual - Emergency Telephone Fund
Year Ended April 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Charges for services	\$ 420,000	\$ 420,000	\$ 435,032	\$ 15,032
Investment income	5,000	5,000	3,011	(1,989)
Total revenues	<u>425,000</u>	<u>425,000</u>	<u>438,043</u>	<u>13,043</u>
Expenditures				
Public safety	220,944	220,944	214,481	6,463
Capital outlay	54,712	54,712	64,993	(10,281)
Contingency	<u>27,566</u>	<u>27,566</u>	<u>-</u>	<u>27,566</u>
Total expenditures	<u>303,222</u>	<u>303,222</u>	<u>279,474</u>	<u>23,748</u>
Net change in fund balance	<u>\$ 121,778</u>	<u>\$ 121,778</u>	158,569	<u>\$ 36,791</u>
Fund Balance, Beginning			<u>626,228</u>	
Fund Balance, Ending			<u><u>\$ 784,797</u></u>	

City of Lake Forest

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual - Parks and Public Land Fund
Year Ended April 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Charges for services	\$ 79,604	\$ 79,604	\$ 151,024	\$ 71,420
Grants and contributions	50,000	302,135	112,135	(190,000)
Investment income	<u>8,000</u>	<u>8,000</u>	<u>3,761</u>	<u>(4,239)</u>
Total revenues	<u>137,604</u>	<u>389,739</u>	<u>266,920</u>	<u>(122,819)</u>
Expenditures				
Culture and recreation	380,000	1,258,226	618,854	639,372
Capital outlay	50,000	50,000	-	50,000
Contingency	<u>130,823</u>	<u>130,823</u>	<u>-</u>	<u>130,823</u>
Total expenditures	<u>560,823</u>	<u>1,439,049</u>	<u>618,854</u>	<u>820,195</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(423,219)</u>	<u>(1,049,310)</u>	<u>(351,934)</u>	<u>697,376</u>
Other Financing Sources (Uses)				
Transfers in	<u>-</u>	<u>-</u>	<u>750,000</u>	<u>750,000</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>750,000</u>	<u>750,000</u>
Net change in fund balance	<u>\$ (423,219)</u>	<u>\$ (1,049,310)</u>	<u>398,066</u>	<u>\$ 1,447,376</u>
Fund Balance, Beginning			<u>1,090,021</u>	
Fund Balance, Ending			<u>\$ 1,488,087</u>	

City of Lake Forest

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual - Motor Fuel Tax Fund
Year Ended April 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ 689,149	\$ 689,149	\$ 1,332,148	\$ 642,999
Grants and contributions	-	1,344	-	(1,344)
Investment income	<u>22,000</u>	<u>22,000</u>	<u>6,694</u>	<u>(15,306)</u>
Total revenues	<u>711,149</u>	<u>712,493</u>	<u>1,338,842</u>	<u>626,349</u>
Expenditures				
Capital outlay	1,750,000	1,750,000	1,751,120	(1,120)
Contingency	<u>175,000</u>	<u>175,000</u>	<u>-</u>	<u>175,000</u>
Total expenditures	<u>1,925,000</u>	<u>1,925,000</u>	<u>1,751,120</u>	<u>173,880</u>
Net change in fund balance	<u>\$ (1,213,851)</u>	<u>\$ (1,212,507)</u>	<u>(412,278)</u>	<u>\$ 800,229</u>
Fund Balance, Beginning			<u>1,756,550</u>	
Fund Balance, Ending			<u><u>\$ 1,344,272</u></u>	

City of Lake Forest

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual - Senior Resources Commission Fund
Year Ended April 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Charges for services	\$ 162,345	\$ 162,345	\$ 54,802	\$ (107,543)
Grants and contributions	170,976	170,976	165,004	(5,972)
Investment income	2,500	2,500	759	(1,741)
Miscellaneous revenues	-	-	1,146	1,146
Total revenues	<u>335,821</u>	<u>335,821</u>	<u>221,711</u>	<u>(114,110)</u>
Expenditures				
Culture and recreation	605,708	605,708	468,114	137,594
Contingency	<u>60,571</u>	<u>60,571</u>	-	<u>60,571</u>
Total expenditures	<u>666,279</u>	<u>666,279</u>	<u>468,114</u>	<u>198,165</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(330,458)</u>	<u>(330,458)</u>	<u>(246,403)</u>	<u>84,055</u>
Other Financing Sources				
Transfers in	<u>274,222</u>	<u>274,222</u>	<u>253,513</u>	<u>(20,709)</u>
Total other financing sources	<u>274,222</u>	<u>274,222</u>	<u>253,513</u>	<u>(20,709)</u>
Net change in fund balance	<u>\$ (56,236)</u>	<u>\$ (56,236)</u>	7,110	<u>\$ 63,346</u>
Fund Balance, Beginning			<u>146,246</u>	
Fund Balance, Ending			<u>\$ 153,356</u>	

City of Lake Forest

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual - Housing Trust Fund
Year Ended April 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Other taxes	\$ 36,000	\$ 36,000	\$ 24,000	\$ (12,000)
Investment income	25,000	25,000	4,827	(20,173)
Total revenues	61,000	61,000	28,827	(32,173)
Expenditures				
General government	565,000	565,000	341,278	223,722
Contingency	56,500	56,500	-	56,500
Total expenditures	621,500	621,500	341,278	280,222
Excess (deficiency) of revenues over (under) expenditures	(560,500)	(560,500)	(312,451)	248,049
Other Financing Sources (Uses)				
Transfers in	-	-	750,000	750,000
Total other financing sources (uses)	-	-	750,000	750,000
Net change in fund balance	\$ (560,500)	\$ (560,500)	437,549	\$ 998,049
Fund Balance, Beginning			1,209,518	
Fund Balance, Ending			<u>\$ 1,647,067</u>	

City of Lake Forest

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual - Debt Service Fund
Year Ended April 30, 2021

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Revenues				
Taxes:				
Property	\$ 2,058,441	\$ 2,058,441	\$ 2,065,938	\$ 7,497
Other taxes	520,000	520,000	540,744	20,744
Investment income	<u>38,350</u>	<u>38,350</u>	<u>8,973</u>	<u>(29,377)</u>
Total revenues	<u>2,616,791</u>	<u>2,616,791</u>	<u>2,615,655</u>	<u>(1,136)</u>
Expenditures				
Current:				
General government	3,750	3,750	2,039	1,711
Debt service:				
Principal retirement	1,910,090	1,910,090	1,910,089	1
Interest and fiscal charges	<u>1,026,470</u>	<u>1,026,470</u>	<u>1,026,472</u>	<u>(2)</u>
Total expenditures	<u>2,940,310</u>	<u>2,940,310</u>	<u>2,938,600</u>	<u>1,710</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(323,519)</u>	<u>(323,519)</u>	<u>(322,945)</u>	<u>574</u>
Other Financing Sources (Uses)				
Transfers in	<u>356,688</u>	<u>356,688</u>	<u>356,688</u>	<u>-</u>
Total other financing sources (uses)	<u>356,688</u>	<u>356,688</u>	<u>356,688</u>	<u>-</u>
Net change in fund balance	<u>\$ 33,169</u>	<u>\$ 33,169</u>	33,743	<u>\$ 574</u>
Fund Balance, Beginning			<u>1,866,992</u>	
Fund Balance, Ending			<u>\$ 1,900,735</u>	

City of Lake Forest

Schedule of Revenues, Expenditures and Changes

in Fund Balance - Budget and Actual - Laurel/Western Redevelopment TIF Fund

Year Ended April 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Property taxes	\$ 311,415	\$ 311,415	\$ 857,998	\$ 546,583
Total revenues	311,415	311,415	857,998	546,583
Expenditures				
General government	138,766	338,766	62,421	276,345
Capital Outlay	100,000	100,000	-	100,000
Contingency	59,545	59,545	-	59,545
Total expenditures	298,311	498,311	62,421	435,890
Excess (deficiency) of revenues over (under) expenditures	13,104	(186,896)	795,577	982,473
Other Financing Sources (Uses)				
Transfers out	(356,688)	(356,688)	(356,688)	-
Total other financing sources (uses)	(356,688)	(356,688)	(356,688)	-
Net change in fund balance	\$ (343,584)	\$ (543,584)	438,889	\$ 982,473
Fund Balance (Deficit), Beginning			(743,104)	
Fund Balance (Deficit), Ending			<u>\$ (304,215)</u>	

City of Lake Forest

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual - Capital Improvements Fund
Year Ended April 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Taxes				
Property	\$ 1,547,764	\$ 1,547,764	\$ 1,540,186	\$ (7,578)
Other taxes	1,456,000	1,456,000	3,300,150	1,844,150
Charges for services	76,210	76,210	108,896	32,686
Grants and contributions	-	733,577	597,073	(136,504)
Investment income	60,000	60,000	48,333	(11,667)
Miscellaneous	<u>5,000</u>	<u>5,000</u>	<u>43,015</u>	<u>38,015</u>
Total revenues	<u>3,144,974</u>	<u>3,878,551</u>	<u>5,637,653</u>	<u>1,759,102</u>
Expenditures				
Current:				
General government	1,564,100	2,168,281	1,614,995	553,286
Highways and streets	590,000	626,622	588,833	37,789
Sanitation	67,000	75,125	25,126	49,999
Culture and recreation	80,000	95,000	104,090	(9,090)
Capital outlay	1,962,000	2,718,676	2,327,808	390,868
Contingency	<u>568,370</u>	<u>568,370</u>	<u>-</u>	<u>568,370</u>
Total expenditures	<u>4,831,470</u>	<u>6,252,074</u>	<u>4,660,852</u>	<u>1,591,222</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,686,496)</u>	<u>(2,373,523)</u>	<u>976,801</u>	<u>3,350,324</u>
Other Financing Sources (Uses)				
Transfers in	300,000	300,000	3,892,640	3,592,640
Proceeds from capital asset sales	<u>20,000</u>	<u>20,000</u>	<u>5,520</u>	<u>(14,480)</u>
Total other financing sources (uses)	<u>320,000</u>	<u>320,000</u>	<u>3,898,160</u>	<u>3,578,160</u>
Net change in fund balance	<u>\$ (1,366,496)</u>	<u>\$ (2,053,523)</u>	<u>4,874,961</u>	<u>\$ 6,928,484</u>
Fund Balance, Beginning			<u>11,315,878</u>	
Fund Balance, Ending			<u>\$ 16,190,839</u>	

Major Enterprise Fund

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

Nonmajor Enterprise Fund

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

City of Lake Forest

Schedule of Revenues, Expenses and Nonoperating Revenues (Expenses) - Budget and Actual (Budgetary Basis) -
Waterworks and Sewerage Fund
Year Ended April 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Operating Revenues				
Charges for services	\$ 8,291,084	\$ 8,291,084	\$ 8,669,225	\$ 378,141
Connection fees	74,500	74,500	182,688	108,188
Miscellaneous	8,427	8,427	5,845	(2,582)
Total operating revenues	<u>8,374,011</u>	<u>8,374,011</u>	<u>8,857,758</u>	<u>483,747</u>
Operating Expenses				
General and administrative	2,528,903	2,528,903	2,210,663	318,240
Operations and maintenance	3,341,496	3,585,562	2,996,457	589,105
Contingency	980,980	980,980	-	980,980
Total operating expenses	<u>6,851,379</u>	<u>7,095,445</u>	<u>5,207,120</u>	<u>1,888,325</u>
Nonoperating Revenues (Expenses)				
Investment income	140,000	140,000	39,495	(100,505)
Gain on disposal of capital assets	-	-	1,221	1,221
Other	-	-	1,475	1,475
Principal retirement	(1,844,332)	(1,844,332)	(1,844,332)	-
Interest expense	(598,005)	(598,005)	(411,948)	186,057
Paying agent fees	(3,000)	(3,000)	(1,176)	1,824
Total nonoperating revenues (expenses)	<u>(2,305,337)</u>	<u>(2,305,337)</u>	<u>(2,215,265)</u>	<u>90,072</u>

City of Lake Forest

Schedule of Revenues, Expenses and Nonoperating Revenues (Expenses) - Budget and Actual (Budgetary Basis) -
Deerpath Golf Course Fund
Year Ended April 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Operating Revenues				
Charges for services	\$ 1,466,657	\$ 1,466,657	\$ 1,864,338	\$ 397,681
Miscellaneous	5,033	5,033	-	(5,033)
Total operating revenues	<u>1,471,690</u>	<u>1,471,690</u>	<u>1,864,338</u>	<u>392,648</u>
Operating Expenses				
General and administrative	704,780	704,780	677,589	27,191
Operations and maintenance	1,064,970	1,285,041	1,053,520	231,521
Contingency	210,067	210,067	-	210,067
Total operating expenses	<u>1,979,817</u>	<u>2,199,888</u>	<u>1,731,109</u>	<u>468,779</u>
Nonoperating Revenues (Expenses)				
Investment income	-	-	2,790	2,790
Principal retirement	(100,000)	(100,000)	(90,081)	9,919
Interest expense	(10,518)	(10,518)	(8,528)	1,990
Paying agent fees	(329)	(329)	(10)	319
Total nonoperating revenues (expenses)	<u>(110,847)</u>	<u>(110,847)</u>	<u>(95,829)</u>	<u>15,018</u>

Internal Service Funds

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

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

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

City of Lake Forest

Combining Statement of Net Position
Internal Service Funds
April 30, 2021

	<u>Fleet</u>	<u>Self Insurance</u>	<u>Liability Insurance</u>	<u>Total</u>
Assets				
Current assets:				
Cash and cash equivalents	\$ 734,097	\$ 5,881,058	\$ 2,014,102	\$ 8,629,257
Receivables:				
Other	-	28,010	4,432,939	4,460,949
Inventories	415,879	-	-	415,879
Prepaid items	-	-	624,277	624,277
Total current assets	<u>1,149,976</u>	<u>5,909,068</u>	<u>7,071,318</u>	<u>14,130,362</u>
Noncurrent assets:				
Net pension asset	181,912	-	-	181,912
Capital assets (net of accumulated depreciation):				
Property and equipment	48,047	-	-	48,047
Accumulated depreciation	<u>(48,047)</u>	<u>-</u>	<u>-</u>	<u>(48,047)</u>
Total noncurrent assets	<u>181,912</u>	<u>-</u>	<u>-</u>	<u>181,912</u>
Total assets	<u>1,331,888</u>	<u>5,909,068</u>	<u>7,071,318</u>	<u>14,312,274</u>
Deferred Outflows of Resources				
Deferred outflows related to pensions	52,500	-	-	52,500
Deferred outflows related to total OPEB liability	<u>9,020</u>	<u>-</u>	<u>-</u>	<u>9,020</u>
Total deferred outflows of resources	<u>61,520</u>	<u>-</u>	<u>-</u>	<u>61,520</u>
Liabilities				
Current liabilities:				
Accounts payable	12,100	867,720	107,417	987,237
Accrued liabilities	<u>10,854</u>	<u>776,381</u>	<u>110,307</u>	<u>897,542</u>
Total current liabilities	<u>22,954</u>	<u>1,644,101</u>	<u>217,724</u>	<u>1,884,779</u>
Noncurrent liabilities:				
Compensated absences	38,338	-	-	38,338
Total OPEB liability	<u>61,783</u>	<u>-</u>	<u>-</u>	<u>61,783</u>
Total noncurrent liabilities	<u>100,121</u>	<u>-</u>	<u>-</u>	<u>100,121</u>
Total liabilities	<u>123,075</u>	<u>1,644,101</u>	<u>217,724</u>	<u>1,984,900</u>
Deferred Inflows of Resources				
Deferred inflows related to pensions	411,603	-	-	411,603
Deferred inflows related to total OPEB liability	<u>11,842</u>	<u>-</u>	<u>-</u>	<u>11,842</u>
Total deferred inflows of resources	<u>423,445</u>	<u>-</u>	<u>-</u>	<u>423,445</u>
Net Position				
Restricted for:				
Employee retirement	181,912	-	-	181,912
Unrestricted	<u>664,976</u>	<u>4,264,967</u>	<u>6,853,594</u>	<u>11,783,537</u>
Total net position	<u>\$ 846,888</u>	<u>\$ 4,264,967</u>	<u>\$ 6,853,594</u>	<u>\$ 11,965,449</u>

City of Lake Forest

Combining Statement of Revenues, Expenses and
Changes in Fund Net Position
Internal Service Funds
Year Ended April 30, 2021

	<u>Fleet</u>	<u>Self Insurance</u>	<u>Liability Insurance</u>	<u>Totals</u>
Operating Revenues				
Charges for services	<u>\$ 1,868,085</u>	<u>\$ 5,737,171</u>	<u>\$ 2,512,445</u>	<u>\$ 10,117,701</u>
Total operating revenues	<u>1,868,085</u>	<u>5,737,171</u>	<u>2,512,445</u>	<u>10,117,701</u>
Operating Expenses				
General and administrative	<u>1,836,097</u>	<u>5,204,101</u>	<u>1,207,499</u>	<u>8,247,697</u>
Total operating expenses	<u>1,836,097</u>	<u>5,204,101</u>	<u>1,207,499</u>	<u>8,247,697</u>
Operating income	<u>31,988</u>	<u>533,070</u>	<u>1,304,946</u>	<u>1,870,004</u>
Nonoperating Revenues				
Investment income	<u>3,524</u>	<u>19,962</u>	<u>9,134</u>	<u>32,620</u>
Total nonoperating revenues	<u>3,524</u>	<u>19,962</u>	<u>9,134</u>	<u>32,620</u>
Income before transfers	<u>35,512</u>	<u>553,032</u>	<u>1,314,080</u>	<u>1,902,624</u>
Transfers				
Transfers in	<u>500</u>	<u>-</u>	<u>-</u>	<u>500</u>
Total transfers	<u>500</u>	<u>-</u>	<u>-</u>	<u>500</u>
Change in net position	<u>36,012</u>	<u>553,032</u>	<u>1,314,080</u>	<u>1,903,124</u>
Net Position, Beginning	<u>810,876</u>	<u>3,711,935</u>	<u>5,539,514</u>	<u>10,062,325</u>
Net Position, Ending	<u><u>\$ 846,888</u></u>	<u><u>\$ 4,264,967</u></u>	<u><u>\$ 6,853,594</u></u>	<u><u>\$ 11,965,449</u></u>

City of Lake Forest

Combining Statement of Cash Flows
Internal Service Funds
Year Ended April 30, 2021

	<u>Fleet</u>	<u>Self Insurance</u>	<u>Liability Insurance</u>	<u>Total</u>
Cash Flows From Operating Activities				
Received from customers	\$ 1,868,085	\$ 5,733,557	\$ 1,327,356	\$ 8,928,998
Paid to suppliers for goods and services	(1,294,725)	(4,779,272)	(1,231,938)	(7,305,935)
Paid to employees for services	(663,606)	-	-	(663,606)
Net cash flows from operating activities	<u>(90,246)</u>	<u>954,285</u>	<u>95,418</u>	<u>959,457</u>
Cash Flows From Investing Activities				
Investment income	<u>3,524</u>	<u>19,962</u>	<u>9,134</u>	<u>32,620</u>
Net cash flows from investing activities	<u>3,524</u>	<u>19,962</u>	<u>9,134</u>	<u>32,620</u>
Cash Flows From Noncapital Financing Activities				
Transfers from (to) other funds	<u>500</u>	<u>-</u>	<u>-</u>	<u>500</u>
Net cash flows from noncapital financing activities	<u>500</u>	<u>-</u>	<u>-</u>	<u>500</u>
Net change in cash and cash equivalents	(86,222)	974,247	104,552	992,577
Cash and Cash Equivalents, Beginning	<u>820,319</u>	<u>4,906,811</u>	<u>1,909,550</u>	<u>7,636,680</u>
Cash and Cash Equivalents, Ending	<u>\$ 734,097</u>	<u>\$ 5,881,058</u>	<u>\$ 2,014,102</u>	<u>\$ 8,629,257</u>
Reconciliation of Operating Income to Net Cash Flows From Operating Activities				
Operating income	\$ 31,988	\$ 533,070	\$ 1,304,946	\$ 1,870,004
Changes in assets and liabilities:				
Accounts receivable	1,128	(3,614)	(1,185,089)	(1,187,575)
Inventories	(31,416)	-	-	(31,416)
Prepaid items	-	-	(39,424)	(39,424)
Net pension asset	(181,912)	-	-	(181,912)
Deferred outflows related to pensions	61,012	-	-	61,012
Accounts payable	3,691	217,732	40,277	261,700
Accrued liabilities	(17,368)	207,097	(25,292)	164,437
Net pension liability	(194,028)	-	-	(194,028)
Deferred inflows related to pensions	228,737	-	-	228,737
Deferred revenue	(1,128)	-	-	(1,128)
Compensated absences	7,262	-	-	7,262
Deferred outflows related to total OPEB liability	327	-	-	327
Deferred inflows related to total OPEB liability	11,842	-	-	11,842
Total OPEB liability	<u>(10,381)</u>	<u>-</u>	<u>-</u>	<u>(10,381)</u>
Net cash flows from operating activities	<u>\$ (90,246)</u>	<u>\$ 954,285</u>	<u>\$ 95,418</u>	<u>\$ 959,457</u>
Reconciliation of Cash and Cash Equivalents to the Statement of Net Position				
Cash and cash equivalents	<u>\$ 734,097</u>	<u>\$ 5,881,058</u>	<u>\$ 2,014,102</u>	<u>\$ 8,629,257</u>

City of Lake Forest

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

Fleet Fund

Year Ended April 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Operating Revenues				
Charges for services	\$ 1,869,437	\$ 1,869,437	\$ 1,868,085	\$ (1,352)
Total operating revenues	<u>1,869,437</u>	<u>1,869,437</u>	<u>1,868,085</u>	<u>(1,352)</u>
Operating Expenses				
General and administrative	1,991,365	2,044,094	1,836,097	207,997
Contingency	<u>204,409</u>	<u>204,409</u>	<u>-</u>	<u>204,409</u>
Total operating expenses	<u>2,195,774</u>	<u>2,248,503</u>	<u>1,836,097</u>	<u>412,406</u>
Nonoperating Revenues				
Investment income	<u>11,000</u>	<u>11,000</u>	<u>3,524</u>	<u>(7,476)</u>
Total nonoperating revenues	<u>11,000</u>	<u>11,000</u>	<u>3,524</u>	<u>(7,476)</u>

City of Lake Forest

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

Self Insurance Fund

Year Ended April 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Operating Revenues				
Charges for services	<u>\$ 5,508,000</u>	<u>\$ 5,508,000</u>	<u>\$ 5,737,171</u>	<u>\$ 229,171</u>
Total operating revenues	<u>5,508,000</u>	<u>5,508,000</u>	<u>5,737,171</u>	<u>229,171</u>
Operating Expenses				
General and administrative	5,585,000	5,585,000	5,204,101	380,899
Contingency	<u>588,500</u>	<u>588,500</u>	<u>-</u>	<u>588,500</u>
Total operating expenses	<u>6,173,500</u>	<u>6,173,500</u>	<u>5,204,101</u>	<u>969,399</u>
Nonoperating Revenues				
Investment income	<u>68,000</u>	<u>68,000</u>	<u>19,962</u>	<u>(48,038)</u>
Total nonoperating revenues	<u>68,000</u>	<u>68,000</u>	<u>19,962</u>	<u>(48,038)</u>

City of Lake Forest

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

Liability Insurance Fund

Year Ended April 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Operating Revenues				
Charges for services	<u>\$ 1,327,348</u>	<u>\$ 1,327,348</u>	<u>\$ 2,512,445</u>	<u>\$ 1,185,097</u>
Total operating revenues	<u>1,327,348</u>	<u>1,327,348</u>	<u>2,512,445</u>	<u>1,185,097</u>
Operating Expenses				
General and administrative	1,252,787	1,252,787	1,207,499	45,288
Contingency	<u>125,279</u>	<u>125,279</u>	<u>-</u>	<u>125,279</u>
Total operating expenses	<u>1,378,066</u>	<u>1,378,066</u>	<u>1,207,499</u>	<u>170,567</u>
Nonoperating Revenues				
Investment income	<u>31,000</u>	<u>31,000</u>	<u>9,134</u>	<u>(21,866)</u>
Total nonoperating revenues	<u>31,000</u>	<u>31,000</u>	<u>9,134</u>	<u>(21,866)</u>

Pension Trust Funds

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

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

Private Purpose Trust Fund

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

City of Lake Forest

Combining Statement of Fiduciary Net Position

Pension Trust Funds

April 30, 2021

	Police Pension	Firefighters' Pension	Total
Assets			
Cash	\$ 148,721	\$ 24,259	\$ 172,980
Money markets	213,021	3,849,832	4,062,853
Investments:			
U.S. Treasury obligations	8,151,306	3,165,181	11,316,487
U.S. Government agencies	208,595	3,191,600	3,400,195
Municipal/corporate bonds	4,196,108	6,929,304	11,125,412
Mutual funds	26,252,509	32,607,420	58,859,929
Real estate investment fund	3,929,533	-	3,929,533
Receivables	55,396	94,389	149,785
Prepaid items	11,203	4,129	15,332
Due from primary government	46,581	26,381	72,962
	<u>43,212,973</u>	<u>49,892,495</u>	<u>93,105,468</u>
Total assets			
Liabilities			
Accounts payable	<u>13,041</u>	<u>47,684</u>	<u>60,725</u>
Total liabilities	<u>13,041</u>	<u>47,684</u>	<u>60,725</u>
Net Position			
Restricted for pension benefits	<u>\$ 43,199,932</u>	<u>\$ 49,844,811</u>	<u>\$ 93,044,743</u>

City of Lake Forest

Combining Statement of Changes in Fiduciary Net Position
Pension Trust Funds
Year Ended April 30, 2021

	Police Pension	Firefighters' Pension	Total
Additions			
Contributions:			
Employer	\$ 3,581,389	\$ 2,567,216	\$ 6,148,605
Employee	<u>427,305</u>	<u>349,655</u>	<u>776,960</u>
Total contributions	<u>4,008,694</u>	<u>2,916,871</u>	<u>6,925,565</u>
Investment income:			
Interest	562,525	747,996	1,310,521
Net appreciation in fair value of investments	<u>8,227,219</u>	<u>10,113,506</u>	<u>18,340,725</u>
Total investment income	8,789,744	10,861,502	19,651,246
Less Investment expense	<u>(87,734)</u>	<u>(64,760)</u>	<u>(152,494)</u>
Net investment income	<u>8,702,010</u>	<u>10,796,742</u>	<u>19,498,752</u>
Miscellaneous	<u>737</u>	<u>100</u>	<u>837</u>
Total additions	<u>12,711,441</u>	<u>13,713,713</u>	<u>26,425,154</u>
Deductions			
Pension benefits and refunds	3,029,156	2,899,533	5,928,689
Other administrative expenses	<u>45,069</u>	<u>38,657</u>	<u>83,726</u>
Total deductions	<u>3,074,225</u>	<u>2,938,190</u>	<u>6,012,415</u>
Change in net position	9,637,216	10,775,523	20,412,739
Net Position, Beginning	<u>33,562,716</u>	<u>39,069,288</u>	<u>72,632,004</u>
Net Position, Ending	<u>\$ 43,199,932</u>	<u>\$ 49,844,811</u>	<u>\$ 93,044,743</u>

City of Lake Forest

Schedule of Changes in Fiduciary Net Position - Budget and Actual

Police Pension Fund

Year Ended April 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Additions				
Contributions:				
Employer	\$ 3,090,726	\$ 3,090,726	\$ 3,581,389	\$ 490,663
Employee	<u>420,000</u>	<u>420,000</u>	<u>427,305</u>	<u>7,305</u>
Total contributions	<u>3,510,726</u>	<u>3,510,726</u>	<u>4,008,694</u>	<u>497,968</u>
Investment income:				
Interest	800,000	800,000	562,525	(237,475)
Net appreciation in fair value of investments	<u>1,630,000</u>	<u>1,630,000</u>	<u>8,227,219</u>	<u>6,597,219</u>
Total investment income	2,430,000	2,430,000	8,789,744	6,359,744
Less Investment expense	<u>(150,000)</u>	<u>(150,000)</u>	<u>(87,734)</u>	<u>62,266</u>
Net investment income	2,280,000	2,280,000	8,702,010	6,422,010
Miscellaneous	<u>-</u>	<u>-</u>	<u>737</u>	<u>737</u>
Total additions	<u>5,790,726</u>	<u>5,790,726</u>	<u>12,711,441</u>	<u>6,920,715</u>
Deductions				
Pension benefits and refunds	3,140,626	3,140,626	3,029,156	111,470
Other administrative expenses	70,180	70,180	45,069	25,111
Contingency	<u>336,081</u>	<u>336,081</u>	<u>-</u>	<u>336,081</u>
Total deductions	<u>3,546,887</u>	<u>3,546,887</u>	<u>3,074,225</u>	<u>472,662</u>
Change in net position	<u>\$ 2,243,839</u>	<u>\$ 2,243,839</u>	9,637,216	<u>\$ 7,393,377</u>
Net Position, Beginning			<u>33,562,716</u>	
Net Position, Ending			<u>\$ 43,199,932</u>	

City of Lake Forest

Schedule of Changes in Fiduciary Net Position - Budget and Actual

Firefighters' Pension Fund

Year Ended April 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Additions				
Contributions:				
Employer	\$ 2,075,171	\$ 2,075,171	\$ 2,567,216	\$ 492,045
Employee	<u>315,650</u>	<u>315,650</u>	<u>349,655</u>	<u>34,005</u>
Total contributions	<u>2,390,821</u>	<u>2,390,821</u>	<u>2,916,871</u>	<u>526,050</u>
Investment income:				
Interest	900,000	900,000	747,996	(152,004)
Net appreciation in fair value of investments	<u>1,867,500</u>	<u>1,867,500</u>	<u>10,113,506</u>	<u>8,246,006</u>
Total investment income	2,767,500	2,767,500	10,861,502	8,094,002
Less Investment expense	<u>(80,000)</u>	<u>(80,000)</u>	<u>(64,760)</u>	<u>15,240</u>
Net investment income	2,687,500	2,687,500	10,796,742	8,109,242
Miscellaneous	<u>-</u>	<u>-</u>	<u>100</u>	<u>100</u>
Total additions	<u>5,078,321</u>	<u>5,078,321</u>	<u>13,713,713</u>	<u>8,635,392</u>
Deductions				
Pension benefits and refunds	3,038,410	3,038,410	2,899,533	138,877
Other administrative expenses	65,180	65,180	38,657	26,523
Contingency	<u>318,359</u>	<u>318,359</u>	<u>-</u>	<u>318,359</u>
Total deductions	<u>3,421,949</u>	<u>3,421,949</u>	<u>2,938,190</u>	<u>483,759</u>
Change in net position	<u>\$ 1,656,372</u>	<u>\$ 1,656,372</u>	10,775,523	<u>\$ 9,119,151</u>
Net Position, Beginning			<u>39,069,288</u>	
Net Position, Ending			<u>\$ 49,844,811</u>	

Discretely Presented Component Unit

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

City of Lake Forest

Discretely Presented Component Unit - Lake Forest Library
Statement of Net Position and General Fund Balance Sheet
April 30, 2021

	General Fund	Adjustments	Statement of Net Position
Assets and Deferred Outflows of Resources			
Assets			
Cash and cash equivalents	\$ 6,269,624	\$ -	\$ 6,269,624
Receivables (net of allowance for uncollectibles)			
Property taxes	4,329,806	-	4,329,806
Other taxes	13,581	-	13,581
Net pension asset	-	451,219	451,219
Capital assets			
Capital assets not depreciated	-	238,500	238,500
Capital assets depreciated, net of accumulated depreciation	-	2,446,033	2,446,033
Total assets	10,613,011	3,135,752	13,748,763
Deferred outflows of Resources			
Deferred outflows related to pensions	-	134,645	134,645
Deferred outflows related to total OPEB liability	-	6,127	6,127
Total deferred outflows of resources	-	140,772	140,772
Total assets and deferred outflows of resources	\$ 10,613,011	\$ 3,276,524	\$ 13,889,535
Liabilities, Deferred Inflows of Resources, and Fund Balance/Net Position			
Liabilities			
Accounts payable	\$ 77,795	\$ -	\$ 77,795
Accrued liabilities	54,991	-	54,991
Long-term obligations			
Due within one year	-	39,756	39,756
Due in more than one year	-	277,108	277,108
Total liabilities	132,786	316,864	449,650
Deferred Inflows of Resources			
Property taxes levied for future periods	4,329,806	-	4,329,806
Deferred inflows related to pensions		1,020,954	1,020,954
Deferred inflows related to total OPEB liability	-	19,963	19,963
Total deferred inflows of resources	4,329,806	1,040,917	5,370,723
Fund Balance/Net Position			
Unassigned	6,150,419	(6,150,419)	-
Net position			
Net investment in capital assets	-	2,636,468	2,636,468
Restricted for employee retirement	-	451,219	451,219
Unrestricted	-	4,981,475	4,981,475
Total fund balance/net position	6,150,419	1,918,743	8,069,162
Total liabilities, deferred inflows of resources and fund balance/net position	\$ 10,613,011	\$ 3,276,524	\$ 13,889,535

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

Year Ended April 30, 2021

	General Fund	Adjustments	Statement of Activities
Revenues			
Property taxes	\$ 4,260,835	\$ -	\$ 4,260,835
Intergovernmental	48,298	-	48,298
Charges for services	38,536	-	38,536
Grants and contributions	185,550	-	185,550
Fines	1,715	-	1,715
Investment Income	28,467	-	28,467
Total revenues	<u>4,563,401</u>	<u>-</u>	<u>4,563,401</u>
Expenditures/expenses			
Current	3,629,830	(121,546)	3,508,284
Capital Outlay	<u>78,643</u>	<u>(78,643)</u>	<u>-</u>
Total expenditures/expenses	<u>3,708,473</u>	<u>(200,189)</u>	<u>3,508,284</u>
Net change in fund balance/net position	<u>854,928</u>	<u>200,189</u>	<u>1,055,117</u>
Fund Balance/Net Position, Beginning	<u>5,295,491</u>	<u>1,718,554</u>	<u>7,014,045</u>
Fund Balance/Net Position, Ending	<u>\$ 6,150,419</u>	<u>\$ 1,918,743</u>	<u>\$ 8,069,162</u>

City of Lake Forest

Summary of Debt Service Requirements to Maturity
April 30, 2021

Fiscal Year	General Obligation Bonds
2022	\$ 5,366,166
2023	5,376,077
2024	4,986,036
2025	2,973,378
2026	2,980,328
2027	2,967,201
2028	2,981,652
2029	3,592,402
2030	3,613,536
2031	3,736,487
2032	3,684,162
2033	3,649,323
2034	2,402,563
2035	1,149,063
2036	1,150,250
2037	1,145,275
2038	786,600
	<u>\$ 52,540,499</u>

City of Lake Forest

Debt Service Requirements to Maturity - General Obligation Bonds

April 30, 2021

Fiscal Year	Special Service Area 25 Tax Bonds		Special Service Area 26 Tax Bonds		Special Service Area 29 Tax Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2022	\$ 75,000	\$ 4,350	\$ 19,743	\$ 1,365	\$ 136,870	\$ 15,034
2023	75,000	2,213	20,701	704	143,508	10,448
2024	-	-	-	-	150,611	5,497
2025	-	-	-	-	-	-
2026	-	-	-	-	-	-
2027	-	-	-	-	-	-
2028	-	-	-	-	-	-
2029	-	-	-	-	-	-
2030	-	-	-	-	-	-
2031	-	-	-	-	-	-
2032	-	-	-	-	-	-
2033	-	-	-	-	-	-
2034	-	-	-	-	-	-
2035	-	-	-	-	-	-
2036	-	-	-	-	-	-
2037	-	-	-	-	-	-
2038	-	-	-	-	-	-
	<u>\$ 150,000</u>	<u>\$ 6,563</u>	<u>\$ 40,444</u>	<u>\$ 2,069</u>	<u>\$ 430,989</u>	<u>\$ 30,979</u>

City of Lake Forest

Debt Service Requirements to Maturity - General Obligation Bonds

April 30, 2021

Fiscal Year	Series 2013 Obligation Bonds		Series 2015 Obligation Bonds		Series 2017 Obligation Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2022	\$ 435,000	\$ 312,013	\$ 340,000	\$ 269,425	\$ -	\$ 271,153
2023	440,000	298,962	355,000	260,925	-	271,153
2024	450,000	285,762	370,000	252,050	515,000	271,153
2025	460,000	272,262	385,000	242,800	525,000	260,853
2026	475,000	258,462	405,000	233,175	535,000	247,728
2027	480,000	241,837	410,000	223,050	550,000	234,352
2028	495,000	225,037	435,000	212,800	565,000	220,602
2029	930,000	206,475	650,000	200,837	580,000	206,477
2030	960,000	171,600	695,000	181,337	590,000	191,687
2031	1,085,000	133,200	740,000	160,488	610,000	173,987
2032	1,120,000	89,800	705,000	136,438	630,000	155,687
2033	1,125,000	45,000	720,000	113,525	645,000	136,787
2034	-	-	1,530,000	90,125	665,000	117,438
2035	-	-	330,000	36,575	685,000	97,488
2036	-	-	340,000	25,025	710,000	75,225
2037	-	-	350,000	13,125	730,000	52,150
2038	-	-	-	-	760,000	26,600
	<u>\$ 8,455,000</u>	<u>\$ 2,540,410</u>	<u>\$ 8,760,000</u>	<u>\$ 2,651,700</u>	<u>\$ 9,295,000</u>	<u>\$ 3,010,520</u>

City of Lake Forest

Debt Service Requirements to Maturity - General Obligation Bonds

April 30, 2021

Fiscal Year	Series 2019 Obligation Bonds		Total Requirements		
	Principal	Interest	Principal	Interest	Total
2022	\$ 2,875,000	\$ 611,213	\$ 3,881,613	\$ 1,484,553	\$ 5,366,166
2023	3,030,000	467,463	4,064,209	1,311,868	5,376,077
2024	2,370,000	315,963	3,855,611	1,130,425	4,986,036
2025	630,000	197,463	2,000,000	973,378	2,973,378
2026	660,000	165,963	2,075,000	905,328	2,980,328
2027	695,000	132,962	2,135,000	832,201	2,967,201
2028	730,000	98,213	2,225,000	756,652	2,981,652
2029	735,000	83,613	2,895,000	697,402	3,592,402
2030	755,000	68,912	3,000,000	613,536	3,613,536
2031	780,000	53,812	3,215,000	521,487	3,736,487
2032	810,000	37,237	3,265,000	419,162	3,684,162
2033	845,000	19,011	3,335,000	314,323	3,649,323
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	-	-	760,000	26,600	786,600
	<u>\$ 14,915,000</u>	<u>\$ 2,251,825</u>	<u>\$ 42,046,433</u>	<u>\$ 10,494,066</u>	<u>\$ 52,540,499</u>

City of Lake Forest

Special Service Area 25 Special Tax Bonds – 2003 Series
 April 30, 2021

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 December 15
Payable at:	Lake Forest Bank and Trust Lake Forest, Illinois

<u>Redeemable Annually on December 15</u>	<u>Amount</u>
2021	\$ 75,000
2022	75,000
	<u>\$ 150,000</u>

Bond Principal and Interest Requirements

<u>Tax Levy Year</u>	<u>Tax Levy</u>			<u>Coupons Due on</u>			
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>June 15</u>	<u>Amount</u>	<u>December 15</u>	<u>Amount</u>
2020	\$ 75,000	\$ 4,350	\$ 79,350	2021	\$ 2,175	2021	\$ 2,175
2021	75,000	2,213	77,213	2022	1,107	2022	1,106
	<u>\$ 150,000</u>	<u>\$ 6,563</u>	<u>\$ 156,563</u>				

City of Lake Forest

Special Service Area 26 Special Tax Bonds – 2003 Series
 April 30, 2021

Date of issue:	October 7, 2003
Date of maturity:	December 15, 2022
Authorized issue:	\$ 276,500
Denomination of bonds:	One bond per maturity
Interest rates:	2.5-3.4%
Interest dates:	June 15 and December 15
Payable at:	Lake Forest Bank and Trust Lake Forest, Illinois

**Redeemable Annually
on December 15**

Amount	
2021	\$ 19,743
2022	20,701
	<u>\$ 40,444</u>

Bond Principal and Interest Requirements

Tax Levy Year	Tax Levy			Coupons Due on			
	Principal	Interest	Total	June 15	Amount	December 15	Amount
2020	\$ 19,743	\$ 1,365	\$ 21,108	2021	\$ 683	2021	\$ 682
2021	20,701	704	21,405	2022	352	2022	352
	<u>\$ 40,444</u>	<u>\$ 2,069</u>	<u>\$ 42,513</u>				

City of Lake Forest

Special Service Area 29 Special Tax Bonds - 2004 Series
April 30, 2021

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

<u>Redeemable Annually on December 15</u>	<u>Amount</u>
2021	\$ 136,870
2022	143,508
2023	<u>150,611</u>
	<u>\$ 430,989</u>

Bond Principal and Interest Requirements

<u>Tax Levy Year</u>	<u>Tax Levy</u>			<u>Coupons Due on</u>			
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>June 15</u>	<u>Amount</u>	<u>December 15</u>	<u>Amount</u>
2020	\$ 136,870	\$ 15,034	\$ 151,904	2021	\$ 7,517	2021	\$ 7,517
2021	143,508	10,448	153,956	2022	5,224	2022	5,224
2022	<u>150,611</u>	<u>5,497</u>	<u>156,108</u>	2023	2,749	2023	2,748
	<u>\$ 430,989</u>	<u>\$ 30,979</u>	<u>\$ 461,968</u>				

City of Lake Forest

General Obligation Bonds – 2013
April 30, 2021

Date of issue:	September 16, 2013
Date of maturity:	December 15, 2032
Authorized issue:	\$ 9,715,000
Denomination of bonds:	\$ 5,000
Interest rates:	2.00 - 4.00%
Interest dates:	June 15 and December 15
Payable at:	Wells Fargo Bank Chicago, Illinois

<u>Redeemable Annually on December 15</u>	<u>Amount</u>
2021	\$ 435,000
2022	440,000
2023	450,000
2024	460,000
2025	475,000
Thereafter	6,195,000
	<u>\$ 8,455,000</u>

Bond Principal and Interest Requirements

<u>Tax Levy Year</u>	<u>Tax Levy</u>			<u>Coupons Due on</u>			
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>June 15</u>	<u>Amount</u>	<u>December 15</u>	<u>Amount</u>
2020	\$ 435,000	\$ 312,013	\$ 747,013	2021	\$ 156,007	2021	\$ 156,006
2021	440,000	298,962	738,962	2022	149,481	2022	149,481
2022	450,000	285,762	735,762	2023	142,881	2023	142,881
2023	460,000	272,262	732,262	2024	136,131	2024	136,281
2024	475,000	258,462	733,462	2025	129,231	2025	129,231
Thereafter	6,195,000	1,112,949	7,307,949	Thereafter	556,475	Thereafter	556,474
	<u>\$ 8,455,000</u>	<u>\$ 2,540,410</u>	<u>\$10,995,410</u>				

City of Lake Forest

General Obligation Bonds – 2015
April 30, 2021

Date of issue:	August 3, 2015
Date of maturity:	December 15, 2036
Authorized issue:	\$ 9,780,000
Denomination of bonds:	\$ 5,000
Interest rates:	2.50 - 3.75%
Interest dates:	June 15 and December 15
Payable at:	Wells Fargo Bank Chicago, Illinois

<u>Redeemable Annually on December 15</u>	<u>Amount</u>
2021	\$ 340,000
2022	355,000
2023	370,000
2024	385,000
2025	405,000
Thereafter	6,905,000
	<u>\$ 8,760,000</u>

Bond Principal and Interest Requirements

<u>Tax Levy Year</u>	<u>Tax Levy</u>			<u>Coupons Due on</u>			
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>June 15</u>	<u>Amount</u>	<u>December 15</u>	<u>Amount</u>
2020	\$ 340,000	\$ 269,425	\$ 609,425	2021	\$ 134,713	2021	\$ 134,712
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	121,587	2024	121,588
2024	405,000	233,175	638,175	2025	116,588	2025	116,587
Thereafter	6,905,000	1,393,325	8,298,325	Thereafter	696,663	Thereafter	696,662
	<u>\$ 8,760,000</u>	<u>\$ 2,651,700</u>	<u>\$11,411,700</u>				

City of Lake Forest

General Obligation Bonds – 2017
April 30, 2021

Date of issue:	June 5, 2017
Date of maturity:	December 15, 2037
Authorized issue:	\$ 9,295,000
Denomination of bonds:	\$ 5,000
Interest rates:	2.00 - 3.50%
Interest dates:	June 15 and December 15
Payable at:	Bank of New York Mellon Chicago, Illinois

Redeemable Annually on December 15

Amount

2021	\$ -
2022	-
2023	515,000
2024	525,000
2025	535,000
Thereafter	7,720,000
	<u>\$ 9,295,000</u>

Bond Principal and Interest Requirements

Tax levy year	Tax levy			Coupons due on			
	Principal	Interest	Total	June 15	Amount	December 15	Amount
2020	\$ -	\$ 271,153	\$ 271,153	2021	\$ 135,577	2021	\$ 135,576
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
Thereafter	7,720,000	1,688,480	9,408,480	Thereafter	844,240	Thereafter	844,240
	<u>\$ 9,295,000</u>	<u>\$ 3,010,520</u>	<u>\$12,305,520</u>				

City of Lake Forest

General Obligation Bonds – 2019
April 30, 2021

Date of issue:	December 19, 2019
Date of maturity:	December 15, 2032
Authorized issue:	\$ 17,655,000
Denomination of bonds:	\$ 5,000
Interest rates:	2.25 - 5.00%
Interest dates:	June 15 and December 15
Payable at:	Amalgamated Bank Chicago, Illinois

Redeemable Annually on December 15

	<u>Amount</u>
2021	\$ 2,875,000
2022	3,030,000
2023	2,370,000
2024	630,000
2025	660,000
Thereafter	5,350,000
	<u>\$14,915,000</u>

Bond Principal and Interest Requirements

Tax Levy Year	Tax Levy			Coupons Due on			
	Principal	Interest	Total	June 15	Amount	December 15	Amount
2020	\$ 2,875,000	\$ 611,213	\$ 3,486,213	2021	\$ 305,606	2021	\$ 305,607
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
Thereafter	5,350,000	493,763	5,843,763	Thereafter	246,882	Thereafter	246,881
	<u>\$14,915,000</u>	<u>\$ 2,251,825</u>	<u>\$17,166,825</u>				

City of Lake Forest

Debt Service Fund
Combining Balance Sheet
April 30, 2021

	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
Assets				
Cash and cash equivalents	\$ 18,197	\$ 6,050	\$ 9,126	\$ 1,596,328
Receivables (net of allowance for uncollectibles):				
Property taxes	78,652	21,284	150,117	-
Due from other governments	<u>-</u>	<u>-</u>	<u>-</u>	<u>142,083</u>
Total assets	<u>\$ 96,849</u>	<u>\$ 27,334</u>	<u>\$ 159,243</u>	<u>\$ 1,738,411</u>
Deferred inflows of resources				
Property taxes levied for future periods	<u>\$ 78,652</u>	<u>\$ 21,284</u>	<u>\$ 150,117</u>	<u>\$ -</u>
Fund Balance				
Fund balance- restricted for debt service	<u>18,197</u>	<u>6,050</u>	<u>9,126</u>	<u>1,738,411</u>
Total deferred inflows of resources, liabilities and fund balances	<u>\$ 96,849</u>	<u>\$ 27,334</u>	<u>\$ 159,243</u>	<u>\$ 1,738,411</u>

2009/2019 General Obligation Bonds	2010/2019 General Obligation Bonds	2013 General Obligation Bonds	2015 General Obligation Bonds	Total
\$ 34,952	\$ 54,712	\$ 34,752	\$ 4,535	\$ 1,758,652
251,401	578,274	743,172	246,837	2,069,737
-	-	-	-	142,083
<u>\$ 286,353</u>	<u>\$ 632,986</u>	<u>\$ 777,924</u>	<u>\$ 251,372</u>	<u>\$ 3,970,472</u>
<u>\$ 251,401</u>	<u>\$ 578,274</u>	<u>\$ 743,172</u>	<u>\$ 246,837</u>	<u>\$ 2,069,737</u>
<u>34,952</u>	<u>54,712</u>	<u>34,752</u>	<u>4,535</u>	<u>1,900,735</u>
<u>\$ 286,353</u>	<u>\$ 632,986</u>	<u>\$ 777,924</u>	<u>\$ 251,372</u>	<u>\$ 3,970,472</u>

City of Lake Forest

Debt Service Fund

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances

Year Ended April 30, 2021

	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	\$ 76,781	\$ 21,327	\$ 150,455	\$ -
Other	-	-	-	540,744
Investment income	<u>192</u>	<u>47</u>	<u>203</u>	<u>6,248</u>
Total revenues	<u>76,973</u>	<u>21,374</u>	<u>150,658</u>	<u>546,992</u>
Expenditures				
General government	-	-	-	50
Debt Service:				
Principal	70,000	18,839	130,663	430,587
Interest	<u>6,275</u>	<u>1,999</u>	<u>19,280</u>	<u>92,338</u>
Total expenditures	<u>76,275</u>	<u>20,838</u>	<u>149,943</u>	<u>522,975</u>
Excess (deficiency) of revenues over expenditures	<u>698</u>	<u>536</u>	<u>715</u>	<u>24,017</u>
Other financing sources:				
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (use)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	698	536	715	24,017
Fund Balances, Beginning	<u>17,499</u>	<u>5,514</u>	<u>8,411</u>	<u>1,714,394</u>
Fund Balances, Ending	<u>\$ 18,197</u>	<u>\$ 6,050</u>	<u>\$ 9,126</u>	<u>\$ 1,738,411</u>

2009/2019 General Obligation Bonds	2010/2019 General Obligation Bonds	2013 General Obligation Bonds	2015 General Obligation Bonds	Total
\$ 255,070	\$ 579,705	\$ 756,515	\$ 226,085	\$ 2,065,938
-	-	-	-	540,744
<u>426</u>	<u>802</u>	<u>861</u>	<u>194</u>	<u>8,973</u>
<u>255,496</u>	<u>580,507</u>	<u>757,376</u>	<u>226,279</u>	<u>2,615,655</u>
52	187	750	1,000	2,039
175,000	350,000	430,000	305,000	1,910,089
<u>80,545</u>	<u>226,222</u>	<u>322,763</u>	<u>277,050</u>	<u>1,026,472</u>
<u>255,597</u>	<u>576,409</u>	<u>753,513</u>	<u>583,050</u>	<u>2,938,600</u>
<u>(101)</u>	<u>4,098</u>	<u>3,863</u>	<u>(356,771)</u>	<u>(322,945)</u>
-	-	-	356,688	356,688
-	-	-	356,688	356,688
(101)	4,098	3,863	(83)	33,743
<u>35,053</u>	<u>50,614</u>	<u>30,889</u>	<u>4,618</u>	<u>1,866,992</u>
<u>\$ 34,952</u>	<u>\$ 54,712</u>	<u>\$ 34,752</u>	<u>\$ 4,535</u>	<u>\$ 1,900,735</u>

Statistical Section

This portion of the City of Lake Forest's Comprehensive Annual 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.

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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 comprehensive annual financial reports for the relevant year.

City of Lake Forest

Net Position by Component
Last Ten Fiscal Years
April 30, 2021

	2012	2013	2014	2015	2016*	2017	2018	2019	2020	2021
Governmental Activities										
Net investment in capital assets	\$ 190,779,593	\$ 187,500,531	\$ 184,270,349	\$ 181,056,601	\$ 181,481,470	\$ 170,568,584	\$ 166,607,491	\$ 164,675,251	\$ 165,179,598	\$ 164,798,332
Restricted	16,499,487	16,064,099	16,860,362	15,737,797	18,506,073	15,476,976	20,193,505	26,714,972	27,807,934	36,509,516
Unrestricted	<u>19,550,532</u>	<u>21,126,818</u>	<u>23,689,130</u>	<u>26,747,317</u>	<u>(18,479,928)</u>	<u>(9,068,405)</u>	<u>(11,006,718)</u>	<u>(14,809,677)</u>	<u>(18,261,240)</u>	<u>(14,713,066)</u>
Total governmental activities net position	<u>\$ 226,829,612</u>	<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>
Business-Type Activities										
Net investment in capital assets	\$ 36,753,670	\$ 36,077,752	\$ 36,163,443	\$ 36,617,378	\$ 37,582,505	\$ 37,504,482	\$ 40,729,712	\$ 39,610,155	\$ 39,052,272	\$ 38,142,896
Restricted	-	-	-	-	-	-	-	-	-	580,012
Unrestricted	<u>8,918,142</u>	<u>9,880,856</u>	<u>9,739,336</u>	<u>8,941,920</u>	<u>8,323,401</u>	<u>7,696,321</u>	<u>8,950,670</u>	<u>9,508,483</u>	<u>9,692,010</u>	<u>10,288,805</u>
Total business-type activities	<u>\$ 45,671,812</u>	<u>\$ 45,958,608</u>	<u>\$ 45,902,779</u>	<u>\$ 45,559,298</u>	<u>\$ 45,905,906</u>	<u>\$ 45,200,803</u>	<u>\$ 49,680,382</u>	<u>\$ 49,118,638</u>	<u>\$ 48,744,282</u>	<u>\$ 49,011,713</u>
Total Primary Government										
Net investment in capital assets	\$ 227,533,263	\$ 223,578,283	\$ 220,433,792	\$ 217,673,979	\$ 219,063,975	\$ 208,073,066	\$ 207,337,203	\$ 204,285,406	\$ 204,231,870	\$ 202,941,228
Restricted	16,499,487	16,064,099	16,860,362	15,737,797	18,506,073	15,476,976	20,193,505	26,714,972	27,807,934	37,089,528
Unrestricted	<u>28,468,674</u>	<u>31,007,674</u>	<u>33,428,466</u>	<u>35,689,237</u>	<u>(10,156,527)</u>	<u>(1,372,084)</u>	<u>(2,056,048)</u>	<u>(5,301,194)</u>	<u>(8,569,230)</u>	<u>(4,424,261)</u>
Total primary government net position	<u>\$ 272,501,424</u>	<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>

*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, 2021

	2012	2013	2014	2015*	2016	2017	2018	2019	2020	2021
Expenses										
Governmental Activities										
General government	\$ 12,080,189	\$ 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
Highway and streets	8,304,860	7,536,444	7,762,403	8,839,231	9,230,548	10,923,639	9,621,569	9,081,471	8,677,958	7,457,325
Sanitation	2,568,820	2,512,559	2,586,125	2,474,355	2,208,326	2,611,231	2,585,940	2,580,043	2,678,876	2,438,916
Culture and recreation	9,469,832	10,352,252	10,397,593	10,172,391	8,463,259	10,023,195	10,003,119	8,859,391	8,977,855	9,453,397
Public safety	13,583,116	13,748,855	14,430,151	15,303,399	16,360,830	17,048,209	17,017,092	19,769,395	23,338,259	16,854,590
Interest	1,420,087	1,362,715	1,333,267	1,357,552	1,293,742	1,559,100	1,271,181	1,231,944	1,115,802	920,485
Total governmental activities expenses	<u>47,426,904</u>	<u>51,689,151</u>	<u>48,820,737</u>	<u>50,751,259</u>	<u>49,232,068</u>	<u>59,048,350</u>	<u>50,383,547</u>	<u>55,296,034</u>	<u>58,654,175</u>	<u>49,987,847</u>
Business-Type Activities										
Waterworks and sewerage	7,985,394	8,287,297	7,476,752	8,353,825	7,239,042	8,510,811	8,122,998	7,832,615	8,168,879	8,486,272
Golf	1,371,380	1,459,394	1,554,678	1,642,121	1,868,252	2,095,510	1,604,261	1,875,677	1,861,393	2,042,874
Total business-type activities	<u>9,356,774</u>	<u>9,746,691</u>	<u>9,031,430</u>	<u>9,995,946</u>	<u>9,107,294</u>	<u>10,606,321</u>	<u>9,727,259</u>	<u>9,708,292</u>	<u>10,030,272</u>	<u>10,529,146</u>
Total primary government expenses	<u>\$ 56,783,678</u>	<u>\$ 61,435,842</u>	<u>\$ 57,852,167</u>	<u>\$ 60,747,205</u>	<u>\$ 58,339,362</u>	<u>\$ 69,654,671</u>	<u>\$ 60,110,806</u>	<u>\$ 65,004,326</u>	<u>\$ 68,684,447</u>	<u>\$ 60,516,993</u>
Program Revenues										
Governmental Activities										
Charges for services:										
General government	\$ 4,771,863	\$ 4,838,151	\$ 4,756,948	\$ 5,442,475	\$ 8,191,440	\$ 8,860,169	\$ 5,203,210	\$ 5,007,655	\$ 4,077,609	\$ 3,754,897
Highway and streets	846,366	753,487	741,334	710,795	990,840	782,953	1,006,644	2,730,122	2,183,456	2,476,794
Sanitation	81,577	58,564	77,147	682,062	697,435	734,111	721,276	749,620	1,040,121	1,053,692
Culture and recreation	3,392,303	3,342,913	3,314,856	3,156,699	3,257,796	2,810,762	3,491,365	3,117,795	2,594,119	1,733,927
Public safety	1,678,032	1,861,619	1,950,998	1,795,521	1,552,567	1,689,547	1,992,985	2,117,186	2,525,439	2,517,398
Operating grants and contributions	1,433,791	1,777,734	1,105,191	1,345,670	1,368,451	1,088,579	1,298,006	985,676	1,529,863	1,097,399
Capital grants and contributions	360,407	25,000	757,239	468,255	280,675	1,174,000	356,178	505,988	448,694	777,054
Total governmental activities program revenues	<u>12,564,339</u>	<u>12,657,468</u>	<u>12,703,713</u>	<u>13,601,477</u>	<u>16,339,204</u>	<u>17,140,121</u>	<u>14,069,664</u>	<u>15,214,042</u>	<u>14,399,301</u>	<u>13,411,161</u>
Business-Type Activities										
Charges for services:										
Waterworks and sewerage	7,477,637	8,598,079	7,521,323	8,034,469	7,477,558	7,873,741	8,083,554	7,818,777	7,512,450	8,569,806
Golf	1,238,016	1,320,455	1,397,836	1,414,217	1,759,271	1,606,661	1,480,618	1,524,654	1,459,127	1,864,338
Operating grants and contributions	-	-	-	-	-	-	-	228,332	-	-
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
Total business-type activities program revenues	<u>8,715,653</u>	<u>9,918,534</u>	<u>8,919,159</u>	<u>9,448,686</u>	<u>9,236,829</u>	<u>9,480,402</u>	<u>9,564,172</u>	<u>9,571,763</u>	<u>8,971,577</u>	<u>10,434,144</u>
Total government program revenues	<u>\$ 21,279,992</u>	<u>\$ 22,576,002</u>	<u>\$ 21,622,872</u>	<u>\$ 23,050,163</u>	<u>\$ 25,576,033</u>	<u>\$ 26,620,523</u>	<u>\$ 23,633,836</u>	<u>\$ 24,785,805</u>	<u>\$ 23,370,878</u>	<u>\$ 23,845,305</u>
Net (Expense)/Revenue										
Governmental Activities	<u>\$ (34,862,565)</u>	<u>\$ (39,031,683)</u>	<u>\$ (36,117,024)</u>	<u>\$ (37,149,782)</u>	<u>\$ (32,892,864)</u>	<u>\$ (41,908,229)</u>	<u>\$ (36,313,883)</u>	<u>\$ (40,081,992)</u>	<u>\$ (44,254,874)</u>	<u>\$ (36,576,686)</u>
Business-Type Activities	<u>(641,121)</u>	<u>171,843</u>	<u>(112,271)</u>	<u>(547,260)</u>	<u>129,535</u>	<u>(1,125,919)</u>	<u>(163,087)</u>	<u>(136,529)</u>	<u>(1,058,695)</u>	<u>(95,002)</u>
Total primary government net expense	<u>\$ (35,503,686)</u>	<u>\$ (38,859,840)</u>	<u>\$ (36,229,295)</u>	<u>\$ (37,697,042)</u>	<u>\$ (32,763,329)</u>	<u>\$ (43,034,148)</u>	<u>\$ (36,476,970)</u>	<u>\$ (40,218,521)</u>	<u>\$ (45,313,569)</u>	<u>\$ (36,671,688)</u>

City of Lake Forest

Change in Net Position

Last Ten Fiscal years

Year Ended April 30, 2021

	2012	2013	2014	2015*	2016	2017	2018	2019	2020	2021
General Revenues and Other Changes in Net Position										
Governmental Activities										
Taxes:										
Property	\$ 25,428,378	\$ 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
Sales	2,577,304	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
Income and use	1,938,686	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
Telecommunications and utility	3,981,548	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
Real estate transfer tax	1,215,407	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
Other	492,746	493,418	581,443	534,625	514,231	636,368	2,178,246	2,410,453	2,717,862	4,308,631
Investment earnings	264,432	491,196	637,193	547,118	145,329	1,042,049	1,665,391	2,215,202	1,664,355	3,564,117
Miscellaneous	33,724	573,705	669,145	73,613	-	-	-	-	-	-
Gain on sale of assets	-	-	-	-	-	-	(3,874)	7,775	38,500	-
Transfers	(37,746)	(77,100)	(97,000)	(168,750)	(924,496)	(360,000)	(4,343,841)	786,850	(198,500)	(29,500)
Total governmental activities	35,894,479	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
Business-Type Activities										
Investment earnings	51,376	37,853	38,550	33,408	40,362	58,366	236,990	279,189	175,969	42,285
Other	-	-	-	1,621	6,033	2,450	61,835	299,176	309,870	290,648
Transfers	37,746	77,100	97,000	168,750	924,496	360,000	4,343,841	(786,850)	198,500	29,500
Total business-type activities	89,122	114,953	135,550	203,779	970,891	420,816	4,642,666	(208,485)	684,339	362,433
Total primary government	\$ 35,983,601	\$ 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
Changes in Net Position										
Governmental activities	\$ 1,031,914	\$ (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
Business-type activities	(551,999)	286,796	23,279	(343,481)	1,100,426	(705,103)	4,479,579	(345,014)	(374,356)	267,431
Total primary government change in net position	\$ 479,915	\$ (1,951,368)	\$ 332,092	\$ (1,621,607)	\$ 2,929,650	\$ (5,235,563)	\$ 3,296,702	\$ 2,349,467	\$ (2,228,610)	\$ 12,135,921

*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, 2021

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
General Fund										
Nondisposable	\$ 2,159,403	\$ 2,775,449	\$ 2,126,990	\$ 1,648,832	\$ 1,272,224	\$ 778,160	\$ 150,038	\$ 129,280	\$ 143,703	\$ 208,661
Restricted	957,420	957,420	957,420	957,420	-	-	-	-	-	-
Unassigned	<u>10,601,190</u>	<u>11,020,723</u>	<u>14,530,550</u>	<u>17,910,037</u>	<u>22,509,969</u>	<u>28,799,288</u>	<u>29,130,844</u>	<u>28,815,904</u>	<u>29,433,682</u>	<u>28,148,267</u>
Total general fund	<u>\$ 13,718,013</u>	<u>\$ 14,753,592</u>	<u>\$ 17,614,960</u>	<u>\$ 20,516,289</u>	<u>\$ 23,782,193</u>	<u>\$ 29,577,448</u>	<u>\$ 29,280,882</u>	<u>\$ 28,945,184</u>	<u>\$ 29,577,385</u>	<u>\$ 28,356,928</u>
All Other Governmental Funds										
Nondisposable	\$ 43,333	\$ 43,333	\$ -	\$ 381,173	\$ 408,539	\$ 536,121	\$ 28,688	\$ 32,837	\$ 29,139	\$ 28,878
Restricted	16,171,794	15,605,203	16,127,257	14,726,999	20,337,111	19,420,288	20,806,879	26,656,696	27,693,271	36,738,128
Assigned	1,591,600	1,598,819	1,449,284	1,448,736	1,456,053	-	-	-	-	-
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,022,136)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,686)</u>	<u>(743,104)</u>	<u>(304,215)</u>
governmental funds	<u>\$ 17,806,727</u>	<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>
Total governmental funds	<u>\$ 31,524,740</u>	<u>\$ 32,000,947</u>	<u>\$ 35,191,501</u>	<u>\$ 36,051,061</u>	<u>\$ 45,983,896</u>	<u>\$ 49,533,857</u>	<u>\$ 50,116,449</u>	<u>\$ 55,631,031</u>	<u>\$ 56,556,691</u>	<u>\$ 64,819,719</u>

City of Lake Forest

Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
Year Ended April 30, 2021

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues										
Property taxes	\$25,428,378	\$ 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
Other taxes	10,205,691	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
Intergovernmental revenues	589,960	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
Grants and contributions	1,039,737	1,190,377	962,249	950,823	1,056,523	1,419,736	997,289	2,220,550	1,082,083	1,959,289
Charges for services	7,028,800	7,319,673	7,373,500	7,935,973	8,506,756	8,005,317	8,833,079	8,759,327	8,749,224	7,611,794
Licenses and permits	2,475,739	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
Fines and forfeitures	372,607	368,941	297,005	287,333	260,407	321,168	345,438	355,304	271,985	260,726
Investment income	225,225	462,579	610,601	524,150	115,462	989,515	1,553,167	2,043,136	1,534,251	3,531,497
Miscellaneous revenue	730,813	1,225,082	759,384	790,344	779,137	841,731	1,831,152	1,511,534	1,360,723	1,346,521
Total revenues	48,096,950	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
Expenditures										
General government	10,313,031	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
Highways and streets	2,139,656	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
Sanitation	2,228,844	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
Culture and recreation	8,463,547	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
Public safety	13,723,801	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
Capital outlay	6,641,923	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
Debt service:										
Principal	2,531,876	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
Interest	1,667,372	1,392,342	1,319,276	1,400,609	1,293,634	1,639,191	1,277,596	1,242,498	1,202,730	1,026,472
Total expenditures	47,710,050	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
Excess (deficiency) of revenues over expenditures	386,900	488,758	2,420,423	1,004,257	(807,853)	(1,726,147)	2,807,262	5,852,031	982,894	8,278,185
Other Financing Sources (Uses)										
Transfers in	2,296,270	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
Transfers out	(2,334,016)	(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)
Bonds issued	-	-	-	-	9,780,000	-	-	-	-	-
Loan proceeds	-	-	-	-	830,080	-	-	-	-	-
Premium (discount) on bonds issued	120,828	-	26,093	-	106,384	-	-	-	797,619	-
Proceeds from refunding G.O. bonds	5,690,000	-	9,715,000	-	-	-	-	-	10,751,022	-
Payments for refunding G.O. bonds	(5,769,025)	-	(9,665,000)	-	-	-	-	-	(11,445,875)	-
Sale of capital assets	34,055	64,549	791,038	24,053	73,224	5,636,108	26,076	26,551	38,500	14,843
Total other financing sources (uses)	38,112	(12,551)	770,131	(144,697)	10,740,688	5,276,108	(2,224,670)	(337,449)	(57,234)	(15,157)
Net changes in fund balances	\$ 425,012	\$ 476,207	\$ 3,190,554	\$ 859,560	\$ 9,932,835	\$ 3,549,961	\$ 582,592	\$ 5,514,582	\$ 925,660	\$ 8,263,028
Debt service as a percentage of noncapital expenditures	8.31%	5.85%	6.17%	6.43%	6.54%	17.36%	6.49%	5.42%	5.78%	5.76%

City of Lake Forest

Assessed Value and Actual Value of Taxable Property

Last Ten Levy Years

Levy Year	Residential Property	Commercial Property	Industrial Property	Other Property	Tax Increment Financing	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Estimated Actual Taxable Value
2011	\$ 2,302,061,004	\$ 203,074,638	\$ 70,382	\$ 5,409,080	\$ 54,464,919	\$ 2,565,080,023	1.0350	\$ 7,695,240,069	33.333%
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%

Data Source

Office of the County Clerk

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

The City's TIF Increment Financing district expired for 2012

A new City TIF Increment Financing district initiated for 2016

City of Lake Forest

Property Tax Rates - Direct and Overlapping Governments

Based on Shields Township

Last Ten Levy Years

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Bonds	0.068	0.071	0.088	0.090	0.067	0.059	0.060	0.066	0.074	0.077
Corporate	0.483	0.544	0.580	0.590	0.619	0.603	0.600	0.620	0.646	0.663
Firemen's Pension	0.041	0.046	0.052	0.054	0.053	0.050	0.061	0.065	0.077	0.093
IMRF	0.032	0.035	0.037	0.038	0.037	0.035	0.035	0.035	0.037	0.039
Library	0.126	0.141	0.152	0.155	0.153	0.146	0.145	0.149	0.157	0.166
Library Sites & Building	0.015	0.016	0.017	0.017	0.017	0.016	0.016	0.016	0.017	0.018
Parks/Park Maintenance	0.114	0.123	0.191	0.194	0.196	0.187	0.184	0.188	0.197	0.139
Playground & Recreation **	0.050	0.055	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.086
Police Pension	0.060	0.066	0.076	0.080	0.082	0.078	0.083	0.087	0.109	0.125
Recreation for Handicapped Rec.	0.014	0.016	0.018	0.018	0.018	0.018	0.018	0.019	0.020	0.021
Social Security	0.032	0.035	0.037	0.038	0.037	0.035	0.035	0.035	0.037	0.039
City Direct Rates *	1.035	1.148	1.248	1.274	1.279	1.227	1.237	1.280	1.371	1.464
Overlapping Rates										
College of Lake County	0.240	0.272	0.296	0.306	0.299	0.285	0.281	0.282	0.282	0.290
County of Lake	0.554	0.608	0.663	0.682	0.663	0.632	0.622	0.612	0.597	0.598
Lake County Forest Preserve	0.201	0.212	0.218	0.210	0.208	0.193	0.187	0.182	0.180	0.182
North Shore Sanitary District	0.150	0.150	0.164	0.169	0.166	0.157	0.153	0.153	0.153	0.157
School District 67, Elem.	1.186	1.322	1.424	1.452	1.429	1.367	1.355	1.391	1.472	1.551
School District 115, High School	1.191	1.322	1.420	1.450	1.409	1.329	1.314	1.336	1.375	1.445
Township	0.043	0.036	0.037	0.039	0.038	0.036	0.035	0.035	0.036	0.037
Township Road and Bridge	0.026	0.029	0.032	0.033	0.032	0.031	0.030	0.031	0.032	0.033
Total tax rate	4.626	5.099	5.502	5.615	5.523	5.257	5.214	5.302	5.498	5.757
City's share of total tax rate	22%	23%	23%	23%	23%	23%	24%	24%	25%	25%

Data Source

Office of the County Clerk - Shields Township

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

All of Moraine Township is in Lake Forest and parts of Shields and West Deerfield Townships in Lake Forest lie in the North Shore Sanitary District.

* Excludes rates for the Special Service Areas

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

** Parks and Playgrounds combined in 2013

City of Lake Forest

Principal Property Taxpayers
Current Year and Nine Years Ago

Taxpayer	2021			2012		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Valuation	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Valuation
Hospira Inc	\$ 16,895,392	1	0.70%	\$ 19,412,533	1	0.76%
Kelmscott Park Apartments LLC	15,808,396	2	0.65%			
Abbot Laboratories	14,250,581	3	0.59%	17,157,454	2	0.67%
Chicago Title Land Trust Company	12,763,427	4	0.53%			
Lake Forest Place LLC	12,551,225	5	0.52%			
Chicago Title Land Trust Co	12,107,300	6	0.50%			
Chicago Bears Football Club, Inc	11,302,562	7	0.47%			
CAI Investment Lake Forest Global	9,854,273	8	0.41%			
Lake Forest Investments	7,658,402	9	0.32%			
Lake Forest Landmark Co. LLC	6,690,664	10	0.28%	7,306,026	7	0.28%
Lake Products, Inc				13,795,850	3	0.54%
CBIZ Property Tax Solutions				11,089,158	4	0.43%
Trustmark Insurance Co				7,823,058	5	0.30%
Lake Forest Hosptial				7,430,902	6	0.29%
Lake Forest Landmark II				6,221,470	8	0.24%
James Campbell Company, LLC				5,585,451	9	0.22%
Shawgate Lake Forest, LLC				5,525,876	10	0.22%
	<u>\$ 102,619,757</u>		<u>4.95%</u>	<u>\$ 101,109,669</u>		<u>3.95%</u>

Data Source

Office of the County Clerk

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

2021 Column is 2020 Assessed Valuation

2012 Column is 2011 Assessed Valuation

City of Lake Forest

Property Tax Levies and Collections

Last Ten Levy Years

Levy Year	Tax Levied	Collected within the Fiscal Year after the Levy		Subsequent Year Collections	Total Collections Per Levy	
		Amount	Percentage of Levy		Taxes Received	Percentage of Levy
2011	\$ 25,984,866	\$ 25,911,115	99.72%	135	\$ 25,911,250	99.72%
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	N/A	N/A	N/A	N/A	N/A

Data Source

Lake County Treasurer and City

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

City of Lake Forest

Tax Extensions for City Funds

Last Ten Levy Years

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General	0.483	0.544	0.580	0.590	0.619	0.603	0.600	0.617	0.646	0.663
IMRF/Social Security	0.064	0.070	0.074	0.076	0.074	0.070	0.070	0.071	0.074	0.078
Firefighter Pension	0.041	0.046	0.052	0.054	0.053	0.050	0.061	0.065	0.077	0.093
Police Pension	0.060	0.066	0.076	0.080	0.082	0.078	0.083	0.087	0.109	0.125
Parks and Recreation	0.164	0.178	0.191	0.194	0.196	0.187	0.184	0.188	0.196	0.224
Special Recreation	0.014	0.016	0.018	0.018	0.018	0.018	0.018	0.019	0.020	0.021
General Obligation Bond 2008	0.034	0.036	0.037	0.037	0.026	0.000	-	-	-	-
General Obligation Bond 2009	0.011	0.012	0.013	0.013	0.009	0.012	0.012	0.011	0.011	0.011
General Obligation Bond 2010	0.023	0.023	0.012	0.025	0.015	0.020	0.020	0.019	0.019	0.019
General Obligation Bond 2013	0.000	0.000	0.026	0.015	0.010	0.018	0.018	0.027	0.027	0.027
General Obligation Bond 2015	-	-	-	-	0.008	0.009	0.010	0.009	0.009	0.009
Total tax rate	0.894	0.991	1.079	1.102	1.110	1.065	1.076	1.113	1.188	1.269

Data Source

Office of the County Clerk

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

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

City of Lake Forest

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

	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Merchandise	\$ 12,219	\$ 9,722	\$ 7,005	\$ 7,471	\$ 5,072	\$ 4,358	\$ 4,215	\$ 5,854	\$ 4,980
Food	91,999	93,952	105,771	96,009	92,936	93,838	95,457	144,134	189,599
Drinking and Eating Places	155,188	165,386	180,023	163,447	173,473	182,278	177,620	261,770	216,636
Apparel	64,317	68,135	68,291	75,606	73,785	72,540	67,069	116,944	115,308
Furniture & H.H. & Radio	37,536	38,821	39,494	36,526	32,774	28,424	29,524	47,907	62,235
Lumber, Building, Hardware	6,867	9,862	-	-	7,537	8,238	9,633	17,362	27,244
Automobile and Filling Stations	38,900	37,025	34,895	28,267	26,735	30,895	35,146	48,650	45,234
Drugs and Miscellaneous Retail	81,022	110,554	117,262	118,740	117,224	102,558	103,843	154,528	179,191
Agriculture and All Others	110,446	121,651	105,139	129,721	116,945	105,670	66,743	146,885	148,739
Manufacturers	-	-	7,095	(3,818)	-	-	-	-	-
Censored categories	-	-	-	-	-	-	-	-	-
Total	\$ 598,494	\$ 655,108	\$ 664,975	\$ 651,969	\$ 646,481	\$ 628,799	\$ 589,250	\$ 944,034	\$ 989,166
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%	0.50%	1.00%	1.00%

Data Source

Illinois Department of Revenue

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

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

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

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

City of Lake Forest

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

	2011	2012	2013	2014	2015	2016	2017	2018	2019*	2020
General Merchandise	\$ 72,955	\$ 24,726	\$ 19,656	\$ 14,010	\$ 14,930	\$ 11,412	\$ 10,496	\$ 10,069	\$ 8,964	\$ 5,204
Food	579,914	585,517	593,446	673,803	591,893	564,049	550,591	535,167	528,469	615,073
Drinking and Eating Places	286,472	317,291	338,382	364,221	329,303	350,024	372,173	362,713	349,961	224,312
Apparel	107,453	128,633	136,270	136,582	151,212	147,576	145,141	134,201	146,455	115,423
Furniture & H.H. & Radio	20,373	75,071	77,642	78,988	73,061	65,571	56,848	59,046	66,569	62,239
Lumber, Building, Hardware	(13,037)	13,742	19,724	-	-	15,076	16,479	19,267	21,891	27,245
Automobile and Filling Stations	138,744	146,865	241,339	178,178	133,684	139,764	141,260	131,243	575,290	134,743
Drugs and Miscellaneous Retail	371,420	400,096	433,159	430,482	414,407	431,966	399,115	381,239	393,920	391,545
Agriculture and All Others	254,225	274,807	285,401	255,189	295,974	271,061	246,697	166,637	222,162	170,645
Manufacturers	(9,729)	-	-	14,415	(5,107)	-	-	-	-	-
Censored categories	-	-	-	-	-	-	-	-	-	-
Total	\$ 1,808,790	\$ 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
Total Number of Payers	663	647	637	637	673	687	687	604	578	510
City direct sales tax rate	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%

Data Source

Illinois Department of Revenue

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

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

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

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

City of Lake Forest

Direct and Overlapping Sales Tax Rates
Last Ten Fiscal Years

Fiscal Year	City Direct Rate	State Rate	Metra Rate	Special County Rate	Total
2012	1.50%	5.00%	0.50%	0.50%	7.50%
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%

Data Source

City records

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

The City increased the home rules sales tax by .5% July 1, 2019

City of Lake Forest

Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year Ended	Governmental Activities		Business-Type Activities		Total Primary Government	Ratio of Total Outstanding Debt To Equalized Assessed Valuation*	Percentage of Personal Income*	Total Outstanding Debt Per Capita*
	General Obligation Bonds	Installment Purchase Contracts	General Obligation Bonds	Revenue Bonds				
2012	\$ 38,580,882	\$ -	\$ 22,804,000	\$ -	\$ 61,384,882	2.39%	4.11%	\$ 3,168.25
2013	37,203,146	-	21,060,000	-	58,263,146	2.45%	3.90%	3,007.13
2014	35,852,197	-	19,245,000	-	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

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

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

City of Lake Forest

Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Less Amounts Available In Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value of Property*	Per Capita
2012	\$ 61,384,882	\$ 1,786,492	\$ 59,068,663	0.77%	\$ 3,048.71
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

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

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

City of Lake Forest

Direct and Overlapping Governmental Activities Debt

April 30, 2021

Governmental unit	Gross Debt	Percentage Debt Applicable to the City of Lake Forest*	City of Lake Forest Share of Debt
Lake County	\$ 147,785,000	9.94%	\$ 14,689,829
Lake County Community College #532	47,300,000	10.48%	4,957,040
Lake County Forest Preserve District	200,815,000	9.94%	19,961,011
School District #67	3,510,000	100.00%	3,510,000
School District #103	6,785,000	0.01%	679
High School District #115	20,505,000	79.50%	16,301,475
Subtotal, overlapping debt	426,700,000		63,374,712
City of Lake Forest direct debt	28,339,248	100.00%	28,339,248
Total direct and overlapping debt	<u>\$ 455,039,248</u>		<u>\$ 91,713,960</u>

Source: Lake County Clerk

District Bond Principal Payments Report

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

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

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City.

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

City of Lake Forest

Legal Debt Margin Information Last Ten Fiscal Years

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Debt limit	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total net debt applicable to limit	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Legal debt margin	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total net debt applicable to the limit as a percentage of debt limit	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

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

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

City of Lake Forest

Pledged Revenue Coverage

Last Ten Fiscal Years

Waterworks and Sewerage and Golf Course Bonds								
Fiscal Year	Gross Revenue	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage		
				Principal	Interest			
2012	\$ 8,767,029	\$ 6,358,960	\$ 2,408,069	\$ 1,651,000	\$ 661,906	1.04		
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		

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

City of Lake Forest

Demographic and Economic Information
Last Ten Fiscal Years

Fiscal Year	Population		Equalized Accessed Valuation (EAV)		Per Capita EAV		Personal Income	Per Capita Personal Income	Unemployment Rate
2012 *	19,375	(A)	\$ 2,565,080,023	\$	132,391	\$	1,493,657,500	\$ 77,092	6.8%
2013 *	19,375	(A)	2,378,047,139		122,738		1,493,657,500	77,092	6.7%
2014 *	19,375	(A)	2,253,547,404		116,312		1,493,657,500	77,092	6.7%
2015 *	19,375	(A)	2,250,468,636		116,153		1,493,657,500	77,092	5.4%
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	3.9%
2019 *	19,375	(A)	2,526,924,079		130,422		1,493,657,500	77,092	3.7%
2020 *	19,375	(A)	2,457,796,598		126,854		1,493,657,500	77,092	3.8%
2021 *	19,375	(A)	2,396,662,125		123,699		1,493,657,500	77,092	6.3%

(A) Actual

(E) Estimate by City of Lake Forest

Data Source

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

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

City of Lake Forest

Principal Employers

Current Year and Nine Years Ago

Employer	2021			2012		
	Employees	Rank	% of Total City Population	Employees	Rank	% of Total City Population
Northwestern Medicine Lake Forest Hospital	1,456	1	7.51%	1,600	1	8.26%
Abbott	826	2	4.26%			
Hospira Inc.	821	3	4.24%	1,350	2	6.97%
Pfizer	**					
Trustmark Insurance Company	618	4	3.19%	800	3	4.13%
Pactiv Corporation	437	5	2.26%	470	5	2.43%
Lake Forest College excludes student employees	418	6	2.16%	514	4	2.38%
Lake Forest H.S. District 115 teacher, support staff	362	7	1.87%	351	7	1.81%
Lake Forest Elem. S.D. No. 67	346	8	1.79%	357	6	1.84%
Packaging Corporation of America	298	9	1.54%			
City of Lake Forest	210	10	1.08%	227	9	1.17%
Coyote Logistics, LLC				275	8	1.42%
Brunswick Corporation Packaging Corp	-			200	10	1.03%

Data Source

City staff contacted companies via mail.

** No response received

City of Lake Forest

Full-Time Equivalent Employees

Last Ten Fiscal Years

Full-Time-Equivalent Budgeted Employees as of April 30										
Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Government										
Administration	25	25	25	25	25.0	25.4	23.5	23.8	23.75	24.75
Community Development	12.5	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	33	32	32	32	32
Administrative	2.5	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Police										
Officers	40	40	40	40	40	40	40	40	40	40
Civilians	18	18.0	18.0	18.0	8.0	9.0	7.0	7.0	7.0	7.0
Public Works										
Public Works Administration	4	4	4	4	4	4	4	4	4	4
Building Maintenance	6	6	7	7	7	7	7	7	7	7
Engineering	5	5	5	5	5	5	5	5	5	5
Streets	7	8	8	7.5	7.5	8.0	8.0	8.0	8.0	8.0
Sanitation	12	12	11	10.5	10.5	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	7	6.5	6.5	6.5	6.5	6.5	6.5
Water and Sewer	10	10	9	9	8.5	8.5	8.5	8.5	8.5	8.5
Parks	15.4	15.4	15.4	15.4	15.4	15.0	15.0	15.0	15.0	15.0
Recreation	15.4	15.4	15.4	15.4	15.4	16.0	16.0	16.0	16.0	16.0
Golf Course	3.2	2.2	2.2	2.2	2.2	0.0	0.0	0.0	0.0	0.0
Cemetery	2	2	2	2	2	2	3	3	3	3
Senior Resources	3	3	3	3	3	3	3	3	3	3
Sub - total City	227	226	224	224	214	213.4	209.5	209.75	209.75	210.75
Library	27.90	27.8	28.2	28.2	29.2	30.5	30.5	31.0	30.0	31.0
Total all	254.9	253.8	252.2	252.2	243.2	243.9	240	240.75	239.75	241.75

Data Source

City Departments and employee totals as of April 30th

City of Lake Forest

Operating Indicators

Last Ten Fiscal Years

Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Government										
City Clerk										
Real Estate Transfer Tax (1)										
Number of Transactions	297	382	440	394	355	361	425	418	369	663
Rebates Issued	37	40	67	40	44	37	40	45	33	63
Birth Certificates Issued	2,821	2,675	2,250	2,556	2,575	2,474	2,807	2,759	2,525	2,617
Passports Issued (2)	29	0	0	0	0	0	0	0	0	0
Community Development										
Building permits issued	3,451	3,197	3,418	3,667	3,855	3,632	3,753	4,275	3,716	3,847
Residential construction	11	7	13	20	27	21	9	13	18	29
Commercial construction	1	2	1	1	1	1	4	-	1	2
Building inspections conducted	8,645	8,925	8,651	9,657	11,009	11,707	10,798	11,214	10,586	10,466
Public Safety										
Fire protection										
I.S.O. rating	4	4	4	4	4	3	3	3	3	3
Number of calls answered										
EMS	1,607	1,726	1,574	1,785	1,712	1,923	1,909	1,839	2,232	1,868
Fire	1,734	1,403	1,497	1,503	1,367	1,385	1,448	1,450	1,448	1,127
Police (calendar year)										
Non traffic arrests	335	237	191	89	166	129	76	157	83	80
Parking violations	7,114	7,013	5,979	5,250	3,907	5,396	4,325	6,891	3,748	1,107
Traffic violations	2,028	2,220	1,877	1,741	1,985	1,718	949	1,909	1,583	1,487
Public Works										
Streets										
Street resurfacing (miles) (calendar year)	7.09	5.92	5.00	5.50	2.40	3.28	2.63	2.20	3.40	1.90
Number of snow events										
Salting	14	23	27	21	24	15	10	9	6	5
Plowing	12	12	21	20	10	5	10	9	10	14
Inches of snow	21	36	48	50	24	22	45	46	26	63
Sanitation										
Refuse collection customers	6,471	6,472	6,462	6,654	6,295	6,467	6,467	6,484	6,503	6,527
Parks and Recreation (3)										
Fitness										
Number of programs	322	264	336	181	346	215	200	257	246	682
Units of participation	1,196	1,060	1,587	1,216	1,271	1,473	1,430	1,446	1,442	2,079
Athletics										
Number of programs	309	283	270	341	168	275	237	466	460	792
Units of Participation	2,932	2,704	2,524	2,282	1,348	2,006	2,026	1,931	1,958	561
Lakefront, Early Childhood Education and Lifetime Activities										
Number of programs	395	319	294	126	130	176	161	228	223	298
Units of participation	1,424	1,576	1,380	752	1,393	1,221	1,385	1,679	1,685	443
Cultural Arts/Special Events										
Number of programs	270	306	286	87	147	286	246	310	312	550
Units of participation	2,008	1,972	1,999	1,329	1,579	4,133	4,743	5,064	5,078	1,698

City of Lake Forest

Operating Indicators (Continued)
Last Ten Fiscal Years

Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Wildlife Discovery Center, Ridge Teams Course and Adventure										
Number of programs	104	37	47	20	20	26	34	31	33	24
Units of participation	582	301	360	2,263	2,802	3,685	2,148	2,233	2,224	98
Developed parks and recreation areas	10	10	10	10	11	11	11	10	11	11
Developed park acreage	404	404	404	404	405	405	405	344	344	344
Sites with playgrounds	8	9	9	9	9	9	9	9	9	9
Sites with baseball diamonds	8	8	8	8	8	8	8	8	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	5	4	4
Sites with tennis courts	6	6	6	6	6	6	6	6	6	6
Deer Path Golf Course										
Size	18 holes	18 holes	18 holes	18 holes	18 holes	18 holes	18 holes	18 holes	18 holes	18 holes
Rounds of Play	31,949	30,321	29,435	27,956	29,445	27,101	24,631	26,184	24,666	24,508
Daily fee	14,466	13,646	17,449	17,646	20,478	19,755	18,660	21,172	20,089	20,380
Seasonal	17,483	16,675	11,986	10,310	8,967	7,346	5,971	5,012	4,577	4,128
Water										
New Connections (tap-ons)	22	20	28	33	66	30	23	29	21	27
Meters in operation	6,755	6,754	6,751	6,764	6,810	6,854	6,854	6,840	6,850	6,899
Meters connected to sewerage system	6,583	6,584	6,587	6,577	6,645	6,718	6,778	6,766	6,789	6,832
Average daily consumption (MGD)	3.759	4.202	3.652	3.250	3.162	3.499	3.550	3.430	3.132	3.400
Peak daily consumption (MGD)	11.805	10.298	8.611	7.345	8.268	8.315	8.926	7.247	7.916	8.180
Rated daily pumping capacity (MGD)	14	14	14	14	14	14	14	14	14	14
Total gallons pumped during fiscal year (in millions)	1,372.0	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
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	145,539	147,330	148,318	146,214	146,153	221,568	248,598	147,024	149,026	122,852
Registered borrowers	16,200	15,160	15,403	15,440	15,460	15,518	13,588	13,946	7,908	9,408
Fiscal yearbooks, items or materials circulation	485,450	457,632	450,876	410,852	383,561	376,144	551,232	366,128	346,603	262,366

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	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Public Safety										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Vehicles	23	25	23	23	21	24	24	23	23	23
Fire protection										
Stations	2	2	2	2	2	2	2	2	2	2
Vehicles	14	14	17	15	17	17	15	18	18	19
Public Works										
Bridges										
Vehicle	14	14	14	14	14	14	14	14	14	14
Pedestrian	12	12	12	12	12	12	12	13	13	13
Streets										
Streets (centerline miles)	119.00	119.00	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	1,526	1,536	1,570	1,570	1,570	1,570	1,570	1,570	1,570
Storm sewer (miles)	219.41	219.41	219.41	219.41	219.43	219.43	219.46	219.54	219.54	219.54
Parks and Recreation										
Acreage	403.7	404	404	404	405	405	405	344	344	344
Water										
Water mains (miles)	165.25	165.25	165.79	166.44	166.44	166.89	167.68	167.68	167.73	167.84
Fire hydrants	1,362	1,362	1,362	1,511	1,511	1,511	1,519	1,374	1,400	1,400
Wastewater										
Sanitary sewers (miles)	138.95	138.90	138.95	138.95	139.43	139.43	140.25	140.25	140.25	140.25

Data Source

City departments

N/A = data not available