

# **Annual Comprehensive Financial Report**



**City of Lake Forest, Illinois**

**For the Year Ended April 30, 2023**

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

Fiscal Year Ended April 30, 2023

City of Lake Forest Finance Department

Elizabeth Holleb, Finance Director  
Diane Hall, Assistant Finance Director

# City of Lake Forest

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Table of Contents  
Year Ended April 30, 2023

	<u>Page</u>
<b>Introductory Section</b>	
Transmittal Letter	i
Certificate of Achievement for Excellence in Financial Reporting	viii
Organizational Chart	ix
List of Principal Officials	x
<b>Financial Section</b>	
<b>Independent Auditors' Report</b>	<b>1</b>
<b>Required Supplementary Information</b>	
Management's Discussion and Analysis	4
<b>Basic Financial Statements</b>	
Government-Wide Financial Statements	
Statement of Net Position	17
Statement of Activities	19
Fund Financial Statements	
Balance Sheet - Governmental Funds	20
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	21
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	22
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	23
Statement of Net Position - Proprietary Funds	24
Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds	26
Statement of Cash Flows - Proprietary Funds	27
Statement of Fiduciary Net Position - Fiduciary Funds	29
Statement of Changes in Fiduciary Net Position - Fiduciary Funds	30
Index to Notes to Financial Statements	31
Notes to Financial Statements	32

# City of Lake Forest

---

Table of Contents  
April 30, 2023

	<u>Page</u>
<b>Required Supplementary Information</b>	
<b>General Fund</b>	
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund	80
<b>Special Revenue Fund</b>	
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Parks and Recreation Fund	81
<b>Historical Pension and Other Postemployment Benefit Information</b>	
Illinois Municipal Retirement Fund - Schedule of Changes in the City's Net Pension Liability/(Asset) and Related Ratios	82
Illinois Municipal Retirement Fund - Schedule of Employer Contributions	85
Police Pension Fund - Schedule of Changes in the City's Net Pension Liability and Related Ratios	86
Police Pension Fund - Schedule of Employer Contributions	87
Police Pension Fund - Schedule of Investment Returns	89
Firefighters' Pension Fund - Schedule of Changes in the City's Net Pension Liability and Related Ratios	90
Firefighters' Pension Fund - Schedule of Employer Contributions	91
Firefighters' Pension Fund - Schedule of Investment Returns	93
Other Postemployment Benefits Plan - Schedule of Changes in the City's Total OPEB Liability and Related Ratios	94
Notes to Required Supplementary Information	95
<b>Supplementary Information</b>	
<b>Governmental Funds</b>	
Combining Balance Sheet - Nonmajor Governmental Funds	96
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	98
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual	
Police Restricted Fund	100
Foreign Fire Insurance Tax Fund	101
Emergency Telephone Fund	102
Parks and Public Land Fund	103
Motor Fuel Tax Fund	104

# City of Lake Forest

---

Table of Contents  
April 30, 2023

	<u>Page</u>
Senior Resources Commission Fund	105
Housing Trust Fund	106
General Cemetery	107
Debt Service Fund	108
Laurel/Western Redevelopment TIF Fund	109
Capital Improvements Fund	110
<b>Enterprise Funds</b>	
Schedules of Revenues, Expenses and Nonoperating Revenues (Expenses) - Budget and Actual (Budgetary Basis)	
Waterworks and Sewerage Fund	111
Deerpath Golf Course Fund	112
<b>Internal Service Funds</b>	
Combining Statement of Net Position	113
Combining Statement of Revenues, Expenses and Changes in Net Position	114
Combining Statement of Cash Flows	115
Schedules of Revenues, Expenses and Nonoperating Revenues - Budget and Actual (Budgetary Basis)	
Fleet Fund	116
Self Insurance Fund	117
Liability Insurance Fund	118
<b>Fiduciary Funds</b>	
Combining Statement of Fiduciary Net Position - Pension Trust Funds	119
Combining Statement of Changes in Fiduciary Net Position - Pension Trust Funds	120
Schedule of Changes in Fiduciary Net Position - Budget and Actual	
Police Pension Fund - Pension Trust Fund	121
Firefighters' Pension Fund - Pension Trust Fund	122
<b>Other Supplementary Schedules</b>	
Statement of Net Position and General Fund Balance Sheet - Discretely Presented Component Unit - Lake Forest Library	123
Statement of Activities and General Fund Statement of Revenues, Expenditures and Changes in Fund Balance - Discretely Presented Component Unit - Lake Forest Library	124

# City of Lake Forest

---

Table of Contents  
April 30, 2023

	<u>Page</u>
Summary of Debt Service Requirements to Maturity	125
Debt Service Requirements to Maturity - General Obligation Bonds	126
Special Service Area 29 Special Tax Bonds - 2004 Series	129
General Obligation Bonds - 2015 Series	130
General Obligation Bonds - 2017 Series	131
General Obligation Bonds - 2019 Series	132
General Obligation Bonds - 2021 Series	133
General Obligation Bonds - 2023 Series	134
Combining Balance Sheet - Debt Service Fund	135
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Debt Service Fund	137
<b>Statistical Section</b>	
Net Position by Component - Last Ten Fiscal Years	139
Change in Net Position - Last Ten Fiscal Years	140
Fund Balances of Governmental Funds - Last Ten Fiscal Years	142
Change in Fund Balances for Governmental Funds - Last Ten Fiscal Years	143
Assessed Value and Actual Value of Taxable Property - Last Ten Levy Years	144
Property Tax Rates - Direct and Overlapping Governments - Last Ten Levy Years	145
Principal Property Taxpayers - Current Year and Nine Years Ago	146
Property Tax Levies and Collections - Last Ten Levy Years	147
Tax Extensions for City Funds - Last Ten Levy Years	148
Sales Tax Base and Number of Principal Payers - Taxable Sales by Category - Home Rule Sales Tax - Last Ten Calendar Years	149
Sales Tax Base and Number of Principal Payers - Taxable Sales by Category - Municipal Sales Tax - Last Ten Calendar Years	150
Direct and Overlapping Sales Tax Rates - Last Ten Fiscal Years	151
Ratios of Outstanding Debt by Type - Last Ten Fiscal Years	152
Ratios of General Bonded Debt Outstanding - Last Ten Fiscal Years	153
Direct and Overlapping Governmental Activities Debt	154
Legal Debt Margin Information - Last Ten Fiscal Years	155
Pledged Revenue Coverage - Last Ten Fiscal Years	156

# City of Lake Forest

---

Table of Contents  
April 30, 2023

	<u>Page</u>
Demographic and Economic Information - Last Ten Fiscal Years	157
Principal Employers - Current Year and Nine Years Ago	158
Full-Time Equivalent Employees - Last Ten Fiscal Years	159
Operating Indicators - Last Ten Fiscal Years	160
Capital Asset Statistics - Last Ten Fiscal Years	162



October 19, 2023

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

The Annual Comprehensive Financial Report of the City of Lake Forest (City) for the year ended April 30, 2023, 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.

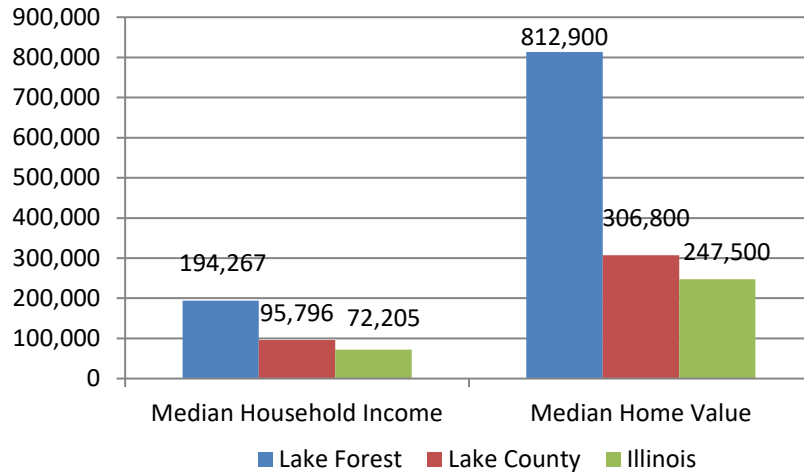
The City's financial statements have been audited by Baker Tilly US, LLP, a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City of Lake Forest for the fiscal year ended April 30, 2023, are free of 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, 2023, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

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



## Profile of The City of Lake Forest

The City of Lake Forest was incorporated as a city under a charter granted by the Illinois State Legislature in 1861 and amended in 1869. Lake Forest is a residential community of 19,367 people and has a land area of 17.18 square miles. It is situated on Lake Michigan, thirty miles north of downtown Chicago in Lake County. In its American Community Survey, 2017-2021 estimates, the U.S. Census Bureau reported the City had a median household income and median home value significantly higher than comparable figures for Lake County and the State of Illinois:



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

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

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

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

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

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

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

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

### ***Factors Affecting Financial Condition***

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

- Unemployment levels in Lake Forest are well below the levels for Lake County and the State of Illinois. For calendar year 2022, the City's annual average unemployment rate was estimated to be 3.5%, compared to 4.2% for Lake County and 4.6% 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 2023, the index was 106.1, down from 117.0 in July, and comparing favorably to the August 2022 index of 103.2. The index remains above 90, the minimum level associated with a healthy economy. An index above 100 signals growth.

As revenues declined in 2008-2010 due to national economic conditions, the City has proactively reduced operating expenses to ensure a balanced budget and compliance with the City's fiscal policies. Since personnel costs represent approximately 72.5% of the General Fund operating budget, it has been necessary to achieve cost savings through reduced personnel. In fiscal years (FY) 2004-2024, the City has reduced budgeted full-time employees by 43 positions (16.44%), 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 FY2023 budget estimates in aggregate. Effective May 1, 2014, the City implemented a new sanitation fee that generates \$930,000 per year. This revenue is currently deposited to the General Fund. Effective May 1, 2017, the City implemented a new Public Safety Pension Fee to increase public awareness of the challenges in meeting police and fire pension obligations. Effective July 1, 2019, the City increased the Home Rule Sales tax from .5% to 1% to fund capital improvement projects.

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

returned to 100% funding of the City's portion of income tax distributions, which has been incorporated into the FY24 budget. The City Council and staff continue to budget conservatively and discuss fiscal scenarios for future years should the State continue to tap local revenues to balance its budget or in the event the State imposes property tax limitations on local units of government.

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

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

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

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

In Fiscal Year 2016, the City Council adopted revisions to the Fiscal Policy effective for FY2017 and continuing through FY2023. The revised policy clarified the applicability of the Property Tax Extension Limitation Law to the City, established a policy for setting aside reserves to meet the City's Other Post-Employment Benefits (OPEB) liability, revised the financing parameters for establishment of Special Service Areas, and committed to minimizing reliance on State and/or Federal revenues to fund core services.

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

**Long-Term Financial Planning.** The City is funding infrastructure expenditures primarily on a pay-as-you-go basis from dedicated revenues. A real estate transfer tax is imposed on residential and commercial

real estate transactions and is deposited into the Capital Improvements Fund. The transfer tax of \$4.00 per \$1,000 of value is levied on the buyer of the real estate. FY2023 real estate transfer tax revenue totaled \$2.1 million, which is \$.5 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, 2023, the most recent actuarial valuation date, the funded ratio for the Police Pension Plan is 54.91% and for the Firefighters' Pension Plan is 67.12%. Funding ratios were negatively impacted by investment returns of 1.15% for the Police Pension Fund and .56% for the Firefighters' Pension Fund in FY23.

All other employees of the City who work over 1,000 hours per year are covered by the Illinois Municipal Retirement Fund (IMRF), a statewide pension plan. Benefit provisions and funding requirements are established by State statutes and may only be changed by the Illinois General Assembly. Employees participating are required to contribute 4.5% of their annual wages and the City is required to contribute the remaining amounts necessary to fund the coverage of its employees in the plan. Funding ratios were negatively impacted as of December 31, 2022 due to a 2022 investment return of -12.9%, the funded ratio for IMRF is 91.59%, including the actuarial accrued liability for retirees which is 100% funded.

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

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

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

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

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

**Leases.** Implementation of GASB Statement No. 87, *Leases* for Fiscal Year 2023 has resulted in changes to the reporting of leases for both the financial statements and government-wide financial statements. Lease receivables and corresponding deferred inflow of resources are now recorded on the financial statements. For FY23, this resulted in the addition of \$1.8 million in receivables to cover the anticipated lease revenue over the course of the lease.

## Major Initiatives

The City is committed to maintaining the quality of life and preserving the character and heritage of Lake Forest. The City will continue to adhere to its prudent financial management practices and remain focused on sustaining long-term financial stability. For FY2023, the most significant initiatives were as follows:

- In January 2015, the City Council approved ordinances adopting a Tax Increment Financing (TIF) District on a 10-acre site at the north end of the Commercial Business District. In FY2016, the City completed required demolition of existing structures and remediation of the site. In April 2016, the City Council approved a First Amendment to the Purchase/Sale Agreement, redevelopment agreement, final plat of subdivision and Final Development Planned Development Ordinance. The purchase price of the City property was \$12 million, consisting of \$5.625 million paid to the City at closing and a TIF Note of \$6.375 million between the City and the developer. The TIF Note was subsequently assigned by the developer to the City to allow repayment of the note from future TIF increment. The plan includes 165 total units – 12 single family homes, 42 condominium units and 111 apartments. As of April 30, 2023 construction of the three apartment buildings is complete and fully occupied. The first of the two condominiums are complete with all 24 units sold. Construction of the second building is imminent; construction plans have been submitted for City review. Nine single family homes have been sold and one additional home is under construction. The first Note payment was made in FY22. In FY23, the Note payment of \$900,000 from Tax Increment proceeds for the sale of the property to a developer was made. A total of \$1.4 million has been paid on the

outstanding Note. Additional information on the City's TIF District, may be found in Note 4 of the financial statements.

- Public Act 101-0610, effective January 1, 2020, mandates the consolidation of investment assets for all local police and fire pension funds for investment purposes only. In November 2021, the City's Fire Pension Board transferred its investment assets to the consolidated fire investment fund. A similar transfer of Police Pension Fund investment assets was completed in June 2022.
- In December 2021, the City Council authorized \$1,183,174 for the replacement of the Illinois and Woodland Pedestrian Bridges.
- In April 2022, the City Council authorized \$5,007,229 for the construction of Burr Oak Area Storm Sewer Project.
- In September 2022, the City received the second of two payments from the American Rescue Plan Act. The City received a total of \$2.6 million which will be used to fund a storm sewer project.
- In September 2022, the City Council approved \$268,363 for the Forest Park Beach Restoration Project.
- In February 2023, the City Council approved \$16,431,870 for the Deerpath Park Athletic Field Improvement Project. The project to be funded through transfers from General Fund operating surplus, General Obligation Bond (GOB) issue and Parks and Public Land Fund.
- In March 2023, the City Council approved \$905,000 for renovations of the Cemetery Memorial Garden, to be financed through a loan from the City's General Fund.
- In April 2023, the City issued General Obligation Bonds, Series 2023 \$10,770,000 to fund the Deerpath Park Athletic Field Project.

### ***Awards and Acknowledgements***

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to The City of Lake Forest for its annual comprehensive financial report for the fiscal year ended April 30, 2022. This was the 44th consecutive year that the City of Lake Forest has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

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

Respectfully submitted,



Jason Wicha  
City Manager



Elizabeth A. Holleb  
Finance Director



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Lake Forest  
Illinois**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

April 30, 2022

*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, 2023

LEGISLATIVE

City Council

George Pandaleon, Mayor

James E. Morris

Melanie Rummel

Nancy P. Novit

Ted Notz Jr.

Jim Preschlack

Ara Goshgarian

Eileen Looby Weber

AUDIT COMMITTEE

Tara Janos, Chairman

Tighe Magnuson

Fritz Hirsch

Mark Dillon

Terry Mieling

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 Audit of the Financial Statements**

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Lake Forest, Illinois (the City), as of and for the year ended April 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City as of April 30, 2023 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Emphasis of Matter***

As discussed in Note 1, the City adopted the provisions of GASB Statement No. 87, *Leases*, effective May 1, 2022. Our opinions are not modified with respect to this matter.

#### ***Responsibilities of Management for the Financial Statements***

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

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

## ***Auditors' Responsibilities for the Audit of the Financial Statements***

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

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

### ***Required Supplementary Information***

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

### ***Supplementary Information***

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

### ***Other Information***

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

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

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated October 19, 2023 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



Oak Brook, Illinois  
October 19, 2023

**CITY OF LAKE FOREST, ILLINOIS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**  
**APRIL 30, 2023**

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 \$10.6 million for the fiscal year ending April 30, 2023 (FY23). Governmental net position increased \$9.8 million and business-type net position increased \$.8 million.
- The governmental activities revenue increased by \$5.9 million (8.9%) due primarily to increased investment income of \$3.7 million. The expenses increased by \$11.3 million (22.3%) due primarily to adjustments related to pensions.
- The business-type activities revenue decreased by \$1.2 million (10.5%) primarily due to a decrease in charges for services in the Water and Sewer Fund. The City's business-type activity expenses increased by \$1.1 million (11.4%) due primarily to pension adjustments and non-capitalized improvements.
- The total cost of all City programs increased from \$60.3 million in FY22 to \$72.7 million in FY23 – an increase of \$12.4 million or 20.6% - attributable to, pension adjustments and non-capitalized improvements.

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

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

**Government-Wide Financial Statements**

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

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

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

**CITY OF LAKE FOREST, ILLINOIS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**  
**APRIL 30, 2023**

**Fund Financial Statements**

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

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

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

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

**Infrastructure Assets**

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

**GOVERNMENT-WIDE STATEMENT**

**Statement of Net Position**

The City's combined net position increased by \$10.6 million for FY23 – from \$253.9 million to \$264.5 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 \$9.8 million – from \$201.9 million to \$211.7 million. The business-type activities net position increased by \$.8 million – from \$52.0 million to \$52.8 million. Table 1 reflects the condensed Statement of Net Position compared to FY22. Table 2 will focus on the changes in net position of the governmental and business-type activities.

**CITY OF LAKE FOREST, ILLINOIS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**  
**APRIL 30, 2023**

**Table 1**  
**Statement of Net Position**  
**As of April 30, 2022 and 2023**  
(in millions)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2022	2023	2022	2023	2022	2023
Current and Other Assets	\$140.2	\$150.7	\$16.5	\$17.7	\$156.7	\$168.4
Capital Assets	192.0	194.2	51.3	48.5	243.3	242.7
<b>Total Assets</b>	<b>332.2</b>	<b>344.9</b>	<b>67.8</b>	<b>66.2</b>	<b>400.0</b>	<b>411.1</b>
<b>Deferred Outflows</b>	<b>8.5</b>	<b>19.3</b>	<b>.3</b>	<b>1.3</b>	<b>8.8</b>	<b>20.6</b>
Long- Term Liabilities	83.0	106.5	13.2	12.2	96.2	118.7
Other Liabilities	9.7	11.6	.8	.9	10.5	12.5
<b>Total Liabilities</b>	<b>92.7</b>	<b>118.1</b>	<b>14.0</b>	<b>13.1</b>	<b>106.7</b>	<b>131.2</b>
<b>Deferred Inflows</b>	<b>46.1</b>	<b>34.4</b>	<b>2.1</b>	<b>1.6</b>	<b>48.2</b>	<b>36.0</b>
<b>Net Position:</b>						
Net Investment in						
Capital Assets	165.8	170.0	38.6	37.9	204.4	207.9
Restricted	57.7	50.8	2.0		59.7	50.8
Unrestricted	(21.6)	(9.1)	11.4	14.9	(10.2)	5.8
<b>Total Net Position</b>	<b>\$201.9</b>	<b>\$211.7</b>	<b>\$52.0</b>	<b>\$52.8</b>	<b>\$253.9</b>	<b>\$264.5</b>

For more detailed information see the Statement of Net Position.

**Normal Impacts**

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

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

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

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

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

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

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

**CITY OF LAKE FOREST, ILLINOIS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**  
**APRIL 30, 2023**

**Current Year Impacts**

The City's \$10.6 million increase in combined net position (which is the City's bottom line) was the result of the governmental activities net position increasing by \$9.8 million and the business-type activities net position increasing by \$.8 million.

The governmental activities total assets increased by \$12.7 million (3.8%) and the governmental activities total liabilities increased by \$25.4 million (27.4%). 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. The increase in total liabilities is due primarily to increases in long term obligations relating to pension liabilities. See additional information in the Long-Term Obligations and Employees' Retirement System sections of the Notes to Financial Statements and the Debt Outstanding section of the MD&A.

The increase in deferred outflows of \$10.8 million relates to pensions, and a decrease in deferred inflows of \$11.7 million relates to pensions offset by an increase in property taxes levied for future periods, OPEB and the addition of leases with the implementation of GASB Statement No. 87.

Net investment in capital assets increased by \$4.2 million (2.5%) due to the completion of the Burr Oak Storm Water project and the pay down of G.O. Bonds that funded the capital assets. Restricted net position decreased \$6.9 million largely due to decreased restricted net positions related to employee retirements (\$12.8 million) offset by excess fund balance from the General Fund transferred to the Capital Improvement Fund to fund the FY24 synthetic turf project (\$4.0 million) and increased investment income (\$3.7 million). Unrestricted net position decreased by \$12.5 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 \$.8 million, from \$52.0 million to \$52.8 million. The primary change in assets of the business-type activities was an increase of unrestricted net position (\$3.5 million) primarily due to the net effect of GASB 68 reporting offset by a decrease in capital assets (\$.7 million) and a decrease in restricted net position for employee retirements (\$2.0 million).

Long-term liabilities decreased by \$1.0 million due to scheduled maturities of debt obligations. Net investment in capital assets decreased by \$.7 million due to bond-funded capital improvements, restricted net position decreased by \$2.0 million related to employee retirements and unrestricted net position increased by \$3.5 million. The majority of the unrestricted net position can be used by the City to finance water and sanitary sewer operations. The City has a policy of maintaining 33% of revenue plus one year's debt service plus \$500,000 as a reserve in its water fund. The annual operating cost for this program is approximately \$8.7 million per year and interest expense on bonds is \$.3 million.

**Changes in Net Position**

The City's combined change in net position was an increase of \$10.6 million in FY23. The City's total revenues increased by \$4.7 million, primarily driven by increased property taxes, intergovernmental taxes and investment income. The City's cost of all programs increased by \$12.4 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.



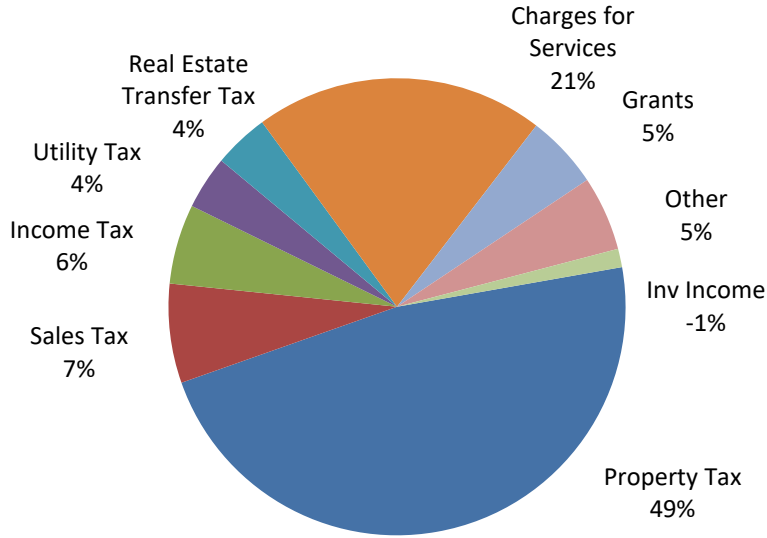
**CITY OF LAKE FOREST, ILLINOIS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**  
**APRIL 30, 2023**

**Table 2**  
**Changes in Net Position**  
**For the Fiscal Year Ended April 30, 2022 and 2023**  
**(in millions)**

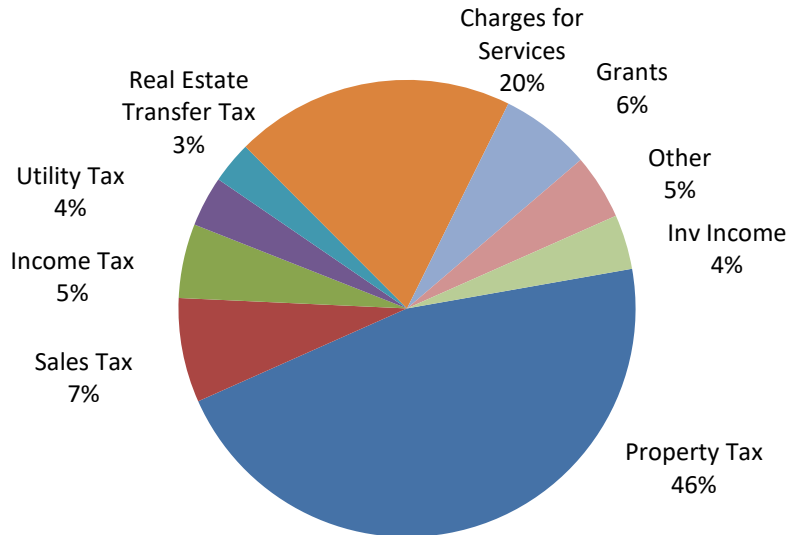
	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total Primary Government</b>	
	<b>2022</b>	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>	<b>2023</b>
<b>REVENUE</b>						
Program Revenue						
Charges for Services	\$13.9	\$14.2	\$11.5	\$10.6	\$25.4	\$24.8
Grants and Contributions						
Operating	1.2	1.3	0.0	0.0	1.2	1.3
Capital	2.4	3.4	0.6	0.1	3.0	3.5
General Revenue						
Property Taxes	32.1	33.1			32.1	33.1
Other Taxes	7.4	7.3			7.4	7.3
Intergovernmental - Taxes	8.1	8.2			8.1	8.2
Interest Revenue	(0.9)	2.8	0.1	0.5	(0.8)	3.3
Other	1.8	1.6	0.4	0.2	2.2	1.8
<b>Total Revenue</b>	<b>66.0</b>	<b>71.9</b>	<b>12.6</b>	<b>11.4</b>	<b>78.6</b>	<b>83.3</b>
<b>EXPENSES</b>						
Governmental Activities						
General Government	11.2	15.2			11.2	15.2
Highways and Streets	6.9	8.0			6.9	8.0
Sanitation	1.9	3.0			1.9	3.0
Culture and Recreation	9.2	12.4			9.2	12.4
Public Safety	20.6	22.9			20.6	22.9
Interest	0.9	0.5			0.9	0.5
Business-Type Activities						
Water and Sewer			7.4	8.5	7.4	8.5
Golf			2.2	2.2	2.2	2.2
<b>Total Expenses</b>	<b>50.7</b>	<b>62.0</b>	<b>9.6</b>	<b>10.7</b>	<b>60.3</b>	<b>72.7</b>
<b>Excess before Transfers</b>	<b>15.3</b>	<b>9.9</b>	<b>3.0</b>	<b>0.7</b>	<b>18.3</b>	<b>10.6</b>
Transfers In (out)	0.0	(0.1)	0.0	0.1	0.0	0.0
Change in Net Position	15.3	9.8	3.0	0.8	18.3	10.6
<b>Net Position - Beginning</b>	<b>186.6</b>	<b>201.9</b>	<b>49.0</b>	<b>52.0</b>	<b>235.6</b>	<b>253.9</b>
<b>Net Position - Ending</b>	<b>\$201.9</b>	<b>\$211.7</b>	<b>\$52.0</b>	<b>\$52.8</b>	<b>\$253.9</b>	<b>\$264.5</b>

**CITY OF LAKE FOREST, ILLINOIS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**  
**APRIL 30, 2023**

**FY2022 Governmental Activities Revenue**

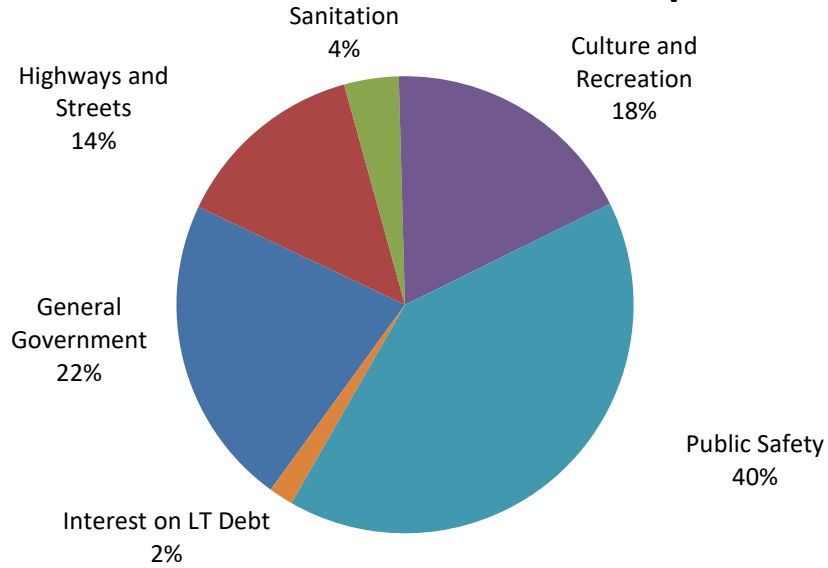


**FY2023 Governmental Activities Revenue**

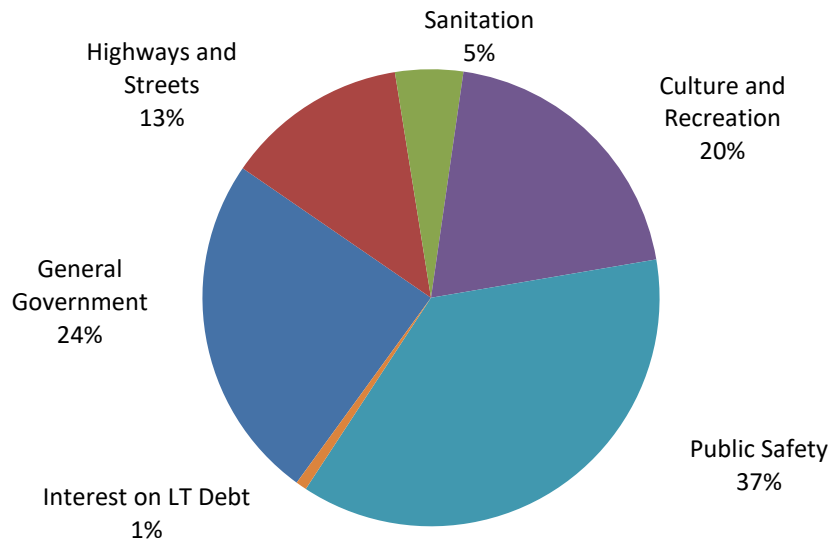


**CITY OF LAKE FOREST, ILLINOIS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**  
**APRIL 30, 2023**

**FY2022 Governmental Activities Expenses**



**FY2023 Governmental Activities Expenses**



**CITY OF LAKE FOREST, ILLINOIS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**  
**APRIL 30, 2023**

**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 72.5% 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, 2023, revenues from governmental activities totaled \$71.9 million, increasing \$5.9 million compared to FY22. The primary changes occurred in Property Taxes (up \$1.0 million), Charges for Services (up \$.3 million), Grants and Contributions (up \$1.1 million), Sales Taxes (up \$.5 million), Interest Revenue (up \$3.7 million) and Real Estate Transfer Taxes (down \$.5 million). Investment income increased due to rising interest rates. Real Estate Transfer Tax decreased due to declining housing market impacted by rising interest rates. Property tax revenue continues to be the City's single largest revenue source, contributing \$33.1 million (46.0%) of governmental activities revenue.

Property tax revenues combined with sales tax, the local utility tax, shared state income tax and real estate transfer tax revenues total \$46.9 million and represent 65.2% of the total governmental activities' revenue.

**CITY OF LAKE FOREST, ILLINOIS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**  
**APRIL 30, 2023**

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 2022 equalized assessed valuation increased 1.8% compared to the prior year and totaled \$2,426,166,029. 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 3.1% over FY22 in property taxes was generated as a result of the City Council adopting a 2.5% increase in the levy and new growth. The City received \$1.5 million from the Laurel/Western Redevelopment TIF District, which are not included in the City Council approved tax levy. While the tax cap applicable to this levy was 1.4%, the levies for debt service, Police and Fire Pensions and capital improvements combined exceeded the tax cap.

Investment income increased by \$3.7 million, from \$-.9 million to \$2.8 million. The City's strategy for investing did not change but the City was impacted by changing market conditions primarily due to increased interest rates.

**Expenses**

For the fiscal year ended April 30, 2023, expenses for governmental activities totaled \$62.0 million, an increase of \$11.3 million (22.3%). The increase is due in large part to pension adjustments. Increases in personnel costs, which represent nearly 72.5% 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 FY23 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 decreased by \$1.2 million (10.5%) primarily due to a decrease of charges for services in the Water and Sewerage Fund offset by increases in the Golf Course Fund and decreases in contributions of \$.5 million in the Golf Course Fund.

**Expenses**

The City's business-type activity expenses increased by \$1.1 million (11.4%) primarily due to increased operating expenses and pension adjustments in the Water and Sewerage Fund.

**CITY OF LAKE FOREST, ILLINOIS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**  
**APRIL 30, 2023**

**FINANCIAL ANALYSIS OF THE CITY'S FUNDS**

**Governmental Funds**

At April 30, 2023, the governmental funds (as presented on the balance sheet) reported a combined fund balance of \$94.1 million which is a \$20.0 million (27.0%) increase from the beginning of the year (\$74.1 million). This increase was largely driven by excess of revenues over expenditures in the General Fund, Motor Fuel Tax Fund and Laurel/Western Redevelopment TIF and decrease of revenue to the Park and Public Land Fund. In addition, the City issued \$10.8 million in General Obligation Bonds on April 27, 2023, which is included in the increase to the Capital Improvement Fund. The City Council elected to transfer from the General Fund an additional \$4.0 million of the FY23 operating surplus to the Capital Improvement Fund to provide additional funding for the synthetic turf project. The Motor Fuel Tax fund received additional funding from a Rebuild Illinois Grant received from the state. Of the total fund balance of \$94.1 million, \$<.1 million is not available for continuing City services and capital projects, and \$62.5 million is restricted in its use. The unassigned fund balance for the total of all governmental funds is \$31.2 million, which is a \$2.3 million (7.9%) increase over the prior year.

**Major Governmental Funds**

The General Fund is the City's primary operating fund and the largest source of day-to-day service delivery. The total Fund Balance of the General Fund increased by \$2.4 million or 8.3% from FY22 (from \$29.0 million to \$31.4 million). The General Fund revenues increased by \$2.2 million (5.2%) due primarily to higher property taxes, investment income and intergovernmental revenues, including sales tax and income tax revenue offset by decreases in grants and contribution revenue. The General Fund expenditures increased by \$1.7 million (4.8%) due to personnel costs. The excess of revenues over expenditures (before transfers) for FY23 of \$7.2 million was \$.5 million greater than FY22 \$6.7 million. The other financing sources (uses) for FY23 of \$4.8 million was lower than FY22 \$6.1 million due to one-time revenues being transferred to other funds in FY22.

Property taxes increased \$.7 million, intergovernmental revenues increased \$.2 million while grants and contributions decreased \$.2 million due to the City receiving FEMA funding in FY22 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 2021 levy extension (FY23 revenue) allowed for a 2.5% increase as well as new equalized assessed valuation growth.

General Fund expenditures increased overall due to personnel cost increases. General government increased 4.6%, highways and streets increased 6.9% (personnel; snow and ice control), public safety increased 3.7% and sanitation increased 3.8%.

**CITY OF LAKE FOREST, ILLINOIS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**  
**APRIL 30, 2023**

Table 3  
General Fund Budgetary Highlights  
(in millions)

General Fund	Original Budget	Final Budget	Actual
<b>Revenues:</b>			
Taxes	\$24.3	\$24.3	\$24.5
Intergovernmental	6.6	6.6	8.3
Other	8.8	8.8	11.5
<b>Total</b>	<b>39.7</b>	<b>39.7</b>	<b>44.3</b>
<b>Expenditures and Transfers:</b>			
Expenditures	41.8	42.3	37.1
Transfers (Net)	1.3	1.0	4.8
<b>Total</b>	<b>43.1</b>	<b>43.3</b>	<b>41.9</b>
<b>Change in Fund Balance</b>	<b>(\$3.4)</b>	<b>(\$3.6)</b>	<b>\$2.4</b>

Actual General Fund revenues were higher than budgeted revenues by \$4.6 million during FY23. The primary variance resulted from income tax, sales tax, investment income and building permits exceeding projections. Actual General Fund expenditures and transfers were lower than the final budget by \$1.4 million. It is the City's policy to add 10%, which is \$3.9 million of contingency funding to the budget appropriation. The contingency amount is only for specific uses as determined by the City Council and was used to transfer excess revenues over expenditures to other funds to be used for future projects. Additional information can be found on the schedule of revenues, expenditures, and changes in fund balance – budget and actual.

The Parks and Recreation Fund accounts for the parks and recreation programs. Services include forestry and parks maintenance operations, a fitness center, dance academy, and a variety of other indoor and outdoor programs. The Fund Balance of the Parks and Recreation Fund increased by \$.5 million, from \$1.9 million to \$2.4 million. The Parks and Recreation Fund revenues increased by \$.5 million due to increased participation in Recreation Programs. Expenses increased by \$.5 million due to increased participation in Recreation Programs. Total other financing sources (uses) remained constant at \$26,800.

The Capital Improvements Fund is reported as a Major Fund for FY23 and is used to account for revenues associated with City building and infrastructure projects. Fund balance of this fund increased by \$15.1 million in FY23. Compared to FY22, revenue increased by \$3.8 million due to increases in sales tax, grants and investment income offset by decreases in real estate transfer tax. Total expenditures increased by \$5.4 million in the capital outlay category. This was primarily due to onetime Burr Oak Storm Water project. Transfers in of \$4.6 million for FY23 consisted of one-time fund balance transfer of \$4.0 million from the General Fund to provide funding for the synthetic turf project and the City issued \$10.8 million in General Obligation Debt and received a premium of \$1.4 million on the debt issue to fund the synthetic turf project that is budgeted in FY2024.

**CITY OF LAKE FOREST, ILLINOIS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**  
**APRIL 30, 2023**

**CAPITAL ASSETS**

Table 4  
Capital Assets at Year End - 2022 and 2023  
Net of Depreciation  
(in millions)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2022	2023	2022	2023	2022	2023
Land and Improvements	\$42.9	\$42.9	\$0.7	\$0.7	\$43.6	\$43.6
Infrastructure - Land	66.7	66.7			66.7	66.7
Construction in Progress	0.1	0.4	0.9	0.0	1.0	0.4
Infrastructure	48.6	52.4			48.6	52.4
Buildings	16.2	15.6	7.4	6.4	23.6	22.0
Improvements	13.2	12.4	30.1	29.7	43.3	42.1
Machinery and Equipment	4.3	3.8	1.1	1.2	5.4	5.0
Sanitary Sewers	0.0	0.0	11.1	10.5	11.1	10.5
<b>Total</b>	<b>\$192.0</b>	<b>\$194.2</b>	<b>\$51.3</b>	<b>\$48.5</b>	<b>\$243.3</b>	<b>\$242.7</b>

At the end of FY23, the City had a combined total of \$242.7 million invested in a broad range of capital assets. This amount represents a net decrease (including additions and deductions) of \$.6 million. The net decrease is attributable to a \$2.2 million increase in governmental activities and a \$2.8 million decrease in the business-type activities.

The increase in the governmental activities was due to additions exceeding depreciation by \$2.2 million. The decrease in business-type activities was due primarily to \$2.8 million of depreciation exceeding additions.

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

**Change in Capital Assets**  
(in millions)

	Governmental Activities	Business-Type Activities	Total
<b>Beginning Balance</b>	\$192.0	\$51.3	\$243.3
<b>Additions</b>			
Not Depreciable	0.3	0.0	0.3
Depreciable	7.3	1.5	8.8
Construction in Progress	0.4	(0.9)	(0.5)
<b>Retirements</b>			
Depreciable	(1.3)	0.0	(1.3)
Depreciation	(5.3)	(3.4)	(8.7)
Retirements	0.8	0.0	0.8
<b>Ending Balance</b>	<b>\$194.2</b>	<b>\$48.5</b>	<b>\$242.7</b>

The Addition in Governmental Activities Depreciable assets of \$7.3 million was primarily due to a one time storm water project.



**CITY OF LAKE FOREST, ILLINOIS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**  
**APRIL 30, 2023**

**Debt Outstanding**

The City had \$44.3 million of general obligation bonds outstanding at April 30, 2023. Of this amount \$29.1 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 \$4,657 and \$3,866 if self-supporting debt is excluded.

The City operated as a home rule community for FY23. 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, 2023, the City's net pension liability is \$68.1 million, an increase of \$15.5 million compared to the \$52.6 million balance as of April 30, 2022. Additional information regarding the net pension liability can be found in Note 4.

As of April 30, 2023, the City's OPEB liability is \$1.8 million, a decrease of \$.3 million compared to the \$2.1 million balance as of April 30, 2022. Additional information regarding the OPEB liability can be found in Note 4.

**Economic Factors**

Unemployment levels in Lake Forest are well below the levels for Lake County and the State of Illinois. For calendar year 2022, the City's annual average unemployment rate was estimated to be 3.5%, compared to 4.2% for Lake County and 4.6% for the State of Illinois.

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

**Additional Financial Information**

The City prepares a Popular Annual Financial Report (PAFR), which is based on information from the annual comprehensive financial report to provide an easily understandable report for those without a financial background. The report can be found on the City's website [www.cityoflakeforest.com](http://www.cityoflakeforest.com) under Financial Transparency.

**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](mailto:HollebE@cityoflakeforest.com).

## **BASIC FINANCIAL STATEMENTS**

# City of Lake Forest

Statement of Net Position  
April 30, 2023

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Lake Forest Library
<b>Assets and Deferred Outflows of Resources</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 91,220,424	\$ 13,435,535	\$ 104,655,959	\$ 7,695,677
Investments	13,744,960	-	13,744,960	-
Receivables (net):				
Property taxes	32,818,292	-	32,818,292	4,654,873
Other taxes	364,671	-	364,671	23,567
Accounts	1,660,364	1,569,864	3,230,228	-
Loans	303,230	-	303,230	-
Other	7,245,638	208	7,245,846	22,493
Due from other governmental units	2,368,954	-	2,368,954	-
Internal balances	(1,019,953)	1,019,953	-	-
Inventories	605,975	96,173	702,148	-
Prepaid items	1,085,577	62,225	1,147,802	-
Due from fiduciary funds	76,877	-	76,877	-
Leases receivable	262,457	1,552,259	1,814,716	-
Capital assets:				
Capital assets not being depreciated	110,044,065	743,649	110,787,714	718,500
Capital assets being depreciated, net of accumulated depreciation	<u>84,116,914</u>	<u>47,774,968</u>	<u>131,891,882</u>	<u>2,373,292</u>
Total assets	<u>344,898,445</u>	<u>66,254,834</u>	<u>411,153,279</u>	<u>15,488,402</u>
<b>Deferred Outflows of Resources</b>				
Deferred outflows related to pensions	19,063,135	1,336,332	20,399,467	1,046,536
Deferred outflows related to total OPEB liability	<u>234,706</u>	<u>21,439</u>	<u>256,145</u>	<u>5,771</u>
Total deferred outflows of resources	<u>19,297,841</u>	<u>1,357,771</u>	<u>20,655,612</u>	<u>1,052,307</u>

See notes to financial statements

# City of Lake Forest

## Statement of Net Position

April 30, 2023

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Lake Forest Library
<b>Liabilities, Deferred inflows of Resources and Net Position</b>				
<b>Liabilities</b>				
Accounts payable	\$ 3,034,716	\$ 276,942	\$ 3,311,658	\$ 75,415
Accrued liabilities	1,441,522	50,552	1,492,074	62,799
Accrued interest payable	245,874	126,450	372,324	-
Deposits	1,397,268	-	1,397,268	-
Unearned revenue	5,421,596	414,096	5,835,692	-
Due to fiduciary funds	73,960	-	73,960	-
Noncurrent liabilities:				
Due within one year	3,454,057	1,804,594	5,258,651	34,724
Due in more than one year	103,082,133	10,463,962	113,546,095	1,089,688
Total liabilities	<u>118,151,126</u>	<u>13,136,596</u>	<u>131,287,722</u>	<u>1,262,626</u>
<b>Deferred Inflows of Resources</b>				
Property taxes levied for future periods	32,818,292	-	32,818,292	4,654,873
Deferred inflows related to pensions	556,102	8,196	564,298	6,384
Deferred inflows related to total OPEB liability	741,076	67,693	808,769	39,030
Deferred inflows related to leases	<u>262,457</u>	<u>1,552,259</u>	<u>1,814,716</u>	<u>-</u>
Total deferred inflows of resources	<u>34,377,927</u>	<u>1,628,148</u>	<u>36,006,075</u>	<u>4,700,287</u>
<b>Net Position</b>				
Net investment in capital assets	169,967,523	37,912,290	207,879,813	3,091,792
Restricted for:				
Culture and recreation	4,681,617	-	4,681,617	-
Highways and streets	3,422,540	-	3,422,540	-
Public safety	1,822,079	-	1,822,079	-
Cemetery purposes	10,912,775	-	10,912,775	-
Affordable housing	2,374,792	-	2,374,792	-
Capital projects	25,812,569	-	25,812,569	-
Debt service	1,766,088	-	1,766,088	-
Unrestricted	<u>(9,092,750)</u>	<u>14,935,571</u>	<u>5,842,821</u>	<u>7,486,004</u>
Total net position	<u>\$ 211,667,233</u>	<u>\$ 52,847,861</u>	<u>\$264,515,094</u>	<u>\$ 10,577,796</u>

See notes to financial statements

# City of Lake Forest

## Statement of Activities Year Ended April 30, 2023

Functions/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position			Lake Forest Library
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total	
					Governmental Activities	Business-Type Activities		
<b>Primary Government</b>								
Governmental activities:								
General government	\$ 15,254,047	\$ 4,219,903	\$ 182,715	\$ 3,058,736	\$ (7,792,693)	\$ -	\$ (7,792,693)	\$ -
Highway and streets	7,992,398	2,885,458	790,645	212,815	(4,103,480)	-	(4,103,480)	-
Sanitation	2,980,137	1,053,425	-	-	(1,926,712)	-	(1,926,712)	-
Culture and recreation	12,433,798	3,178,479	257,085	-	(8,998,234)	-	(8,998,234)	-
Public safety	22,900,489	2,897,404	28,869	86,137	(19,888,079)	-	(19,888,079)	-
Interest on long-term debt	477,955	-	-	-	(477,955)	-	(477,955)	-
Total governmental activities	<u>62,038,824</u>	<u>14,234,669</u>	<u>1,259,314</u>	<u>3,357,688</u>	<u>(43,187,153)</u>	<u>-</u>	<u>(43,187,153)</u>	<u>-</u>
Business-type activities:								
Waterworks and Sewerage	8,456,249	8,778,538	-	-	-	322,289	322,289	-
Deerpath Golf Course	2,259,135	1,861,913	138,517	-	-	(258,705)	(258,705)	-
Total business-type activities	<u>10,715,384</u>	<u>10,640,451</u>	<u>138,517</u>	<u>-</u>	<u>-</u>	<u>63,584</u>	<u>63,584</u>	<u>-</u>
Total primary government	<u>\$ 72,754,208</u>	<u>\$ 24,875,120</u>	<u>\$ 1,397,831</u>	<u>\$ 3,357,688</u>	<u>(43,187,153)</u>	<u>63,584</u>	<u>(43,123,569)</u>	<u>-</u>
<b>Component Unit</b>								
Lake Forest Library	<u>\$ 3,989,320</u>	<u>\$ 38,738</u>	<u>\$ 117,279</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,833,303)</u>
<b>General Revenues</b>								
Taxes:								
Property					33,144,358	-	33,144,358	4,463,978
Home rule sales					2,033,255	-	2,033,255	-
Utility					2,565,125	-	2,565,125	-
Real estate transfer					2,125,930	-	2,125,930	-
Other					572,628	-	572,628	-
Intergovernmental, unrestricted:								
Sales					3,276,837	-	3,276,837	-
Income					3,774,572	-	3,774,572	-
Telecommunication					677,612	-	677,612	-
Replacement					445,370	-	445,370	117,016
Other					1,615,329	261,369	1,876,698	-
Investment income					2,778,603	497,116	3,275,719	307,550
Gain (loss) on sale of assets					7,000	-	7,000	-
Total general revenues					<u>53,016,619</u>	<u>758,485</u>	<u>53,775,104</u>	<u>4,888,544</u>
Transfers					<u>(58,796)</u>	<u>58,796</u>	<u>-</u>	<u>-</u>
Total general revenues and transfers					<u>52,957,823</u>	<u>817,281</u>	<u>53,775,104</u>	<u>4,888,544</u>
Change in net position					<u>9,770,670</u>	<u>880,865</u>	<u>10,651,535</u>	<u>1,055,241</u>
<b>Net Position, Beginning</b>					<u>201,896,563</u>	<u>51,966,996</u>	<u>253,863,559</u>	<u>9,522,555</u>
<b>Net Position, Ending</b>					<u>\$ 211,667,233</u>	<u>\$ 52,847,861</u>	<u>\$ 264,515,094</u>	<u>\$ 10,577,796</u>

See notes to financial statements

# City of Lake Forest

Balance Sheet  
Governmental Funds  
April 30, 2023

	<u>General</u>	<u>Parks and Recreation</u>	<u>Capital Improvements</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
<b>Assets</b>					
Cash and cash equivalents	\$ 32,156,964	\$ 2,995,857	\$ 35,683,242	\$ 12,680,612	\$ 83,516,675
Investments	-	-	4,850,113	8,894,847	13,744,960
Receivables (net):					
Property taxes	22,202,061	6,773,378	1,872,271	1,970,582	32,818,292
Other taxes	364,671	-	-	-	364,671
Accounts	1,367,031	266,307	27,026	-	1,660,364
Loans	303,230	-	-	-	303,230
Other	155,000	-	49,732	1,275,836	1,480,568
Due from other governments	1,664,436	41,541	594,170	68,807	2,368,954
Due from other funds	-	125,000	-	-	125,000
Due from fiduciary funds	-	-	-	76,877	76,877
Inventories	91,044	-	-	-	91,044
Prepaid items	108,009	-	244,000	48,047	400,056
Lease receivable	262,457	-	-	-	262,457
	<u>\$ 58,674,903</u>	<u>\$ 10,202,083</u>	<u>\$ 43,320,554</u>	<u>\$ 25,015,608</u>	<u>\$ 137,213,148</u>
<b>Total assets</b>					
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>					
<b>Liabilities</b>					
Accounts payable	\$ 665,796	\$ 192,273	\$ 1,134,149	\$ 76,975	\$ 2,069,193
Accrued liabilities	771,206	91,171	-	13,410	875,787
Deposits	1,346,495	4,773	28,000	18,000	1,397,268
Unearned revenue	1,996,022	751,129	2,669,038	-	5,416,189
Due to fiduciary funds	73,960	-	-	-	73,960
	<u>4,853,479</u>	<u>1,039,346</u>	<u>3,831,187</u>	<u>108,385</u>	<u>9,832,397</u>
<b>Total liabilities</b>					
<b>Deferred Inflows of Resources</b>					
Property taxes levied for a future period	22,202,061	6,773,378	1,872,271	1,970,582	32,818,292
Unavailable revenues	-	14,025	148,837	-	162,862
Deferred inflows related to leases	262,457	-	-	-	262,457
	<u>22,464,518</u>	<u>6,787,403</u>	<u>2,021,108</u>	<u>1,970,582</u>	<u>33,243,611</u>
<b>Total deferred inflows of resources</b>					
<b>Fund Balances</b>					
Nonspendable	199,053	-	244,000	48,047	491,100
Restricted	-	2,375,334	37,224,259	22,888,594	62,488,187
Unassigned	31,157,853	-	-	-	31,157,853
	<u>31,356,906</u>	<u>2,375,334</u>	<u>37,468,259</u>	<u>22,936,641</u>	<u>94,137,140</u>
<b>Total fund balances</b>					
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u>\$ 58,674,903</u>	<u>\$ 10,202,083</u>	<u>\$ 43,320,554</u>	<u>\$ 25,015,608</u>	<u>\$ 137,213,148</u>

See notes to financial statements

## City of Lake Forest

Reconciliation of the Balance Sheet of Governmental Funds  
to the Statement of Net Position  
April 30, 2023

<b>Total Fund Balances, Governmental Funds</b>	<b>\$ 94,137,140</b>
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.	194,160,979
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.	162,862
Deferred outflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds. Less amount reported in the internal service fund below.	19,063,135 (417,436)
Deferred inflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds. Less amount reported in the internal service fund below.	(556,102) 2,557
Deferred outflows of resources related to total OPEB liability do not relate to current financial resources and are not reported in the governmental funds. Less amount reported in the internal service fund below.	234,706 (6,650)
Deferred inflows of resources related to total OPEB liability do not relate to current financial resources and are not reported in the governmental funds. Less amount reported in the internal service fund below.	(741,076) 20,996
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	(33,769,246)
Compensated absences	(2,124,098)
Accrued interest	(245,874)
Unamortized debt premium	(2,036,925)
Net pension liabilities	(66,902,688)
Total OPEB liability	(1,703,233)
Less internal service fund long-term liabilities	467,540
Internal service funds are reported in the statement of net position as governmental activities.	<u>11,920,646</u>
<b>Net Position of Governmental Activities</b>	<b><u>\$ 211,667,233</u></b>

# City of Lake Forest

## Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds Year Ended April 30, 2023

	<u>General</u>	<u>Parks and Recreation</u>	<u>Capital Improvements</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
<b>Revenues</b>					
Taxes:					
Property	\$ 21,510,462	\$ 6,527,772	\$ 1,540,184	\$ 3,565,940	\$ 33,144,358
Other taxes	3,041,753	-	4,207,185	48,000	7,296,938
Intergovernmental	8,305,052	140,901	-	1,004,328	9,450,281
Licenses and permits	3,661,327	-	-	-	3,661,327
Fines, forfeitures and penalties	252,955	-	-	-	252,955
Charges for services	4,902,115	3,014,446	154,211	2,015,079	10,085,851
Grants and contributions	33,501	262,635	2,780,850	418,357	3,495,343
Investment income	1,256,067	133,324	789,470	354,384	2,533,245
Miscellaneous revenues	<u>1,392,402</u>	<u>56,416</u>	<u>36,775</u>	<u>72,271</u>	<u>1,557,864</u>
Total revenues	<u>44,355,634</u>	<u>10,135,494</u>	<u>9,508,675</u>	<u>7,478,359</u>	<u>71,478,162</u>
<b>Expenditures</b>					
Current:					
General government	11,368,185	-	878,694	1,014,876	13,261,755
Highways and streets	3,109,450	-	2,380,075	-	5,489,525
Sanitation	2,748,531	-	4,050	-	2,752,581
Culture and recreation	-	9,361,809	-	761,863	10,123,672
Public safety	19,707,053	-	-	420,917	20,127,970
Capital outlay	178,226	252,733	7,938,205	602,686	8,971,850
Debt service:					
Principal retirement	-	-	-	2,192,956	2,192,956
Interest and fiscal charges	<u>-</u>	<u>-</u>	<u>155,964</u>	<u>769,126</u>	<u>925,090</u>
Total expenditures	<u>37,111,445</u>	<u>9,614,542</u>	<u>11,356,988</u>	<u>5,762,424</u>	<u>63,845,399</u>
Excess (deficiency) of revenues over expenditures	<u>7,244,189</u>	<u>520,952</u>	<u>(1,848,313)</u>	<u>1,715,935</u>	<u>7,632,763</u>
<b>Other Financing Sources (Uses)</b>					
Transfers in	-	23,091	4,550,000	1,527,934	6,101,025
Transfers out	(4,851,008)	(50,000)	-	(1,260,688)	(6,161,696)
Proceeds from capital asset sales	-	70	265,641	-	265,711
General obligation bonds issued	-	-	10,770,000	-	10,770,000
Premium on debt issued	<u>-</u>	<u>-</u>	<u>1,390,156</u>	<u>-</u>	<u>1,390,156</u>
Total other financing sources (uses)	<u>(4,851,008)</u>	<u>(26,839)</u>	<u>16,975,797</u>	<u>267,246</u>	<u>12,365,196</u>
Net change in fund balances	2,393,181	494,113	15,127,484	1,983,181	19,997,959
<b>Fund Balances, Beginning</b>	<u>28,963,725</u>	<u>1,881,221</u>	<u>22,340,775</u>	<u>20,953,460</u>	<u>74,139,181</u>
<b>Fund Balances, Ending</b>	<u>\$ 31,356,906</u>	<u>\$ 2,375,334</u>	<u>\$ 37,468,259</u>	<u>\$ 22,936,641</u>	<u>\$ 94,137,140</u>

See notes to financial statements



## City of Lake Forest

Reconciliation of the Statement of Revenues, Expenditures,  
and Changes in Fund Balances of Governmental Funds  
to the Statement of Activities  
Year Ended April 30, 2023

**Net Change in Fund Balances, Total Governmental Funds** \$ 19,997,959

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	7,984,924
Depreciation is reported in the government-wide financial statements	(5,314,801)
Retirement of capital assets	(547,287)

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	137,700
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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.

Debt issued	(10,770,000)
Principal repaid	2,192,956

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	(1,001,884)
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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	13,980
Accrued interest on debt	59,017
Amortization of deferred charge on refunding	(151)
Net pension asset	(12,844,903)
Deferred outflows of resources related to pensions	10,806,989
Deferred inflows of resources related to pensions	13,504,772
Net pension liability	(14,270,298)
Deferred outflows of resources related to OPEB Liability	(32,882)
Deferred inflows of resources related to OPEB Liability	(241,761)
Total OPEB liability	246,606
Less amount reported in internal service funds below	24,757

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

(175,023)

**Change in Net Position of Governmental Activities** \$ 9,770,670

# City of Lake Forest

Statement of Net Position  
 Proprietary Funds  
 April 30, 2023

	<b>Business-Type Activities - Enterprise Funds</b>			<b>Governmental Activities - Internal Service Funds</b>
	<b>Waterworks and Sewerage</b>	<b>Nonmajor Enterprise Fund - Deerpath Golf Course</b>	<b>Total</b>	
<b>Assets</b>				
Current assets:				
Cash and cash equivalents	\$ 12,926,407	\$ 509,128	\$ 13,435,535	\$ 7,703,749
Receivables:				
Accounts	1,521,792	48,072	1,569,864	-
Other	208	-	208	5,765,070
Inventories	-	96,173	96,173	514,931
Prepaid items	-	62,225	62,225	685,521
Lease receivable	100,463	-	100,463	-
Total current assets	<u>14,548,870</u>	<u>715,598</u>	<u>15,264,468</u>	<u>14,669,271</u>
Noncurrent assets:				
Lease receivable	1,451,796	-	1,451,796	-
Capital assets:				
Capital assets not being depreciated	648,132	95,517	743,649	-
Capital assets being depreciated	117,382,216	6,168,840	123,551,056	48,047
Less accumulated depreciation	<u>(71,478,850)</u>	<u>(4,297,238)</u>	<u>(75,776,088)</u>	<u>(48,047)</u>
Total noncurrent assets	<u>48,003,294</u>	<u>1,967,119</u>	<u>49,970,413</u>	<u>-</u>
Total assets	<u>62,552,164</u>	<u>2,682,717</u>	<u>65,234,881</u>	<u>14,669,271</u>
<b>Deferred Outflows of Resources</b>				
Deferred outflows related to pensions	1,304,747	31,585	1,336,332	417,436
Deferred outflows related to total OPEB liability	21,084	355	21,439	6,650
Total deferred outflows of resources	<u>1,325,831</u>	<u>31,940</u>	<u>1,357,771</u>	<u>424,086</u>

See notes to financial statements

# City of Lake Forest

Statement of Net Position  
 Proprietary Funds  
 April 30, 2023

	<b>Business-Type Activities - Enterprise Funds</b>			<b>Governmental Activities - Internal Service Funds</b>
	<b>Waterworks and Sewerage</b>	<b>Nonmajor Enterprise Fund - Deerpath Golf Course</b>	<b>Total</b>	
<b>Liabilities</b>				
Current liabilities:				
Accounts payable	\$ 196,287	\$ 80,655	\$ 276,942	\$ 965,523
Accrued liabilities	33,140	17,412	50,552	565,735
Accrued interest payable	124,792	1,658	126,450	-
Unearned revenue	13,707	400,389	414,096	5,407
Due to other funds	-	125,000	125,000	-
General obligation bonds	1,698,588	87,778	1,786,366	-
Compensated absences	4,981	19	5,000	-
Total OPEB liability	<u>13,009</u>	<u>219</u>	<u>13,228</u>	<u>4,103</u>
Total current liabilities	<u>2,084,504</u>	<u>713,130</u>	<u>2,797,634</u>	<u>1,540,768</u>
Noncurrent liabilities:				
Long-term debt:				
General obligation debt payable	8,819,961	-	8,819,961	-
Compensated absences	270,915	8,076	278,991	37,782
Net pension liability	1,201,768	20,890	1,222,658	381,503
Total OPEB liability	<u>139,994</u>	<u>2,358</u>	<u>142,352</u>	<u>44,152</u>
Total noncurrent liabilities	<u>10,432,638</u>	<u>31,324</u>	<u>10,463,962</u>	<u>463,437</u>
Total liabilities	<u>12,517,142</u>	<u>744,454</u>	<u>13,261,596</u>	<u>2,004,205</u>
<b>Deferred Inflows of Resources</b>				
Deferred inflows related to pensions	8,056	140	8,196	2,557
Deferred inflows related to total OPEB liability	66,572	1,121	67,693	20,996
Deferred inflows related to leases	<u>1,552,259</u>	<u>-</u>	<u>1,552,259</u>	<u>-</u>
Total deferred inflows of resources	<u>1,626,887</u>	<u>1,261</u>	<u>1,628,148</u>	<u>23,553</u>
<b>Net Position</b>				
Net investment in capital assets	36,032,949	1,879,341	37,912,290	-
Unrestricted	<u>13,701,017</u>	<u>89,601</u>	<u>13,790,618</u>	<u>13,065,599</u>
Total net position	<u>\$ 49,733,966</u>	<u>\$ 1,968,942</u>	51,702,908	<u>\$ 13,065,599</u>
Adjustments to reflect the consolidation of internal service funds activities related to enterprise funds			<u>1,144,953</u>	
Net position business-type activities			<u>\$ 52,847,861</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, 2023

	<b>Business-Type Activities - Enterprise Funds</b>			<b>Governmental Activities - Internal Service Funds</b>
	<b>Waterworks and Sewerage</b>	<b>Nonmajor Enterprise Fund - Deerpath Golf Course</b>	<b>Total</b>	
<b>Operating Revenues</b>				
Charges for services	\$ 8,873,155	\$ 1,861,913	\$ 10,735,068	\$ 9,044,565
Connection fees	157,192	-	157,192	-
Miscellaneous	1,470	-	1,470	-
Total operating revenues	<u>9,031,817</u>	<u>1,861,913</u>	<u>10,893,730</u>	<u>9,044,565</u>
<b>Operating Expenses</b>				
General and administrative	2,594,801	759,176	3,353,977	9,503,860
Operations and maintenance	2,539,800	1,142,760	3,682,560	-
Depreciation and amortization	<u>3,009,063</u>	<u>354,596</u>	<u>3,363,659</u>	<u>-</u>
Total operating expenses	<u>8,143,664</u>	<u>2,256,532</u>	<u>10,400,196</u>	<u>9,503,860</u>
Operating income (loss)	<u>888,153</u>	<u>(394,619)</u>	<u>493,534</u>	<u>(459,295)</u>
<b>Nonoperating Revenues (Expenses)</b>				
Investment income	483,187	13,929	497,116	245,358
Other	-	8,090	8,090	-
Interest expense	(277,982)	746	(277,236)	-
Grants and contributions	-	138,517	138,517	-
Paying agent fees	<u>(905)</u>	<u>(8)</u>	<u>(913)</u>	<u>-</u>
Total nonoperating revenues (expenses)	<u>204,300</u>	<u>161,274</u>	<u>365,574</u>	<u>245,358</u>
Income (loss) before contributions and transfers	<u>1,092,453</u>	<u>(233,345)</u>	<u>859,108</u>	<u>(213,937)</u>
<b>Contributions and Transfers</b>				
Transfers in	<u>8,796</u>	<u>50,000</u>	<u>58,796</u>	<u>1,875</u>
Total contributions and transfers	<u>8,796</u>	<u>50,000</u>	<u>58,796</u>	<u>1,875</u>
Change in net position	1,101,249	(183,345)	917,904	(212,062)
<b>Net Position, Beginning</b>	<u>48,632,717</u>	<u>2,152,287</u>	<u>50,785,004</u>	<u>13,277,661</u>
<b>Net Position, Ending</b>	<u>\$ 49,733,966</u>	<u>\$ 1,968,942</u>	51,702,908	<u>\$ 13,065,599</u>
Adjustment to change in net position to reflect the consolidation of internal service funds activities related to enterprise funds			<u>(37,039)</u>	
Change in net position of business-type activities			<u>\$ 880,865</u>	

See notes to financial statements

# City of Lake Forest

Statement of Cash Flows  
 Proprietary Funds  
 Year Ended April 30, 2023

	<b>Business-Type Activities - Enterprise Funds</b>			<b>Governmental Activities - Internal Service Funds</b>
	<b>Waterworks and Sewerage</b>	<b>Nonmajor Enterprise Fund - Deerpath Golf Course</b>	<b>Total</b>	
<b>Cash Flows From Operating Activities</b>				
Received from customers	\$ 9,009,774	\$ 2,024,595	\$ 11,034,369	\$ 9,022,342
Paid to suppliers for goods and services	(2,557,994)	(1,086,529)	(3,644,523)	(9,216,727)
Paid to employees for services	(2,511,043)	(755,309)	(3,266,352)	(554,436)
Net cash flows from operating activities	<u>3,940,737</u>	<u>182,757</u>	<u>4,123,494</u>	<u>(748,821)</u>
<b>Cash Flows From Investing Activities</b>				
Investment income	<u>483,187</u>	<u>13,929</u>	<u>497,116</u>	<u>245,358</u>
Net cash flows from investing activities	<u>483,187</u>	<u>13,929</u>	<u>497,116</u>	<u>245,358</u>
<b>Cash Flows From Noncapital Financing Activities</b>				
Transfers from (to) other funds	<u>8,796</u>	<u>50,000</u>	<u>58,796</u>	<u>1,875</u>
Net cash flows from noncapital financing activities	<u>8,796</u>	<u>50,000</u>	<u>58,796</u>	<u>1,875</u>
<b>Cash Flows From Capital and Related Financing Activities</b>				
Principal paid	(1,888,607)	(87,645)	(1,976,252)	-
Interest paid	(424,770)	(8,770)	(433,540)	-
Acquisition and construction of capital assets	(498,973)	(96,682)	(595,655)	-
Other	-	8,090	8,090	-
Other, paying agent fees	(905)	(8)	(913)	-
Net cash flows from capital and related financing activities	<u>(2,813,255)</u>	<u>(185,015)</u>	<u>(2,998,270)</u>	<u>-</u>
Net change in cash and cash equivalents	1,619,465	61,671	1,681,136	(501,588)
<b>Cash and Cash Equivalents, Beginning</b>	<u>11,306,942</u>	<u>447,457</u>	<u>11,754,399</u>	<u>8,205,337</u>
<b>Cash and Cash Equivalents, Ending</b>	<u>\$ 12,926,407</u>	<u>\$ 509,128</u>	<u>\$ 13,435,535</u>	<u>\$ 7,703,749</u>

See notes to financial statements

# City of Lake Forest

Statement of Cash Flows  
 Proprietary Funds  
 Year Ended April 30, 2023

## Business-Type Activities - Enterprise Funds

	<u>Waterworks and Sewerage</u>	<u>Nonmajor Enterprise Fund - Deerpath Golf Course</u>	<u>Total</u>	<u>Governmental Activities - Internal Service Funds</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Flows From Operating Activities</b>				
Operating income (loss)	\$ 888,153	\$ (394,619)	\$ 493,534	\$ (459,295)
Nonoperating revenue	-	138,517	138,517	-
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:				
Depreciation	3,009,063	354,596	3,363,659	-
Changes in assets and liabilities:				
Accounts receivable	(17,102)	(46,580)	(63,682)	(27,630)
Inventories	-	(5,957)	(5,957)	(16,660)
Prepaid items	-	104,293	104,293	62,666
Net pension asset	1,201,768	32,978	1,234,746	623,708
Deferred outflows related to pensions	(1,076,597)	(19,664)	(1,096,261)	(340,265)
Deferred outflows related to OPEB	3,405	51	3,456	1,322
Accounts payable	(18,194)	(42,105)	(60,299)	41,947
Accrued liabilities	-	-	-	(380,013)
Accrued salaries	1,245	3,359	4,604	-
Net pension liability	1,924,038	20,890	1,944,928	381,503
Deferred inflows related to pensions	(1,975,333)	(33,854)	(2,009,187)	(640,391)
Deferred inflows related to OPEB	20,877	364	21,241	6,120
Deferred revenue	(4,941)	70,745	65,804	5,407
Compensated absences	9,793	125	9,918	2,596
Total OPEB liability	<u>(25,438)</u>	<u>(382)</u>	<u>(25,820)</u>	<u>(9,836)</u>
Net cash flows from operating activities	<u>\$ 3,940,737</u>	<u>\$ 182,757</u>	<u>\$ 4,123,494</u>	<u>\$ (748,821)</u>

## **Noncash Capital and Related Financing Activities**

None

# City of Lake Forest

## Statement of Fiduciary Net Position

### Fiduciary Funds

April 30, 2023

	<b>Private Purpose Trust Fund</b>	<b>Pension Trust Funds</b>
<b>Assets</b>		
Cash	\$ -	\$ 657,370
Money markets	42,260	-
Investments:		
Equity securities	362,725	-
Mutual funds	301,756	-
Illinois police officers' pension investment fund	-	43,349,372
Illinois firefighters' pension investment fund	-	46,040,951
Prepaid items	-	7,343
Due from primary government	-	73,960
	<u>706,741</u>	<u>90,128,996</u>
Total assets		
<b>Liabilities</b>		
Accounts payable	-	1,495
Due to primary government	76,877	-
	<u>76,877</u>	<u>1,495</u>
Total liabilities		
<b>Net Position</b>		
Restricted for pension benefits	-	90,127,501
Restricted for other purposes	629,864	-
	<u>\$ 629,864</u>	<u>\$ 90,127,501</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, 2023

	<b>Private Purpose Trust Fund</b>	<b>Pension Trust Funds</b>
<b>Additions</b>		
Contributions:		
Employer	\$ -	\$ 6,092,357
Employee	-	865,396
Total contributions	<u>-</u>	<u>6,957,753</u>
Investment income (loss):		
Interest	13,587	684,836
Net appreciation (depreciation) in fair value of investments	<u>(27,502)</u>	<u>165,218</u>
Total investment income (loss)	(13,915)	850,054
Less investment expense	<u>-</u>	<u>(95,999)</u>
Net investment income (loss)	<u>(13,915)</u>	<u>754,055</u>
Miscellaneous	<u>-</u>	<u>(970)</u>
Total additions	<u>(13,915)</u>	<u>7,710,838</u>
<b>Deductions</b>		
Pension benefits and refunds	-	6,976,597
Other administrative expenses	<u>38,164</u>	<u>94,629</u>
Total deductions	<u>38,164</u>	<u>7,071,226</u>
Change in fiduciary net position	(52,079)	639,612
<b>Net Position, Beginning</b>	<u>681,943</u>	<u>89,487,889</u>
<b>Net Position, Ending</b>	<u>\$ 629,864</u>	<u>\$ 90,127,501</u>

See notes to financial statements



# City of Lake Forest

Index to Notes to Financial Statements  
April 30, 2023

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	<u>Page</u>
<b>1. Summary of Significant Accounting Policies</b>	32
Reporting Entity	32
Government-Wide and Fund Financial Statements	33
Measurement Focus, Basis of Accounting and Financial Statement Presentation	36
Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Equity	37
Deposits and Investments	37
Receivables	41
Inventories and Prepaid Items	41
Capital Assets	41
Deferred Outflows of Resources	42
Compensated Absences	42
Long-Term Obligations	42
Leases	43
Deferred Inflows of Resources	43
Equity Classifications	43
<b>2. Stewardship, Compliance and Accountability</b>	44
Budgetary Information	44
Excess Expenditures Over Budget	45
<b>3. Detailed Notes on All Funds</b>	46
Deposits and Investments	46
Receivables	49
Capital Assets	50
Interfund Receivables/Payables and Transfers	52
Long-Term Obligations	53
Lease Disclosures	55
Net Position/Fund Balances	55
<b>4. Other Information</b>	56
Employees' Retirement System	56
Risk Management	72
Joint Ventures	74
Other Postemployment Benefits	75
Laurel and Western Tax Increment Financing (TIF) District	78
Effect of New Accounting Standards on Current-Period Financial Statements	79

# City of Lake Forest

Notes to Financial Statements  
April 30, 2023

## 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**

In June of 2017, the GASB issued Statement No. 87, *Leases*. This Statement requires the recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. The standard establishes a single model for lease accounting based on the foundational principle that leases are financings of the right-to-use an underlying asset. Under the Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset and a lessor is required to recognize a lease receivable and a deferred inflow of resources, which enhances the relevance and consistency of information about the City's leasing activities. This standard was implemented May 1, 2022.

## **Government-Wide Financial Statements**

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

# City of Lake Forest

Notes to Financial Statements  
April 30, 2023

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

## **Fund Financial Statements**

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

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

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

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

The City reports the following major governmental funds:

### **General Fund**

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

### **Special Revenue Fund**

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

### **Capital Projects Fund**

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

# City of Lake Forest

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Notes to Financial Statements  
April 30, 2023

The City reports the following major enterprise fund:

## **Enterprise Fund**

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

The City reports the following nonmajor governmental and enterprise funds:

## **Special Revenue Funds**

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

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

## **Debt Service Fund**

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

## **Capital Projects Fund**

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

- Laurel/Western Redevelopment TIF

## **Enterprise Fund**

Enterprise Fund is used to account for and report any activity for which a fee is charged to external users 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

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Notes to Financial Statements  
April 30, 2023

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

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Notes to Financial Statements  
April 30, 2023

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



## City of Lake Forest

Notes to Financial Statements  
April 30, 2023

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

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

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

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

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

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

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

<b>Asset Class</b>	<b>Target</b>	<b>Long-Term Expected Real Rate of Return</b>
Illinois Police Officers' Pension Investment Fund	100.00 %	3.90 %

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

## City of Lake Forest

Notes to Financial Statements  
April 30, 2023

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

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

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

### **Interest Rate Risk**

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

### **Credit Risk**

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

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

### **Concentration of Credit Risk**

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

### **Custodial Credit Risk, Deposits**

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

### **Custodial Credit Risk, Investments**

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

## City of Lake Forest

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Notes to Financial Statements  
April 30, 2023

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 2022 attaches as an enforceable lien on January 1, 2022, 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 2023 tax levy, which attached as an enforceable lien on the property as of January 1, 2023, has not been recorded as a receivable as of April 30, 2023, as the tax has not yet been levied by the City and will not be levied until December 2023 and therefore, the levy is not measurable at April 30, 2023.

Tax bills for levy year 2022 are prepared by Lake County and issued on or about May, 2023 and are payable in two installments, on or about June 1, 2023 and September 1, 2023 or within 30 days of the tax bills being issued.

The County collects such taxes and remits them periodically. The 2022 property tax levy is recognized as a receivable and deferred inflows in fiscal 2023, net the 1.5% allowance for uncollectible. As the taxes become available to finance current expenditures, they are recognized as revenues. At April 30, 2023, the property taxes receivable and related deferred inflows consisted of the estimated amount collectible from the 2022 levy.

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

### Inventories and Prepaid Items

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

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

### Capital Assets

#### Government-Wide Statements

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

# City of Lake Forest

Notes to Financial Statements

April 30, 2023

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

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

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

## Fund Financial Statements

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

## Deferred Outflows of Resources

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

## Compensated Absences

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

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

## Long-Term Obligations

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

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

## City of Lake Forest

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Notes to Financial Statements  
April 30, 2023

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

### Leases

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

### Deferred Inflows of Resources

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

### Equity Classifications

#### Government-Wide Statements

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

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

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

### Fund Statements

Governmental fund balances are displayed as follows:

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

## City of Lake Forest

Notes to Financial Statements

April 30, 2023

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

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

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

See Note 3 for further information.

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

## 2. Stewardship, Compliance and Accountability

### Budgetary Information

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

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

## City of Lake Forest

Notes to Financial Statements

April 30, 2023

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

### Excess Expenditures Over Budget

<u>Fund</u>	<u>Budgeted Expenditures</u>	<u>Actual Expenditures</u>	<u>Excess Expenditures Over Budget</u>
Debt Service	\$ 2,964,323	\$ 2,993,969	\$ 29,646

## City of Lake Forest

Notes to Financial Statements  
April 30, 2023

### 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	\$ 88,887,743	\$ 89,780,263	Custodial Credit Risk, Deposits
Mutual funds, other than bonds	1,593,051	1,593,051	N/A
Negotiable certificates of deposit	4,850,113	4,850,113	Custodial Credit Risk, Investments, Credit Risk, Interest Rate Risk
Illinois police officers' pension investment	43,349,372	43,349,372	Custodial Credit Risk, Investments, Credit Risk
Illinois firefighters' pension investment	46,040,951	46,040,951	Custodial Credit Risk, Investments, Credit Risk
Illinois funds	24,152,198	24,152,198	Credit Risk
Equity securities	5,555,949	5,555,949	Custodial Credit Risk, Investments, Foreign Currency Risk
Mutual funds, bond funds	2,410,328	2,410,328	Credit Risk, Interest Rate Risk
Petty cash	<u>11,325</u>	<u>-</u>	
Total deposits and investments	<u>\$216,851,030</u>	<u>\$217,732,225</u>	
Reconciliation to financial statements			
Per statement of net position:			
Cash and cash equivalents, primary government	\$104,655,959		
Investments, primary government	13,744,960		
Cash and cash equivalents, Lake Forest Library	7,695,677		
Per statement of net position, fiduciary funds:			
Private Purpose Trust, money markets	42,260		
Private Purpose Trust, equity securities	362,725		
Private Purpose Trust, mutual funds	301,756		
Pension Trusts, cash	657,370		
Pension Trusts, Illinois police officers' pension investment fund	43,349,372		
Pension Trusts, Illinois firefighters' pension investment fund	<u>46,040,951</u>		
Total deposits and investments	<u>\$216,851,030</u>		



## City of Lake Forest

Notes to Financial Statements  
April 30, 2023

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

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

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

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

### City

Investment Type	April 30, 2023			
	Level 1	Level 2	Level 3	Total
Mutual funds, other than bond funds	\$ 1,459,903	\$ -	\$ -	\$ 1,459,903
Negotiable certificates of deposit	-	4,850,113	-	4,850,113
Equity securities	5,193,224	-	-	5,193,224
Mutual funds, bond funds	<u>2,241,720</u>	<u>-</u>	<u>-</u>	<u>2,241,720</u>
Total	<u>\$ 8,894,847</u>	<u>\$ 4,850,113</u>	<u>\$ -</u>	<u>\$ 13,744,960</u>

### Private Purpose Trust

Investment Type	April 30, 2023			
	Level 1	Level 2	Level 3	Total
Mutual funds, other than bond funds	\$ 133,148	\$ -	\$ -	\$ 133,148
Equity securities	362,725	-	-	362,725
Mutual funds, bond funds	<u>168,608</u>	<u>-</u>	<u>-</u>	<u>168,608</u>
Total	<u>\$ 664,481</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 664,481</u>

### Custodial Credit Risk

#### Deposits

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

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

## City of Lake Forest

Notes to Financial Statements  
April 30, 2023

### 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, 2023, the investments were rated as follows:

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

### Interest Rate Risk

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

As of April 30, 2023, investments were as follows:

#### City

Investment Type	Fair Value	Maturity (In Years)			
		Less Than One Year	1 - 5 Years	6-10 Years	More than 10 years
Negotiable certificates of deposit	\$ 4,850,113	\$ 2,662,789	\$ 2,187,324	\$ -	\$ -
Mutual funds, bond funds	<u>2,241,720</u>	<u>2,241,720</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 7,091,833</u>	<u>\$ 4,904,509</u>	<u>\$ 2,187,324</u>	<u>\$ -</u>	<u>\$ -</u>

#### Private Purpose Trust

Investment Type	Fair Value	Maturity (In Years)			
		Less than One Year	1 - 5 Years	6 - 10 Years	More Than 10 Years
Mutual funds, bond funds	\$ 168,608	\$ 168,608	\$ -	\$ -	\$ -
Total	<u>\$ 168,608</u>	<u>\$ 168,608</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

# City of Lake Forest

Notes to Financial Statements  
April 30, 2023

## Money-Weighted Rate of Return

### Police Pension Fund

For the year ended April 30, 2023, the annual money-weighted rate of return on the Police Pension plan investments, net of pension plan investment expense, was 0.56%. 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, 2023, the annual money-weighted rate of return on the Firefighters' Pension plan investments, net of pension plan investment expense, was 1.15%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

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

## Receivables

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

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

	<u>Unearned</u>
Vehicle licenses for subsequent year	\$ 1,035,185
Grants	2,817,876
Recreation fees	765,164
Parking ticket fees	442,737
Miscellaneous	<u>355,227</u>
Total unearned revenue for governmental funds	<u>\$ 5,416,189</u>

# City of Lake Forest

Notes to Financial Statements  
April 30, 2023

## Capital Assets

Capital asset activity for the year ended April 30, 2023, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
<b>Governmental Activities</b>				
Capital assets not being depreciated:				
Land and land improvements	\$ 42,907,800	\$ 282,219	\$ 297,466	\$ 42,892,553
Infrastructure, land	66,740,770	-	-	66,740,770
Construction in progress	19,560	391,182	-	410,742
	<u>109,668,130</u>	<u>673,401</u>	<u>297,466</u>	<u>110,044,065</u>
Total capital assets not being depreciated				
Capital assets being depreciated:				
Infrastructure	188,294,958	6,151,242	447,764	193,998,436
Buildings	30,576,659	-	-	30,576,659
Improvements other than buildings	35,273,351	462,633	1,000	35,734,984
Machinery and equipment	21,305,057	697,648	525,477	21,477,228
	<u>275,450,025</u>	<u>7,311,523</u>	<u>974,241</u>	<u>281,787,307</u>
Total capital assets being depreciated				
Total capital assets				
	<u>385,118,155</u>	<u>7,984,924</u>	<u>1,271,707</u>	<u>391,831,372</u>
Less accumulated depreciation for:				
Infrastructure	\$ (139,709,106)	\$ (2,236,584)	\$ 316,880	\$ (141,628,810)
Buildings	(14,360,811)	(672,594)	-	(15,033,405)
Improvements other than buildings	(22,055,435)	(1,240,039)	1,000	(23,294,474)
Machinery and equipment	(16,954,660)	(1,165,584)	406,540	(17,713,704)
	<u>(193,080,012)</u>	<u>(5,314,801)</u>	<u>724,420</u>	<u>(197,670,393)</u>
Total accumulated depreciation				
Net capital assets being depreciated				
	<u>82,370,013</u>	<u>1,996,722</u>	<u>249,821</u>	<u>84,116,914</u>
Total governmental activities capital assets, net of accumulated depreciation				
	<u>\$ 192,038,143</u>	<u>\$ 2,670,123</u>	<u>\$ 547,287</u>	<u>\$ 194,160,979</u>

Depreciation expense was charged to functions as follows:

<b>Governmental Activities</b>	
General government	\$ 776,402
Highways and streets	2,926,650
Sanitation	111,657
Culture and recreation	1,018,365
Public safety	481,727
	<u>5,314,801</u>
Total governmental activities depreciation expense	
	<u>\$ 5,314,801</u>

# City of Lake Forest

Notes to Financial Statements  
April 30, 2023

	Beginning Balance	Additions	Deletions	Ending Balance
<b>Business-Type Activities</b>				
Capital assets not being depreciated:				
Land	\$ 743,649	\$ -	\$ -	\$ 743,649
Construction in progress	<u>874,375</u>	<u>130,214</u>	<u>1,004,589</u>	<u>-</u>
Total capital assets not being depreciated	<u>1,618,024</u>	<u>130,214</u>	<u>1,004,589</u>	<u>743,649</u>
Capital assets being depreciated:				
Buildings	27,020,235	-	-	27,020,235
Improvements other than buildings	58,381,458	1,016,489	3,026	59,394,921
Machinery and equipment	5,639,948	453,541	15,343	6,078,146
Sanitary sewers and related property	<u>31,057,754</u>	<u>-</u>	<u>-</u>	<u>31,057,754</u>
Total capital assets being depreciated	<u>122,099,395</u>	<u>1,470,030</u>	<u>18,369</u>	<u>123,551,056</u>
Total capital assets	<u>123,717,419</u>	<u>1,600,244</u>	<u>1,022,958</u>	<u>124,294,705</u>
Less accumulated depreciation for:				
Buildings	(19,616,708)	(1,003,573)	-	(20,620,281)
Improvements other than buildings	(28,279,723)	(1,429,918)	3,026	(29,706,615)
Machinery and equipment	(4,531,388)	(389,194)	15,343	(4,905,239)
Sanitary sewers and related property	<u>(20,002,979)</u>	<u>(540,974)</u>	<u>-</u>	<u>(20,543,953)</u>
Total accumulated depreciation	<u>(72,430,798)</u>	<u>(3,363,659)</u>	<u>18,369</u>	<u>(75,776,088)</u>
Net capital assets being depreciated	<u>49,668,597</u>	<u>(1,893,629)</u>	<u>-</u>	<u>47,774,968</u>
Business-type capital assets, net of accumulated depreciation	<u>\$ 51,286,621</u>	<u>\$ (1,763,415)</u>	<u>\$ 1,004,589</u>	<u>\$ 48,518,617</u>
<b>Component Unit</b>				
Capital assets not being depreciated:				
Land	\$ 70,000	\$ -	\$ -	\$ 70,000
Construction in progress	-	480,000	-	480,000
Art	<u>168,500</u>	<u>-</u>	<u>-</u>	<u>168,500</u>
Total capital assets not being depreciated	<u>238,500</u>	<u>480,000</u>	<u>-</u>	<u>718,500</u>
Capital assets being depreciated:				
Buildings	1,180,907	-	-	1,180,907
Improvements other than buildings	2,271,091	-	-	2,271,091
Machinery and equipment	<u>3,756,490</u>	<u>491,244</u>	<u>357,507</u>	<u>3,890,227</u>
Total capital assets being depreciated	<u>7,208,488</u>	<u>491,244</u>	<u>357,507</u>	<u>7,342,225</u>
Total capital assets	<u>7,446,988</u>	<u>971,244</u>	<u>357,507</u>	<u>8,060,725</u>
Less accumulated depreciation for:				
Buildings	(806,355)	(19,713)	-	(826,068)
Improvements other than buildings	(1,733,671)	(62,827)	-	(1,796,498)
Machinery and equipment	<u>(2,356,980)</u>	<u>(337,426)</u>	<u>348,039</u>	<u>(2,346,367)</u>
Total accumulated depreciation	<u>(4,897,006)</u>	<u>(419,966)</u>	<u>348,039</u>	<u>(4,968,933)</u>
Net capital assets being depreciated	<u>2,311,482</u>	<u>71,278</u>	<u>9,468</u>	<u>2,373,292</u>
Total component units capital assets, net of accumulated depreciation	<u>\$ 2,549,982</u>	<u>\$ 551,278</u>	<u>\$ 9,468</u>	<u>\$ 3,091,792</u>

# City of Lake Forest

Notes to Financial Statements  
April 30, 2023

## Interfund Receivables/Payables and Transfers

### Interfund Receivables/Payables

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

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Parks and Recreation	Deerpath Golf Course	\$ 125,000
Total, fund financial statements		125,000
Less interfund receivables created with internal service fund eliminations		<u>(1,144,953)</u>
Total internal balances, government-wide statement of net position		<u>\$ (1,019,953)</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.

### 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	\$ 23,091	Funding for budgeted salary amounts
Capital Improvement	General	4,550,000	Funding for capital outlay projects
Nonmajor Government	General	267,246	Funding for debt service and budgeted salary amounts
Nonmajor Government	Nonmajor Government	1,260,688	Funding for debt service payment
Waterworks and Sewerage	General	8,796	Funding for budgeted salary amounts
Nonmajor Enterprise	Parks and Recreation	50,000	Funding for debt service payment
Internal Service	General	<u>1,875</u>	Funding for budgeted salary amounts
Total, fund financial statements		6,161,696	
Less government-wide eliminations		<u>(6,102,900)</u>	
Total transfers, government-wide statement of activities		<u>\$ 58,796</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, 2023

## Long-Term Obligations

Long-term obligations activity for the year ended April 30, 2023, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
<b>Governmental Activities</b>					
Bonds and notes payable:					
General obligation debt	\$ 25,192,203	\$ 10,770,000	\$ 2,192,957	\$ 33,769,246	\$ 3,144,246
Premiums	<u>1,035,041</u>	<u>1,390,156</u>	<u>388,272</u>	<u>2,036,925</u>	<u>-</u>
Total bonds and notes payable	<u>26,227,244</u>	<u>12,160,156</u>	<u>2,581,229</u>	<u>35,806,171</u>	<u>3,144,246</u>
Other liabilities:					
Compensated absences	2,138,078	2,527,030	2,541,010	2,124,098	165,000
Total OPEB liability	1,949,839	-	246,606	1,703,233	144,811
Net pension liability	<u>52,632,390</u>	<u>14,270,298</u>	<u>-</u>	<u>66,902,688</u>	<u>-</u>
Total other liabilities	<u>56,720,307</u>	<u>16,797,328</u>	<u>2,787,616</u>	<u>70,730,019</u>	<u>309,811</u>
Total governmental activities long-term liabilities	<u>\$ 82,947,551</u>	<u>\$ 28,957,484</u>	<u>\$ 5,368,845</u>	<u>\$ 106,536,190</u>	<u>\$ 3,454,057</u>
<b>Business-Type Activities</b>					
Bonds and notes payable:					
General obligation debt	\$ 12,542,618	\$ -	\$ 1,976,252	\$ 10,566,366	\$ 1,786,366
Premium	<u>159,147</u>	<u>-</u>	<u>119,186</u>	<u>39,961</u>	<u>-</u>
Total bonds and notes payable	<u>12,701,765</u>	<u>-</u>	<u>2,095,438</u>	<u>10,606,327</u>	<u>1,786,366</u>
Other liabilities:					
Compensated absences	274,073	219,627	209,709	283,991	5,000
Total OPEB liability	181,400	-	25,820	155,580	13,228
Net pension liability	<u>-</u>	<u>1,222,658</u>	<u>-</u>	<u>1,222,658</u>	<u>-</u>
Total other liabilities	<u>455,473</u>	<u>1,442,285</u>	<u>235,529</u>	<u>1,662,229</u>	<u>18,228</u>
Total business-type activities long-term liabilities	<u>\$ 13,157,238</u>	<u>\$ 1,442,285</u>	<u>\$ 2,330,967</u>	<u>\$ 12,268,556</u>	<u>\$ 1,804,594</u>
<b>Component Unit</b>					
Other liabilities:					
Compensated absences	\$ 99,027	\$ 161,605	\$ 160,101	\$ 100,531	\$ 5,000
Financed purchase	13,309	-	13,309	-	-
Total OPEB liability	129,493	-	58,020	71,473	29,724
Net pension liability	<u>-</u>	<u>952,408</u>	<u>-</u>	<u>952,408</u>	<u>-</u>
Total other liabilities	<u>241,829</u>	<u>1,114,013</u>	<u>231,430</u>	<u>1,124,412</u>	<u>34,724</u>
Total component units long-term liabilities	<u>\$ 241,829</u>	<u>\$ 1,114,013</u>	<u>\$ 231,430</u>	<u>\$ 1,124,412</u>	<u>\$ 34,724</u>

# City of Lake Forest

Notes to Financial Statements  
April 30, 2023

## 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, 2023</u>
Special Service Area 29	12/20/2004	12/15/2023	2.55-3.65%	\$ 2,000,000	\$ 150,612
2015 Series	8/3/2015	12/15/2036	2.50-3.75%	9,780,000	8,065,000
2019 Series Refunding	12/19/2019	12/15/2032	2.00-5.00%	10,751,022	7,738,634
2021 Series Refunding	9/15/2021	12/15/2032	2.00%	7,590,000	7,045,000
2023 Series	4/27/2023	12/15/2033	5.00%	10,770,000	10,770,000
Total governmental activities, general obligation debt					<u>\$ 33,769,246</u>

### Business-Type Activities

<u>General Obligation Debt</u>	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance April 30, 2023</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	1,271,366
Total business-type activities, general obligation debt					<u>\$ 10,566,366</u>

Debt service requirements to maturity are as follows:

<u>Years</u>	<u>Governmental Activities General Obligation Debt</u>		<u>Business-Type Activities General Obligation Debt</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 3,144,246	\$ 991,891	\$ 1,786,366	\$ 334,721
2025	2,395,000	1,061,113	525,000	260,853
2026	2,500,000	968,988	535,000	247,728
2027	2,580,000	872,563	550,000	234,352
2028	2,695,000	772,263	565,000	220,603
2029-2033	16,690,000	2,422,813	3,055,000	864,628
2034-2038	3,765,000	225,600	3,550,000	368,900
Total	<u>\$ 33,769,246</u>	<u>\$ 7,315,231</u>	<u>\$ 10,566,366</u>	<u>\$ 2,531,785</u>

## Other Debt Information

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



# City of Lake Forest

Notes to Financial Statements  
April 30, 2023

## Lease Disclosures

### Lessor - Lease Receivables

#### Governmental Activities

<u>Lease Receivables Description</u>	<u>Date of Inception</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Receivable Balance April 30, 2023</u>
Land rental	1/1/2014	12/31/2023	2.73%	\$ 41,974
Building rental	5/1/2019	4/30/2028	2.73%	14,359
Building rental	6/1/2021	5/31/2030	2.73%	52,379
Building rental	6/2/2021	6/1/2026	2.73%	125,237
Building rental	4/1/2022	3/31/2027	2.73%	<u>28,508</u>
Total governmental activities				<u>\$ 262,457</u>

#### Business-Type Activities

<u>Lease Receivables Description</u>	<u>Date of Inception</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Receivable Balance April 30, 2023</u>
Water tower lease	8/1/2018	7/30/2033	2.73%	\$ 627,190
Water tower lease	8/1/2020	7/31/2035	2.73%	<u>925,069</u>
Total business-type activities				<u>\$ 1,552,259</u>

The City recognized \$209,114 and \$66,349 of lease revenue and interest revenue, respectively, during the fiscal year.

## Net Position/Fund Balances

Net position reported on the government-wide statement of net position at April 30, 2023, includes the following:

### Governmental Activities

Net investment in capital assets:

Capital assets not being depreciated	\$ 110,044,065
Capital assets being depreciated, net of accumulated depreciation	84,116,914
Less long-term debt outstanding	(33,769,246)
Plus unspent capital related debt proceeds	11,612,715
Less unamortized debt premium	<u>(2,036,925)</u>

Total net investment in capital assets \$ 169,967,523

# City of Lake Forest

Notes to Financial Statements  
April 30, 2023

## Governmental Funds

Governmental fund balances reported on the fund financial statements at April 30, 2023, include the following:

	<u>General Fund</u>	<u>Parks and Recreation Fund</u>	<u>Capital Improvements Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
<b>Fund Balances</b>					
<b>Nonspendable:</b>					
Prepaid items	\$ 108,009	\$ -	\$ 244,000	\$ 48,047	\$ 400,056
Inventories	<u>91,044</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>91,044</u>
Subtotal	<u>199,053</u>	<u>-</u>	<u>244,000</u>	<u>48,047</u>	<u>491,100</u>
<b>Restricted for:</b>					
Culture and recreation	-	2,375,334	-	2,292,258	4,667,592
Highway and streets	-	-	-	3,422,540	3,422,540
Public safety, fire	-	-	-	175,054	175,054
Public safety, police	-	-	-	1,647,025	1,647,025
Cemetery perpetual care	-	-	-	10,912,775	10,912,775
Affordable housing	-	-	-	2,374,792	2,374,792
Capital projects	-	-	37,224,259	52,188	37,276,447
Debt service	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,011,962</u>	<u>2,011,962</u>
Subtotal	<u>-</u>	<u>2,375,334</u>	<u>37,224,259</u>	<u>22,888,594</u>	<u>62,488,187</u>
<b>Unassigned:</b>	<u>31,157,853</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,157,853</u>
Total fund balances	<u>\$ 31,356,906</u>	<u>\$ 2,375,334</u>	<u>\$ 37,468,259</u>	<u>\$ 22,936,641</u>	<u>\$ 94,137,140</u>

## Business-Type Activities

Net investment in capital assets:

Capital assets not being depreciated	\$ 743,649
Capital assets being depreciated, net of accumulated depreciation	47,774,968
Less long-term debt outstanding	(10,566,366)
Less unamortized debt premium	<u>(39,961)</u>

Total net investment in capital assets \$ 37,912,290

## 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](http://www.imrf.org).

## City of Lake Forest

Notes to Financial Statements  
April 30, 2023

For the year ended April 30, 2023, the City recognized the following balances in the government-wide financial statements:

	<b>Total Pension Liability</b>	<b>Net Pension Liability</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>	<b>Pension Expense</b>
IMRF	\$ 111,095,509	\$ 9,578,816	\$ 10,470,758	\$ 64,207	\$ 1,586,835
Police Pension Plan	79,134,271	35,683,133	4,043,856	500,091	4,889,023
Firefighters' Pension Plan	<u>69,539,760</u>	<u>22,863,397</u>	<u>5,884,853</u>	<u>-</u>	<u>3,555,310</u>
Total	<u>\$259,769,540</u>	<u>\$ 68,125,346</u>	<u>\$ 20,399,467</u>	<u>\$ 564,298</u>	<u>\$ 10,031,168</u>

### Illinois Municipal Retirement Fund

#### Plan Description

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

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

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

#### Plan Membership

At December 31, 2022, the measurement date, membership in the plan was as follows:

Retirees and beneficiaries	315
Inactive, nonretired members	203
Active members	<u>198</u>
Total	<u><u>716</u></u>

# City of Lake Forest

Notes to Financial Statements  
April 30, 2023

## Contributions

As set by statute, City and Library employees participating in IMRF are required to contribute 4.50% of their annual covered salary. The statute requires the City and Library to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The City and Library's actuarially determined contribution rate for calendar year 2022 was 8.40% 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, 2022 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, 2022 using the following actuarial methods and assumptions:

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

## Mortality

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

## City of Lake Forest

Notes to Financial Statements  
April 30, 2023

### 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	35.50 %	7.82 %	6.50 %
International equities	18.00	9.23	7.60
Fixed income	25.50	5.01	4.90
Real estate	10.50	7.10	6.20
Alternatives	9.50		
Private equity		13.43	9.90
Hedge funds		-	-
Commodities		7.42	6.25
Cash equivalents	1.00	4.00	4.00

### Discount Rate

The discount rate used to measure the total pension liability for IMRF was 7.25%. The discount rate calculated using the December 31, 2021 measurement date was 7.25%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that City and Library contributions will be made at rates equal to the difference between actuarially determined contribution rate and the member rate. Based on those assumptions, the fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on investments was applied to all periods of projected benefits to determine the total pension liability.

### Discount Rate Sensitivity

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

	1% Decrease	Current Discount Rate	1% Increase
<b>City:</b>			
Total pension liability	\$ 123,335,174	\$ 111,095,509	\$ 101,240,565
Plan fiduciary net position	<u>101,516,693</u>	<u>101,516,693</u>	<u>101,516,693</u>
Net pension liability/(asset)	<u>\$ 21,818,481</u>	<u>\$ 9,578,816</u>	<u>\$ (276,128)</u>

# City of Lake Forest

Notes to Financial Statements  
April 30, 2023

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
<b>Library:</b>			
Total pension liability	\$ 15,655,241	\$ 14,101,630	\$ 12,850,717
Plan fiduciary net position	<u>13,149,222</u>	<u>13,149,222</u>	<u>13,149,222</u>
Net pension liability/(asset)	<u>\$ 2,506,019</u>	<u>\$ 952,408</u>	<u>\$ (298,505)</u>
<b>Total:</b>			
Total pension liability	\$ 138,990,415	\$ 125,197,139	\$ 114,091,282
Plan fiduciary net position	<u>114,665,915</u>	<u>114,665,915</u>	<u>114,665,915</u>
Net pension liability/(asset)	<u>\$ 24,324,500</u>	<u>\$ 10,531,224</u>	<u>\$ (574,633)</u>

## Changes in Net Pension Liability/(Asset)

The changes in net pension liability/(asset) for the calendar year ended December 31, 2022 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>
<b>City:</b>			
Balances at December 31, 2021	\$ 107,135,715	\$ 121,937,634	\$ (14,801,919)
Service cost	1,235,060	-	1,235,060
Interest on total pension liability	7,784,121	-	7,784,121
Differences between expected and actual experience of the total pension liability	1,265,540	-	1,265,540
Change of assumptions	(5,642)	-	(5,642)
Benefit payments, including refunds of employee contributions	(6,319,285)	(6,319,285)	-
Contributions, employer	-	1,161,723	(1,161,723)
Contributions, employee	-	638,230	(638,230)
Net investment income	-	(16,214,595)	16,214,595
Other (net transfer)	-	312,986	(312,986)
Balances at December 31, 2022	<u>\$ 111,095,509</u>	<u>\$ 101,516,693</u>	<u>\$ 9,578,816</u>

## City of Lake Forest

Notes to Financial Statements  
April 30, 2023

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (a) - (b)
<b>Library:</b>			
Balances at December 31, 2021	\$ 13,701,711	\$ 15,179,647	\$ (1,477,936)
Service cost	122,800	-	122,800
Interest on total pension liability	773,964	-	773,964
Differences between expected and actual experience of the total pension liability	125,831	-	125,831
Change of assumptions	5,642	-	5,642
Benefit payments, including refunds of employee contributions	(628,318)	(628,318)	-
Contributions, employer	-	115,509	(115,509)
Contributions, employee	-	63,458	(63,458)
Net investment income	-	(1,612,194)	1,612,194
Other (net transfer)	-	31,120	(31,120)
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Balances at December 31, 2022	<u>\$ 14,101,630</u>	<u>\$ 13,149,222</u>	<u>\$ 952,408</u>
<b>Total:</b>			
Balances at December 31, 2021	\$ 120,837,426	\$ 137,117,281	\$ (16,279,855)
Service cost	1,357,860	-	1,357,860
Interest on total pension liability	8,558,085	-	8,558,085
Differences between expected and actual experience of the total pension liability	1,391,371	-	1,391,371
Benefit payments, including refunds of employee contributions	(6,947,603)	(6,947,603)	-
Contributions, employer	-	1,277,232	(1,277,232)
Contributions, employee	-	701,688	(701,688)
Net investment income	-	(17,826,789)	17,826,789
Other (net transfer)	-	344,106	(344,106)
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Balances at December 31, 2022	<u>\$ 125,197,139</u>	<u>\$ 114,665,915</u>	<u>\$ 10,531,224</u>
Plan fiduciary net position as a percentage of the total pension liability			91.59 %

## City of Lake Forest

Notes to Financial Statements  
April 30, 2023

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

For the year ended April 30, 2023, the City and Library recognized pension expense of \$1,586,835 and \$157,777, respectively. The City and Library reported deferred outflows and inflows of resources related to pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
<b>City:</b>		
Difference between expected and actual experience	\$ 1,535,351	\$ 31,759
Assumption changes	-	32,448
Net difference between projected and actual earnings on pension plan investments	8,639,531	-
Contributions subsequent to the measurement date	<u>295,876</u>	<u>-</u>
Total	<u>\$ 10,470,758</u>	<u>\$ 64,207</u>
<b>Library:</b>		
Difference between expected and actual experience	\$ 157,222	\$ 3,158
Assumption changes	-	3,226
Net difference between projected and actual earnings on pension plan investments	859,016	-
Contributions subsequent to the measurement date	<u>30,298</u>	<u>-</u>
Total	<u>\$ 1,046,536</u>	<u>\$ 6,384</u>
<b>Total:</b>		
Difference between expected and actual experience	\$ 1,692,573	\$ 34,917
Assumption changes	-	35,674
Net difference between projected and actual earnings on pension plan investments	9,498,547	-
Contributions subsequent to the measurement date	<u>326,174</u>	<u>-</u>
Total	<u>\$ 11,517,294</u>	<u>\$ 70,591</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, 2024. The remaining amounts reported as deferred outflows and inflows of resources related to pensions is \$11,120,529 and will be recognized in pension expense as follows:

<u>Year Ending December 31,</u>	<u>City</u>	<u>Library</u>	<u>Total</u>
2024	\$ 406,608	\$ 40,612	\$ 447,220
2025	1,814,906	181,273	1,996,179
2026	2,870,403	286,696	3,157,099
2027	<u>5,018,758</u>	<u>501,273</u>	<u>5,520,031</u>
Total	<u>\$ 10,110,675</u>	<u>\$ 1,009,854</u>	<u>\$ 11,120,529</u>



**Police Pension**

**Plan Description**

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

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

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

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

**Plan Membership**

At April 30, 2023, the Police Pension membership consisted of:

Retirees and beneficiaries	48
Inactive, nonretired members	12
Active members	<u>38</u>
Total	<u><u>98</u></u>

**Contributions**

Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the plans as actuarially determined by an enrolled actuary. Effective January 1, 2011 the City's contributions must accumulate to the point where the past service cost for the Police Pension Plan is 90% funded by the year 2041. The City's actuarially determined contribution rate for the fiscal year ending April 30, 2023 was 86.28% of annual covered payroll.

**Net Pension Liability/(Asset)**

The net pension liability/(asset) was measured as of April 30, 2023 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, 2023 using the following actuarial methods and assumptions:

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

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

**Discount Rate**

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

## City of Lake Forest

Notes to Financial Statements  
April 30, 2023

### Discount Rate Sensitivity

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

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Total pension liability	\$ 90,517,834	\$ 79,134,271	\$ 69,895,192
Plan fiduciary net position	<u>43,451,138</u>	<u>43,451,138</u>	<u>43,451,138</u>
Net pension liability	<u>\$ 47,066,696</u>	<u>\$ 35,683,133</u>	<u>\$ 26,444,054</u>

### Changes in Net Pension Liability/(Asset)

The City's changes in net pension liability/(asset) for the year ended April 30, 2023 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, 2022	\$ 75,529,445	\$ 42,611,874	\$ 32,917,571
Service cost	1,040,068	-	1,040,068
Interest on total pension liability	4,857,058	-	4,857,058
Differences between expected and actual experience of the total pension liability	1,398,788	-	1,398,788
Benefit payments, including refunds of employee contributions	(3,691,088)	(3,691,088)	-
Contributions, employer	-	3,580,856	(3,580,856)
Contributions, employee	-	515,034	(515,034)
Net investment income	-	493,641	(493,641)
Administration	-	(59,179)	59,179
Balances at April 30, 2023	<u>\$ 79,134,271</u>	<u>\$ 43,451,138</u>	<u>\$ 35,683,133</u>
Plan fiduciary net position as a percentage of the total pension liability			54.91 %

## City of Lake Forest

Notes to Financial Statements  
April 30, 2023

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

For the year ended April 30, 2023, the City recognized pension expense of \$4,889,023. The City reported deferred outflows and inflows of resources related to pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 1,530,462	\$ 500,091
Assumption changes	637,119	-
Net difference between projected and actual earnings on pension plan investments	<u>1,876,275</u>	<u>-</u>
Total	<u>\$ 4,043,856</u>	<u>\$ 500,091</u>

The amounts reported as deferred outflows and inflows of resources related to pensions is \$3,543,765 and will be recognized in pension expense as follows:

<u>Year Ending April 30,</u>	<u>Amount</u>
2024	\$ 978,501
2025	373,886
2026	1,466,332
2027	<u>725,046</u>
Total	<u>\$ 3,543,765</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, 2023

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

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

## Plan Membership

At April 30, 2023, 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, 2023, the contribution percentage was 9.455%. If a participant leaves covered employment with less than 20 years of service, accumulated participant contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the plans as actuarially determined by an enrolled actuary. Effective January 1, 2011 the City's contributions must accumulate to the point where the past service cost for the Firefighters' Pension Plan is 90% funded by the year 2040. The City's actuarially determined contribution rate for the fiscal year ending April 30, 2023 was 67.33% of annual covered payroll.

## Net Pension Liability/(Asset)

The net pension liability/(asset) was measured as of April 30, 2023 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, 2023 using the following actuarial methods and assumptions:

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

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

**Discount Rate**

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

## City of Lake Forest

Notes to Financial Statements  
April 30, 2023

### Discount Rate Sensitivity

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

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Total pension liability	\$ 79,389,656	\$ 69,539,760	\$ 61,514,224
Plan fiduciary net position	<u>46,676,363</u>	<u>46,676,363</u>	<u>46,676,363</u>
Net pension liability	<u>\$ 32,713,293</u>	<u>\$ 22,863,397</u>	<u>\$ 14,837,861</u>

### Changes in Net Pension Liability/(Asset)

The City's changes in net pension liability/(asset) for the year ended April 30, 2023 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, 2022	\$ 66,590,834	\$ 46,876,015	\$ 19,714,819
Service cost	936,270	-	936,270
Interest on total pension liability	4,282,483	-	4,282,483
Differences between expected and actual experience of the total pension liability	894,144	-	894,144
Change of assumptions	121,539	-	121,539
Benefit payments, including refunds of employee contributions	(3,285,510)	(3,285,510)	-
Contributions, employer	-	2,511,501	(2,511,501)
Contributions, employee	-	350,363	(350,363)
Net investment income	-	259,444	(259,444)
Administration	-	(35,450)	35,450
Balances at April 30, 2023	<u>\$ 69,539,760</u>	<u>\$ 46,676,363</u>	<u>\$ 22,863,397</u>

Plan fiduciary net position as a percentage of  
the total pension liability 67.12 %

# City of Lake Forest

Notes to Financial Statements  
April 30, 2023

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

For the year ended April 30, 2023, the City recognized pension expense of \$3,555,310. The City reported deferred outflows and inflows of resources related to pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 1,462,253	\$ -
Assumption changes	1,705,225	-
Net difference between projected and actual earnings on pension plan investments	<u>2,717,375</u>	<u>-</u>
Total	<u>\$ 5,884,853</u>	<u>\$ -</u>

The amounts reported as deferred outflows and inflows of resources related to pensions is \$5,884,853 and will be recognized in pension expense as follows:

<u>Year Ending April 30,</u>	<u>Amount</u>
2024	\$ 1,757,167
2025	891,861
2026	2,204,368
2027	862,179
2028	<u>169,278</u>
Total	<u>\$ 5,884,853</u>



# City of Lake Forest

Notes to Financial Statements  
April 30, 2023

## Pension Segment Information

### Fiduciary Net Position

	Pension Trust		
	Police Pension	Firefighters' Pension	Total
<b>Assets</b>			
Cash	\$ 54,092	\$ 603,278	\$ 657,370
Investments:			
Illinois police officers' pension investment fund	43,349,372	-	43,349,372
Illinois firefighters' pension investment fund	-	46,040,951	46,040,951
Prepaid items	1,523	5,820	7,343
Due from primary government	<u>47,276</u>	<u>26,684</u>	<u>73,960</u>
Total assets	<u>43,452,263</u>	<u>46,676,733</u>	<u>90,128,996</u>
<b>Liabilities</b>			
Accounts payable	<u>1,125</u>	<u>370</u>	<u>1,495</u>
Total liabilities	<u>1,125</u>	<u>370</u>	<u>1,495</u>
<b>Net Position</b>			
Restricted for pension benefits	<u>\$ 43,451,138</u>	<u>\$ 46,676,363</u>	<u>\$ 90,127,501</u>

## City of Lake Forest

Notes to Financial Statements  
April 30, 2023

### Changes in Plan Net Position

	Pension Trust		Total
	Police Pension	Firefighters' Pension	
<b>Additions</b>			
Contributions:			
Employer	\$ 3,580,856	\$ 2,511,501	\$ 6,092,357
Employee	<u>515,033</u>	<u>350,363</u>	<u>865,396</u>
Total contributions	<u>4,095,889</u>	<u>2,861,864</u>	<u>6,957,753</u>
Investment income:			
Interest	219,212	465,624	684,836
Net appreciation (depreciation) in fair value of investments	<u>332,539</u>	<u>(167,321)</u>	<u>165,218</u>
Total investment income	551,751	298,303	850,054
Less investment expense	<u>(59,925)</u>	<u>(36,074)</u>	<u>(95,999)</u>
Net investment income	491,826	262,229	754,055
Miscellaneous	<u>1,816</u>	<u>(2,786)</u>	<u>(970)</u>
Total additions	<u>4,589,531</u>	<u>3,121,307</u>	<u>7,710,838</u>
<b>Deductions</b>			
Pension benefits and refunds	3,691,088	3,285,509	6,976,597
Other administrative expenses	<u>59,179</u>	<u>35,450</u>	<u>94,629</u>
Total deductions	<u>3,750,267</u>	<u>3,320,959</u>	<u>7,071,226</u>
Change in net position	839,264	(199,652)	639,612
<b>Net Position, Beginning</b>	<u>42,611,874</u>	<u>46,876,015</u>	<u>89,487,889</u>
<b>Net Position, Ending</b>	<u>\$ 43,451,138</u>	<u>\$ 46,676,363</u>	<u>\$ 90,127,501</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, 2023

## 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.

	<b>Beginning of Fiscal Year Liability</b>	<b>Claims and Changes in Estimates</b>	<b>Claim Payments</b>	<b>End of Fiscal Year Liability</b>
2021-2022	\$ 217,724	\$ 166,981	\$ 169,316	\$ 215,389
2022-2023	215,389	343,970	352,680	206,679

### 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, 2023 and 2022 are as follows:

	<b>Beginning of Fiscal Year Liability</b>	<b>Changes in Estimates</b>	<b>Claim Payments</b>	<b>End of Fiscal Year Liability</b>
2021-2022	\$ 776,381	\$ 6,452,051	\$ 6,389,054	\$ 839,378
2022-2023	839,378	5,424,344	5,837,093	426,629

## Joint Ventures

### **Solid Waste Agency of Lake County**

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

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

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

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

### **Northern Suburban Special Recreation Association**

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

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

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

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

# City of Lake Forest

Notes to Financial Statements  
April 30, 2023

## 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, 2023, the following employees were covered by the benefit terms:

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

### Total OPEB Liability

The City's total OPEB liability of \$1,858,813 was measured as of April 30, 2023 and was determined by an actuarial valuation as of that date. The Library's total OPEB liability of \$71,473 was measured as of April 30, 2023 and was determined by an actuarial valuation as of that date.

# City of Lake Forest

Notes to Financial Statements  
April 30, 2023

## Actuarial Assumptions and Other Inputs

For both the City and Library, the total OPEB liability in the April 30, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

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

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

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

The actuarial assumptions used in the April 30, 2023 valuation were based on the results of an actuarial experience study dated December 14, 2020.

## Changes in the Total OPEB Liability

	<u>City- Total OPEB Liability</u>	<u>Library- Total OPEB Liability</u>
Balances at April 30, 2022	\$ 2,131,239	\$ 129,493
Changes for the year:		
Service cost	154,219	2,431
Interest	66,059	3,541
Differences between expected and actual experience	(335,854)	(27,075)
Changes in assumptions or other inputs	(10,163)	1,458
Benefit payments	<u>(146,687)</u>	<u>(38,375)</u>
Net changes	<u>(272,426)</u>	<u>(58,020)</u>
Balances at April 30, 2023	<u>\$ 1,858,813</u>	<u>\$ 71,473</u>

Changes of assumptions and other inputs reflect a change in the discount rate from 3.21% in 2022 to 3.53% in 2023 for both the City and the Library.

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

The following presents the total OPEB liability of the City and the Library, as well as what the total OPEB liability would be for each if it were calculated using a discount rate that is 1-percentage-point lower (2.53%) or 1-percentage-point higher (4.53%) than the current discount rate:

	<u>1% Decrease</u>	<u>Discount Rate</u>	<u>1% Increase</u>
Total OPEB liability, City	\$ 1,951,725	\$ 1,858,813	\$ 1,766,040
Total OPEB liability, Library	\$ 72,302	\$ 71,473	\$ 70,636

## City of Lake Forest

Notes to Financial Statements  
April 30, 2023

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

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

	<u>1% Decrease</u>	<u>Healthcare Cost Trend Rates</u>	<u>1% Increase</u>
Total OPEB liability, City	<u>\$ 1,681,141</u>	<u>\$ 1,858,813</u>	<u>\$ 2,067,286</u>
Total OPEB liability, Library	<u>\$ 70,017</u>	<u>\$ 71,473</u>	<u>\$ 73,054</u>

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

For the year ended April 30, 2023, the City recognized OPEB expense of \$173,601. At April 30, 2023, 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	\$ -	\$ 658,663
Changes of assumptions or other inputs	<u>256,145</u>	<u>150,106</u>
Total	<u>\$ 256,145</u>	<u>\$ 808,769</u>

For the year ended April 30, 2023, the Library recognized OPEB expense of \$(219). At April 30, 2023, 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	\$ -	\$ 34,684
Changes of assumptions or other inputs	<u>5,771</u>	<u>4,346</u>
Total	<u>\$ 5,771</u>	<u>\$ 39,030</u>

## City of Lake Forest

Notes to Financial Statements  
April 30, 2023

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>
2024	\$ (46,677)	\$ (6,191)
2025	(46,677)	(6,191)
2026	(46,677)	(6,191)
2027	(46,677)	(4,206)
2028	(46,677)	(2,271)
Thereafter	<u>(319,239)</u>	<u>(8,209)</u>
Total	<u>\$ (552,624)</u>	<u>\$ (33,259)</u>

### 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, 2023, the City received \$1,481,416 in TIF increment property tax revenue. Because the TIF Note does not meet the definition of an asset pursuant to GASB Concept Statement 4 as of the financial statement date, the Note receivable has not been reported on the City's financial statements. Revenue will be recognized as payments on the TIF Note are made. The initial TIF Note payment was made in FY22. Payments of \$1,400,000 have been made on the TIF Note as of April 30, 2023.

A redevelopment agreement between the City and developer was also executed in September 2016. As of April 30, 2023, 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 2023, construction of the three apartment buildings is complete and the buildings are fully occupied with a normal rate of turnover as leases expire. The first of two condominiums is complete with all twenty-four (24) condominiums sold. Construction of the second condominium building is imminent, construction plans have been submitted for City review and the issuance of a building permit is pending. Nine (9) single family homes are completed, have been sold by the developer to private owners and are occupied. One home is under construction. Two (2) 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. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*
- Statement No. 96, *Subscription-Based Information Technology Arrangements*
- Statement No. 99, *Omnibus 2022*
- Statement No. 100, *Accounting Changes and Error Corrections an amendment of GASB Statement No. 62*
- Statement No. 101, *Compensated Absences*

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

**REQUIRED SUPPLEMENTARY INFORMATION**

# City of Lake Forest

Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget and Actual - General Fund  
Year Ended April 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
<b>Taxes</b>				
Property	\$ 21,613,823	\$ 21,613,823	\$ 21,510,462	\$ (103,361)
Other taxes	2,676,482	2,676,482	3,041,753	365,271
Intergovernmental	6,574,597	6,574,597	8,305,052	1,730,455
Licenses and permits	2,724,018	2,724,018	3,661,327	937,309
Fines, forfeitures and penalties	213,050	213,050	252,955	39,905
Charges for services	4,593,108	4,593,108	4,902,115	309,007
Grants and contributions	6,000	6,000	33,501	27,501
Investment income	65,040	65,040	1,256,067	1,191,027
Miscellaneous revenues	<u>1,270,449</u>	<u>1,270,449</u>	<u>1,392,402</u>	<u>121,953</u>
Total revenues	<u>39,736,567</u>	<u>39,736,567</u>	<u>44,355,634</u>	<u>4,619,067</u>
<b>Expenditures</b>				
General government	12,080,454	12,344,998	11,368,185	976,813
Highways and streets	3,141,347	3,259,806	3,109,450	150,356
Sanitation	2,627,185	2,628,325	2,748,531	(120,206)
Public safety	19,876,487	20,009,735	19,707,053	302,682
Capital outlay	150,000	178,637	178,226	411
Contingency	<u>3,942,346</u>	<u>3,942,346</u>	<u>-</u>	<u>3,942,346</u>
Total expenditures	<u>41,817,819</u>	<u>42,363,847</u>	<u>37,111,445</u>	<u>5,252,402</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,081,252)</u>	<u>(2,627,280)</u>	<u>7,244,189</u>	<u>9,871,469</u>
<b>Other Financing Sources (Uses)</b>				
Transfers out	<u>(1,295,289)</u>	<u>(1,010,255)</u>	<u>(4,851,008)</u>	<u>(3,840,753)</u>
Total other financing sources (uses)	<u>(1,295,289)</u>	<u>(1,010,255)</u>	<u>(4,851,008)</u>	<u>(3,840,753)</u>
Net change in fund balance	<u><u>\$ (3,376,541)</u></u>	<u><u>\$ (3,637,535)</u></u>	2,393,181	<u><u>\$ 6,030,716</u></u>
<b>Fund Balance, Beginning</b>			<u>28,963,725</u>	
<b>Fund Balance, Ending</b>			<u><u>\$ 31,356,906</u></u>	

See notes to required supplementary information

# City of Lake Forest

Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget and Actual - Parks and Recreation Fund  
Year Ended April 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Property taxes	\$ 6,554,957	\$ 6,554,957	\$ 6,527,772	\$ (27,185)
Intergovernmental	60,000	60,000	140,901	80,901
Charges for services	3,269,706	3,269,706	3,014,446	(255,260)
Grants and contributions	273,203	288,053	262,635	(25,418)
Investment income	22,000	22,000	133,324	111,324
Miscellaneous revenues	<u>30,500</u>	<u>30,500</u>	<u>56,416</u>	<u>25,916</u>
Total revenues	<u>10,210,366</u>	<u>10,225,216</u>	<u>10,135,494</u>	<u>(89,722)</u>
<b>Expenditures</b>				
Current:				
Culture and recreation	9,746,905	9,801,530	9,361,809	439,721
Capital outlay	437,024	664,624	252,733	411,891
Contingency	<u>1,054,615</u>	<u>1,054,615</u>	<u>-</u>	<u>1,054,615</u>
Total expenditures	<u>11,238,544</u>	<u>11,520,769</u>	<u>9,614,542</u>	<u>1,906,227</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,028,178)</u>	<u>(1,295,553)</u>	<u>520,952</u>	<u>1,816,505</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	54,730	54,730	23,091	(31,639)
Transfers out	(80,000)	(80,000)	(50,000)	30,000
Proceeds from capital asset sales	<u>-</u>	<u>-</u>	<u>70</u>	<u>70</u>
Total other financing sources (uses)	<u>(25,270)</u>	<u>(25,270)</u>	<u>(26,839)</u>	<u>(1,569)</u>
Net change in fund balance	<u>\$ (1,053,448)</u>	<u>\$ (1,320,823)</u>	494,113	<u>\$ 1,814,936</u>
<b>Fund Balance, Beginning</b>			<u>1,881,221</u>	
<b>Fund Balance, Ending</b>			<u>\$ 2,375,334</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/(Asset) and Related Ratios

Past Eight Fiscal Years

	2016			2017			2018		
	City	Library	Total	City	Library	Total	City	Library	Total
<b>Total pension liability</b>									
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)
<b>Net change in total pension liability</b>	<b>(9,230,623)</b>	<b>(1,239,675)</b>	<b>(10,470,298)</b>	<b>2,434,921</b>	<b>161,004</b>	<b>2,595,925</b>	<b>552,573</b>	<b>34,444</b>	<b>587,017</b>
<b>Total pension liability - beginning</b>	<b>96,324,203</b>	<b>12,936,367</b>	<b>109,260,570</b>	<b>87,093,580</b>	<b>11,696,692</b>	<b>98,790,272</b>	<b>89,528,501</b>	<b>11,857,696</b>	<b>101,386,197</b>
<b>Total pension liability - ending (a)</b>	<b>\$ 87,093,580</b>	<b>\$ 11,696,692</b>	<b>\$ 98,790,272</b>	<b>\$ 89,528,501</b>	<b>\$ 11,857,696</b>	<b>\$ 101,386,197</b>	<b>\$ 90,081,074</b>	<b>\$ 11,892,140</b>	<b>\$ 101,973,214</b>
<b>Plan fiduciary net position</b>									
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)
<b>Net change in plan fiduciary net position</b>	<b>(14,109,548)</b>	<b>(1,894,916)</b>	<b>(16,004,464)</b>	<b>3,000,653</b>	<b>366,901</b>	<b>3,367,554</b>	<b>10,286,783</b>	<b>1,227,797</b>	<b>11,514,580</b>
<b>Plan fiduciary net position - beginning</b>	<b>89,834,842</b>	<b>12,064,844</b>	<b>101,899,686</b>	<b>75,725,294</b>	<b>10,169,928</b>	<b>85,895,222</b>	<b>78,725,947</b>	<b>10,536,829</b>	<b>89,262,776</b>
<b>Plan fiduciary net position - ending (b)</b>	<b>\$ 75,725,294</b>	<b>\$ 10,169,928</b>	<b>\$ 85,895,222</b>	<b>\$ 78,725,947</b>	<b>\$ 10,536,829</b>	<b>\$ 89,262,776</b>	<b>\$ 89,012,730</b>	<b>\$ 11,764,626</b>	<b>\$ 100,777,356</b>
<b>Employer's net pension liability - ending (a) - (b)</b>	<b>\$ 11,368,286</b>	<b>\$ 1,526,764</b>	<b>\$ 12,895,050</b>	<b>\$ 10,802,554</b>	<b>\$ 1,320,867</b>	<b>\$ 12,123,421</b>	<b>\$ 1,068,344</b>	<b>\$ 127,514</b>	<b>\$ 1,195,858</b>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>			86.95%			88.04%			98.83%
<b>Covered payroll</b>			\$ 13,391,112			\$ 13,135,941			\$ 13,224,884
<b>Employer's net pension liability as a percentage of covered payroll</b>			96.30%			92.29%			9.04%

**Notes to Schedule:**

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

See notes to required supplementary information

**City of Lake Forest**

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

	2019			2020			2021		
	City	Library	Total	City	Library	Total	City	Library	Total
<b>Total pension liability</b>									
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)
<b>Net change in total pension liability</b>	<b>6,479,736</b>	<b>653,699</b>	<b>7,133,435</b>	<b>4,321,243</b>	<b>531,856</b>	<b>4,853,099</b>	<b>1,352,391</b>	<b>118,146</b>	<b>1,470,537</b>
<b>Total pension liability - beginning</b>	<b>90,081,074</b>	<b>11,892,140</b>	<b>101,973,214</b>	<b>96,560,810</b>	<b>12,545,839</b>	<b>109,106,649</b>	<b>100,882,053</b>	<b>13,077,695</b>	<b>113,959,748</b>
<b>Total pension liability - ending (a)</b>	<b>\$ 96,560,810</b>	<b>\$ 12,545,839</b>	<b>\$ 109,106,649</b>	<b>\$ 100,882,053</b>	<b>\$ 13,077,695</b>	<b>\$ 113,959,748</b>	<b>\$ 102,234,444</b>	<b>\$ 13,195,841</b>	<b>\$ 115,430,285</b>
<b>Plan fiduciary net position</b>									
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)
<b>Net change in plan fiduciary net position</b>	<b>(6,129,199)</b>	<b>(634,361)</b>	<b>(6,763,560)</b>	<b>13,177,009</b>	<b>1,425,745</b>	<b>14,602,754</b>	<b>10,527,833</b>	<b>1,091,050</b>	<b>11,618,883</b>
<b>Plan fiduciary net position - beginning</b>	<b>89,012,730</b>	<b>11,764,626</b>	<b>100,777,356</b>	<b>82,883,531</b>	<b>11,130,265</b>	<b>94,013,796</b>	<b>96,060,540</b>	<b>12,556,010</b>	<b>108,616,550</b>
<b>Plan fiduciary net position - ending (b)</b>	<b>\$ 82,883,531</b>	<b>\$ 11,130,265</b>	<b>\$ 94,013,796</b>	<b>\$ 96,060,540</b>	<b>\$ 12,556,010</b>	<b>\$ 108,616,550</b>	<b>\$ 106,588,373</b>	<b>\$ 13,647,060</b>	<b>\$ 120,235,433</b>
<b>Employer's net pension liability - ending (a) - (b)</b>	<b>\$ 13,677,279</b>	<b>\$ 1,415,574</b>	<b>\$ 15,092,853</b>	<b>\$ 4,821,513</b>	<b>\$ 521,685</b>	<b>\$ 5,343,198</b>	<b>\$ (4,353,929)</b>	<b>\$ (451,219)</b>	<b>\$ (4,805,148)</b>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>			86.17%			95.31%			104.16%
<b>Covered payroll</b>			\$ 13,522,211			\$ 14,163,049			14,122,896
<b>Employer's net pension liability as a percentage of covered payroll</b>			111.62%			37.73%			-34.02%

**Notes to Schedule:**

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

See notes to required supplementary information

**City of Lake Forest**

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

	2022			2023		
	City	Library	Total	City	Library	Total
<b>Total pension liability</b>						
Service cost	\$ 1,192,260	\$ 119,044	\$ 1,311,304	1,235,060	122,800	\$ 1,357,860
Interest on total pension liability	7,443,020	743,169	8,186,189	7,784,121	773,964	8,558,085
Differences between expected and actual experience of the total pension liability	2,050,858	204,773	2,255,631	1,265,540	125,831	1,391,371
Changes of assumptions	(14,992)	14,992	-	(5,642)	5,642	-
Transfer of liability	-	-	-	-	-	-
Benefit payments, including refunds of member contributions	(5,769,875)	(576,108)	(6,345,983)	(6,319,285)	(628,318)	(6,947,603)
<b>Net change in total pension liability</b>	<b>4,901,272</b>	<b>505,869</b>	<b>5,407,141</b>	<b>3,959,794</b>	<b>399,919</b>	<b>4,359,713</b>
<b>Total pension liability - beginning</b>	<b>102,234,444</b>	<b>13,195,841</b>	<b>115,430,285</b>	<b>107,135,715</b>	<b>13,701,711</b>	<b>120,837,426</b>
<b>Total pension liability - ending (a)</b>	<b>\$ 107,135,715</b>	<b>\$ 13,701,711</b>	<b>\$ 120,837,426</b>	<b>\$ 111,095,509</b>	<b>\$ 14,101,630</b>	<b>\$ 125,197,139</b>
<b>Plan fiduciary net position</b>						
Employer contributions	\$ 1,553,376	\$ 155,101	\$ 1,708,477	1,161,723	115,509	\$ 1,277,232
Employee contributions	645,521	64,454	709,975	638,230	63,458	701,688
Net investment income	18,659,240	1,863,080	20,522,320	(16,214,595)	(1,612,194)	(17,826,789)
Benefit payments, including refunds of member contributions	(5,769,875)	(576,108)	(6,345,983)	(6,319,285)	(628,318)	(6,947,603)
Other (net transfer)	260,999	26,060	287,059	312,986	31,120	344,106
<b>Net change in plan fiduciary net position</b>	<b>15,349,261</b>	<b>1,532,587</b>	<b>16,881,848</b>	<b>(20,420,941)</b>	<b>(2,030,425)</b>	<b>(22,451,366)</b>
<b>Plan fiduciary net position - beginning</b>	<b>106,588,373</b>	<b>13,647,060</b>	<b>120,235,433</b>	<b>121,937,634</b>	<b>15,179,647</b>	<b>137,117,281</b>
<b>Plan fiduciary net position - ending (b)</b>	<b>\$ 121,937,634</b>	<b>\$ 15,179,647</b>	<b>\$ 137,117,281</b>	<b>\$ 101,516,693</b>	<b>\$ 13,149,222</b>	<b>\$ 114,665,915</b>
<b>Employer's net pension liability - ending (a) - (b)</b>	<b>\$ (14,801,919)</b>	<b>\$ (1,477,936)</b>	<b>\$ (16,279,855)</b>	<b>\$ 9,578,816</b>	<b>\$ 952,408</b>	<b>\$ 10,531,224</b>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>			113.47%			91.59%
<b>Covered payroll</b>			14,653,276			15,204,138
<b>Employer's net pension liability as a percentage of covered payroll</b>			-111.10%			69.27%

**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 Eight Fiscal Years

	2023			2022			2021			2020		
	City	Library	Total	City	Library	Total	City	Library	Total	City	Library	Total
Actuarially determined contribution	\$ 1,161,647	115,501	\$ 1,277,148	\$ 1,553,462	155,110	\$ 1,708,572	\$ 1,525,367	158,082	\$ 1,683,449	\$ 1,217,957	\$ 131,782	\$ 1,349,739
Contributions in relation to the actuarially determined contribution	(1,161,723)	(115,509)	(1,277,232)	(1,553,376)	(155,101)	(1,708,477)	(1,525,544)	(158,100)	(1,683,644)	(1,224,123)	(132,449)	(1,356,572)
Contribution deficiency (excess)	\$ (76)	\$ (8)	\$ (84)	\$ 86	\$ 9	\$ 95	\$ (177)	\$ (18)	\$ (195)	\$ (6,166)	\$ (667)	\$ (6,833)
Covered payroll			15,404,437			14,880,617			15,519,529			\$ 14,612,252
Contributions as a percentage of covered payroll			8.29%			11.48%			10.85%			9.28%
	2019			2018			2017			2016		
	City	Library	Total	City	Library	Total	City	Library	Total	City	Library	Total
Actuarially determined contribution	\$ 1,514,588	\$ 156,757	\$ 1,671,345	\$ 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	(1,535,144)	(158,885)	(1,694,029)	(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)	\$ (20,556)	\$ (2,128)	\$ (22,684)	\$ (37,806)	\$ (4,513)	\$ (42,319)	\$ (40,063)	\$ (4,899)	\$ (44,962)	\$ (15,463)	\$ (2,076)	\$ (17,539)
Covered payroll			\$ 14,446,880			\$ 13,247,776			\$ 13,135,941			\$ 13,391,112
Contributions as a percentage of covered payroll			11.73%			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	21 years
Asset valuation method	5-Year Smoothed Fair Value, 20% corridor
Inflation	2.50%
Salary increases	2.85% to 13.75%, including inflation
Investment rate of return	7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition
Mortality	MP-2020 Employee Mortality Table, adjusted to match current IMRF experience

**Other information:**

There were no benefit changes during the year.

See notes to required supplementary information



**City of Lake Forest**

Police Pension Fund

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

Last Nine Fiscal Years

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

**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>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Actuarially determined contribution	\$ 1,384,307	\$ 1,508,450	\$ 1,810,315	\$ 1,737,445
Contributions in relation to the actuarially determined contribution	<u>1,563,964</u>	<u>1,706,203</u>	<u>1,806,270</u>	<u>1,895,500</u>
Contribution deficiency (excess)	<u>\$ (179,657)</u>	<u>\$ (197,753)</u>	<u>\$ 4,045</u>	<u>\$ (158,055)</u>
Covered payroll	\$ 3,518,797	\$ 3,590,934	\$ 3,759,611	\$ 3,750,706
Contributions as a percentage of covered payroll	44.45%	47.51%	48.04%	50.54%

**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	20-year amortization in 2021
Asset valuation method	Investment gains and losses are smoothed over a 5-year period
Inflation	2.50%
Salary increases	Varies by service
Investment rate of return	6.50%, net of pension plan investment expense
Retirement age	50-70
Mortality	PubS-2010 Employee mortality, projected 5 years past the valuation date with Scale MP-2019.

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<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$ 1,832,059	\$ 2,505,888	\$ 2,594,845	\$ 3,090,726	\$ 3,388,076	\$ 3,338,755
<u>2,094,124</u>	<u>2,504,581</u>	<u>2,589,534</u>	<u>3,581,389</u>	<u>3,379,444</u>	<u>3,580,856</u>
\$ <u>(262,065)</u>	\$ <u>1,307</u>	\$ <u>5,311</u>	\$ <u>(490,663)</u>	\$ <u>8,632</u>	\$ <u>(242,101)</u>
\$ 3,800,841	\$ 3,940,419	\$ 4,059,797	\$ 4,077,656	\$ 4,527,537	\$ 4,150,388
55.10%	63.56%	63.78%	87.83%	74.64%	86.28%

See notes to required supplementary information

**City of Lake Forest**

Police Pension Fund

Schedule of Investment Returns

Last Nine Fiscal Years

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

**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 Nine Fiscal Years

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

**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>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Actuarially determined contribution	\$ 894,384	\$ 950,325	\$ 1,217,702	\$ 1,137,826
Contributions in relation to the actuarially determined contribution	<u>1,090,695</u>	<u>1,168,287</u>	<u>1,216,585</u>	<u>1,211,587</u>
Contribution deficiency (excess)	<u>\$ (196,311)</u>	<u>\$ (217,962)</u>	<u>\$ 1,117</u>	<u>\$ (73,761)</u>
Covered payroll	\$ 3,004,889	\$ 3,111,216	\$ 2,924,893	\$ 3,071,211
Contributions as a percentage of covered payroll	36.30%	37.55%	41.59%	39.45%

**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	20-year amortization in 2021
Asset valuation method	5-year average fair 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-2019.

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<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$ 1,298,188	\$ 1,721,953	\$ 1,826,568	\$ 2,075,171	\$ 2,406,318	\$ 2,344,403
<u>1,308,348</u>	<u>1,719,445</u>	<u>1,822,064</u>	<u>2,567,216</u>	<u>2,398,803</u>	<u>2,511,501</u>
<u>\$ (10,160)</u>	<u>\$ 2,508</u>	<u>\$ 4,504</u>	<u>\$ (492,045)</u>	<u>\$ 7,515</u>	<u>\$ (167,098)</u>
\$ 3,237,410	\$ 3,388,448	\$ 3,440,901	\$ 3,527,518	\$ 3,523,737	\$ 3,730,296
40.41%	50.74%	52.95%	72.78%	68.08%	67.33%

See notes to required supplementary information

**City of Lake Forest**

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

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

**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 Five Fiscal Years

	2019		2020		2021		2022		2023	
	City	Library	City	Library	City	Library	City	Library	City	Library
<b>Total OPEB liability</b>										
Service cost	\$ 46,323	\$ 1,620	\$ 49,721	\$ 1,718	\$ 64,125	\$ 2,014	\$ 169,870	\$ 2,435	\$ 154,219	\$ 2,431
Interest	93,093	8,019	89,145	7,379	68,569	4,829	49,206	3,258	66,059	3,541
Differences between expected and actual experience	-	-	-	-	(473,423)	(19,803)	-	-	(335,854)	(27,075)
Changes of assumptions	32,177	1,221	365,319	6,686	6,339	(3,818)	(170,973)	(3,354)	(10,163)	1,458
Benefit payments, including refunds of member contributions	(157,993)	(16,545)	(171,388)	(19,768)	(183,715)	(23,925)	(169,067)	(32,723)	(146,687)	(38,375)
<b>Net change in total OPEB liability</b>	13,600	(5,685)	332,797	(3,985)	(518,105)	(40,703)	(120,964)	(30,384)	(272,426)	(58,020)
<b>Total OPEB liability - beginning</b>	<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>	<u>2,252,203</u>	<u>159,877</u>	<u>2,131,239</u>	<u>129,493</u>
<b>Total OPEB liability - ending (a)</b>	<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>	<u>\$ 2,131,239</u>	<u>\$ 129,493</u>	<u>\$ 1,858,813</u>	<u>\$ 71,473</u>
<b>Plan fiduciary net position as a percentage of the total OPEB liability</b>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Covered-employee payroll</b>	\$ 20,233,763	\$ 1,467,746	\$ 20,794,094	\$ 1,382,150	\$ 22,059,672	\$ 1,458,298	\$ 21,774,034	\$ 1,380,692	\$ 22,480,316	\$ 1,438,338
<b>City's total OPEB liability as a percentage of covered-employee payroll</b>	12.05%	13.94%	13.32%	14.51%	10.21%	10.96%	9.79%	9.38%	8.27%	4.97%

**Notes to Schedule:**

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

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

See notes to required supplementary information

## **City of Lake Forest**

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Notes to Required Supplementary Information  
Year Ended April 30, 2023

### **Budgetary Information**

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

**SUPPLEMENTARY INFORMATION**

### **Nonmajor Special Revenue Funds**

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

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

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

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

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

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

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

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

### **Nonmajor Debt Service Fund**

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

### **Nonmajor Capital Projects Fund**

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

### **Major Capital Projects Fund**

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

# City of Lake Forest

Combining Balance Sheet  
 Nonmajor Governmental Funds  
 April 30, 2023

	<b>Special Revenue Funds</b>				
	<u>Police Restricted</u>	<u>Foreign Fire Insurance Tax</u>	<u>Emergency Telephone</u>	<u>Parks and Public Land</u>	<u>Motor Fuel Tax</u>
<b>Assets</b>					
Cash and cash equivalents	\$ 159,272	\$ 175,054	\$ 298,511	\$ 2,218,953	\$ 3,357,714
Investments	-	-	-	-	-
Receivables:					
Property taxes	-	-	-	-	-
Other	103	-	1,192,554	-	-
Due from other governments	-	-	-	-	68,807
Due from fiduciary funds	-	-	-	-	-
Prepaid items	-	-	37,037	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total assets	<u>\$ 159,375</u>	<u>\$ 175,054</u>	<u>\$ 1,528,102</u>	<u>\$ 2,218,953</u>	<u>\$ 3,426,521</u>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>					
<b>Liabilities</b>					
Accounts payable	\$ -	\$ -	\$ 3,415	\$ 9,000	\$ 3,981
Accrued liabilities	-	-	-	-	-
Deposits	-	-	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total liabilities	<u>-</u>	<u>-</u>	<u>3,415</u>	<u>9,000</u>	<u>3,981</u>
<b>Deferred Inflows of Resources</b>					
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>
<b>Fund Balances</b>					
Nonspendable for prepaid items	-	-	37,037	-	-
Restricted for capital projects	-	-	-	-	-
Restricted for culture and recreation	-	-	-	2,209,953	-
Restricted for highways and streets	-	-	-	-	3,422,540
Restricted for public safety	159,375	175,054	1,487,650	-	-
Restricted for cemetery perpetual care	-	-	-	-	-
Restricted for affordable housing	-	-	-	-	-
Restricted for debt service purposes	-	-	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total fund balances	<u>159,375</u>	<u>175,054</u>	<u>1,524,687</u>	<u>2,209,953</u>	<u>3,422,540</u>
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 159,375</u>	<u>\$ 175,054</u>	<u>\$ 1,528,102</u>	<u>\$ 2,218,953</u>	<u>\$ 3,426,521</u>

Special Revenue Funds			Debt Service Funds	Capital Projects Fund	Total Nonmajor Governmental Funds
Senior Resources Commission	Housing Trust	General Cemetery	Debt Service	Laurel/Western Redevelopment TIF	
\$ 79,818	\$ 2,396,132	\$ 1,931,008	\$ 2,011,962	\$ 52,188	\$ 12,680,612
-	-	8,894,847	-	-	8,894,847
-	-	-	1,970,582	-	1,970,582
28,879	-	54,300	-	-	1,275,836
-	-	-	-	-	68,807
-	-	76,877	-	-	76,877
-	-	11,010	-	-	48,047
<u>\$ 108,697</u>	<u>\$ 2,396,132</u>	<u>\$ 10,968,042</u>	<u>\$ 3,982,544</u>	<u>\$ 52,188</u>	<u>\$ 25,015,608</u>
\$ 20,820	\$ 3,340	\$ 36,419	\$ -	\$ -	\$ 76,975
5,572	-	7,838	-	-	13,410
-	18,000	-	-	-	18,000
<u>26,392</u>	<u>21,340</u>	<u>44,257</u>	<u>-</u>	<u>-</u>	<u>108,385</u>
-	-	-	1,970,582	-	1,970,582
-	-	-	1,970,582	-	1,970,582
-	-	11,010	-	-	48,047
-	-	-	-	52,188	52,188
82,305	-	-	-	-	2,292,258
-	-	-	-	-	3,422,540
-	-	-	-	-	1,822,079
-	-	10,912,775	-	-	10,912,775
-	2,374,792	-	-	-	2,374,792
-	-	-	2,011,962	-	2,011,962
<u>82,305</u>	<u>2,374,792</u>	<u>10,923,785</u>	<u>2,011,962</u>	<u>52,188</u>	<u>22,936,641</u>
<u>\$ 108,697</u>	<u>\$ 2,396,132</u>	<u>\$ 10,968,042</u>	<u>\$ 3,982,544</u>	<u>\$ 52,188</u>	<u>\$ 25,015,608</u>

# City of Lake Forest

Combining Statement of Revenues, Expenditures and Changes  
in Fund Balances  
Nonmajor Governmental Funds  
Year Ended April 30, 2023

	<b>Special Revenue Funds</b>				
	<b>Police Restricted</b>	<b>Foreign Fire Insurance Tax</b>	<b>Emergency Telephone</b>	<b>Parks and Public Land</b>	<b>Motor Fuel Tax</b>
<b>Revenues</b>					
Taxes:					
Property	\$ -	\$ -	\$ -	\$ -	\$ -
Other	-	-	-	-	-
Intergovernmental	868	-	-	-	1,003,460
Charges for services	37,779	160,772	501,985	15,668	-
Grants and contributions	-	-	86,137	140,000	-
Investment income	5,021	180	2,936	75,102	101,861
Miscellaneous revenues	-	-	-	-	-
<b>Total revenues</b>	<b><u>43,668</u></b>	<b><u>160,952</u></b>	<b><u>591,058</u></b>	<b><u>230,770</u></b>	<b><u>1,105,321</u></b>
<b>Expenditures</b>					
Current:					
General government	-	-	-	-	-
Culture and recreation	-	-	-	195,900	-
Public safety	1,953	201,825	217,139	-	-
Capital outlay	-	-	148,523	233,314	78,527
Debt service:					
Principal retirement	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
<b>Total expenditures</b>	<b><u>1,953</u></b>	<b><u>201,825</u></b>	<b><u>365,662</u></b>	<b><u>429,214</u></b>	<b><u>78,527</u></b>
Excess (deficiency) of revenues over expenditures	<u>41,715</u>	<u>(40,873)</u>	<u>225,396</u>	<u>(198,444)</u>	<u>1,026,794</u>
<b>Other Financing Sources (Uses)</b>					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>Net change in fund balances</b>	<b>41,715</b>	<b>(40,873)</b>	<b>225,396</b>	<b>(198,444)</b>	<b>1,026,794</b>
<b>Fund Balances, Beginning</b>	<b><u>117,660</u></b>	<b><u>215,927</u></b>	<b><u>1,299,291</u></b>	<b><u>2,408,397</u></b>	<b><u>2,395,746</u></b>
<b>Fund Balances, Ending</b>	<b><u>\$ 159,375</u></b>	<b><u>\$ 175,054</u></b>	<b><u>\$ 1,524,687</u></b>	<b><u>\$ 2,209,953</u></b>	<b><u>\$ 3,422,540</u></b>

<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>General Cemetery</u>	<u>Debt Service</u>	<u>Laurel/Western Redevelopment TIF</u>	
\$ -	\$ -	\$ -	\$ 2,084,524	\$ 1,481,416	\$ 3,565,940
-	48,000	-	-	-	48,000
-	-	-	-	-	1,004,328
114,148	-	1,184,727	-	-	2,015,079
175,149	-	17,071	-	-	418,357
3,155	79,747	(17,871)	66,259	37,994	354,384
<u>271</u>	<u>72,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>72,271</u>
<u>292,723</u>	<u>199,747</u>	<u>1,183,927</u>	<u>2,150,783</u>	<u>1,519,410</u>	<u>7,478,359</u>
-	8,440	762,016	31,887	212,533	1,014,876
565,963	-	-	-	-	761,863
-	-	-	-	-	420,917
-	-	142,322	-	-	602,686
-	-	-	2,192,956	-	2,192,956
-	-	-	<u>769,126</u>	<u>-</u>	<u>769,126</u>
<u>565,963</u>	<u>8,440</u>	<u>904,338</u>	<u>2,993,969</u>	<u>212,533</u>	<u>5,762,424</u>
<u>(273,240)</u>	<u>191,307</u>	<u>279,589</u>	<u>(843,186)</u>	<u>1,306,877</u>	<u>1,715,935</u>
266,556	-	690	1,260,688	-	1,527,934
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,260,688)</u>	<u>(1,260,688)</u>
<u>266,556</u>	<u>-</u>	<u>690</u>	<u>1,260,688</u>	<u>(1,260,688)</u>	<u>267,246</u>
(6,684)	191,307	280,279	417,502	46,189	1,983,181
<u>88,989</u>	<u>2,183,485</u>	<u>10,643,506</u>	<u>1,594,460</u>	<u>5,999</u>	<u>20,953,460</u>
<u>\$ 82,305</u>	<u>\$ 2,374,792</u>	<u>\$ 10,923,785</u>	<u>\$ 2,011,962</u>	<u>\$ 52,188</u>	<u>\$ 22,936,641</u>



# City of Lake Forest

Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget and Actual - Police Restricted Fund  
Year Ended April 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$ 4,000	\$ 4,000	\$ 868	\$ (3,132)
Charges for services	28,000	28,000	37,779	9,779
Investment income	<u>1,000</u>	<u>1,000</u>	<u>5,021</u>	<u>4,021</u>
Total revenues	<u>33,000</u>	<u>33,000</u>	<u>43,668</u>	<u>10,668</u>
<b>Expenditures</b>				
Current:				
Public safety	45,000	45,000	1,953	43,047
Capital outlay	45,000	45,000	-	45,000
Contingency	<u>9,000</u>	<u>9,000</u>	<u>-</u>	<u>9,000</u>
Total expenditures	<u>99,000</u>	<u>99,000</u>	<u>1,953</u>	<u>97,047</u>
Net change in fund balance	<u><u>\$ (66,000)</u></u>	<u><u>\$ (66,000)</u></u>	41,715	<u><u>\$ 107,715</u></u>
<b>Fund Balance, Beginning</b>			<u>117,660</u>	
<b>Fund Balance, Ending</b>			<u><u>\$ 159,375</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, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Charges for services	\$ 125,000	\$ 125,000	\$ 160,772	\$ 35,772
Investment income	<u>-</u>	<u>-</u>	<u>180</u>	<u>180</u>
Total revenues	<u>125,000</u>	<u>125,000</u>	<u>160,952</u>	<u>35,952</u>
<b>Expenditures</b>				
Public safety	<u>300,000</u>	<u>300,000</u>	<u>201,825</u>	<u>98,175</u>
Total expenditures	<u>300,000</u>	<u>300,000</u>	<u>201,825</u>	<u>98,175</u>
Net change in fund balance	<u><u>\$(175,000)</u></u>	<u><u>\$(175,000)</u></u>	<u>(40,873)</u>	<u><u>\$ 134,127</u></u>
<b>Fund Balance, Beginning</b>			<u>215,927</u>	
<b>Fund Balance, Ending</b>			<u><u>\$ 175,054</u></u>	

# City of Lake Forest

Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget and Actual - Emergency Telephone Fund  
Year Ended April 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Charges for services	\$ 430,000	\$ 430,000	\$ 501,985	\$ 71,985
Grants and contributions	-	-	86,137	86,137
Investment income	2,500	2,500	2,936	436
Miscellaneous revenues	86,137	86,137	-	(86,137)
	<u>518,637</u>	<u>518,637</u>	<u>591,058</u>	<u>72,421</u>
Total revenues				
<b>Expenditures</b>				
Public safety	220,000	220,000	217,139	2,861
Capital outlay	167,000	167,000	148,523	18,477
Contingency	38,700	38,700	-	38,700
	<u>425,700</u>	<u>425,700</u>	<u>365,662</u>	<u>60,038</u>
Total expenditures				
Net change in fund balance	<u>\$ 92,937</u>	<u>\$ 92,937</u>	225,396	<u>\$ 132,459</u>
<b>Fund Balance, Beginning</b>			<u>1,299,291</u>	
<b>Fund Balance, Ending</b>			<u>\$ 1,524,687</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, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Charges for services	\$ 31,336	\$ 31,336	\$ 15,668	\$ (15,668)
Grants and contributions	-	-	140,000	140,000
Investment income	6,465	6,465	75,102	68,637
Total revenues	<u>37,801</u>	<u>37,801</u>	<u>230,770</u>	<u>192,969</u>
<b>Expenditures</b>				
Culture and recreation	65,000	255,784	195,900	59,884
Capital outlay	250,000	250,000	233,314	16,686
Contingency	<u>50,578</u>	<u>50,578</u>	-	<u>50,578</u>
Total expenditures	<u>365,578</u>	<u>556,362</u>	<u>429,214</u>	<u>127,148</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(327,777)</u>	<u>(518,561)</u>	<u>(198,444)</u>	<u>320,117</u>
<b>Other Financing Sources (Uses)</b>				
Net change in fund balance	<u>\$ (327,777)</u>	<u>\$ (518,561)</u>	(198,444)	<u>\$ 320,117</u>
<b>Fund Balance, Beginning</b>			<u>2,408,397</u>	
<b>Fund Balance, Ending</b>			<u>\$ 2,209,953</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, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$ 769,645	\$ 769,645	\$ 1,003,460	\$ 233,815
Investment income	<u>9,600</u>	<u>9,600</u>	<u>101,861</u>	<u>92,261</u>
Total revenues	<u>779,245</u>	<u>779,245</u>	<u>1,105,321</u>	<u>326,076</u>
<b>Expenditures</b>				
Capital outlay	225,000	469,986	78,527	391,459
Contingency	<u>46,999</u>	<u>46,999</u>	-	<u>46,999</u>
Total expenditures	<u>271,999</u>	<u>516,985</u>	<u>78,527</u>	<u>438,458</u>
Net change in fund balance	<u>\$ 507,246</u>	<u>\$ 262,260</u>	1,026,794	<u>\$ 764,534</u>
<b>Fund Balance, Beginning</b>			<u>2,395,746</u>	
<b>Fund Balance, Ending</b>			<u>\$ 3,422,540</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, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Charges for services	\$ 137,000	\$ 137,000	\$ 114,148	\$ (22,852)
Grants and contributions	199,319	199,319	175,149	(24,170)
Investment income	3,500	3,500	3,155	(345)
Miscellaneous revenues	-	-	271	271
	<u>339,819</u>	<u>339,819</u>	<u>292,723</u>	<u>(47,096)</u>
Total revenues				
<b>Expenditures</b>				
Culture and recreation	604,072	604,072	565,963	38,109
Contingency	<u>60,407</u>	<u>60,407</u>	-	<u>60,407</u>
Total expenditures	<u>664,479</u>	<u>664,479</u>	<u>565,963</u>	<u>98,516</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(324,660)</u>	<u>(324,660)</u>	<u>(273,240)</u>	<u>51,420</u>
<b>Other Financing Sources</b>				
Transfers in	<u>264,253</u>	<u>264,253</u>	<u>266,556</u>	<u>2,303</u>
Total other financing sources	<u>264,253</u>	<u>264,253</u>	<u>266,556</u>	<u>2,303</u>
Net change in fund balance	<u>\$ (60,407)</u>	<u>\$ (60,407)</u>	<u>(6,684)</u>	<u>\$ 53,723</u>
<b>Fund Balance, Beginning</b>			<u>88,989</u>	
<b>Fund Balance, Ending</b>			<u>\$ 82,305</u>	

## City of Lake Forest

Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget and Actual - Housing Trust Fund  
Year Ended April 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Other taxes	\$ 24,000	\$ 24,000	\$ 48,000	\$ 24,000
Investment income	8,000	8,000	79,747	71,747
Miscellaneous revenues	-	-	72,000	72,000
Total revenues	<u>32,000</u>	<u>32,000</u>	<u>199,747</u>	<u>167,747</u>
<b>Expenditures</b>				
General government	750,000	767,553	8,440	759,113
Contingency	<u>76,755</u>	<u>76,755</u>	-	<u>76,755</u>
Total expenditures	<u>826,755</u>	<u>844,308</u>	<u>8,440</u>	<u>835,868</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(794,755)</u>	<u>(812,308)</u>	<u>191,307</u>	<u>1,003,615</u>
<b>Other Financing Sources</b>				
Net change in fund balance	<u><u>\$ (794,755)</u></u>	<u><u>\$ (812,308)</u></u>	191,307	<u><u>\$ 1,003,615</u></u>
<b>Fund Balance, Beginning</b>			<u>2,183,485</u>	
<b>Fund Balance, Ending</b>			<u><u>\$ 2,374,792</u></u>	

## City of Lake Forest

Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget and Actual - General Cemetery Fund  
Year Ended April 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Charges for services	\$ 800,600	\$ 800,600	\$ 1,184,727	\$ 384,127
Grants and contributions	12,000	12,000	17,071	5,071
Investment income (loss)	50,000	50,000	(17,871)	(67,871)
Total revenues	<u>862,600</u>	<u>862,600</u>	<u>1,183,927</u>	<u>321,327</u>
<b>Expenditures</b>				
Current:				
General government	794,870	794,870	762,016	32,854
Capital outlay	160,000	1,711,011	142,322	1,568,689
Contingency	250,588	250,588	-	250,588
Total expenditures	<u>1,205,458</u>	<u>2,756,469</u>	<u>904,338</u>	<u>1,852,131</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(342,858)</u>	<u>(1,893,869)</u>	<u>279,589</u>	<u>2,173,458</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	-	-	690	690
General obligation bonds issued	-	1,400,000	-	(1,400,000)
Total other financing sources (uses)	<u>-</u>	<u>1,400,000</u>	<u>690</u>	<u>(1,399,310)</u>
Net change in fund balance	<u>\$ (342,858)</u>	<u>\$ (493,869)</u>	<u>280,279</u>	<u>\$ 774,148</u>
<b>Fund Balance, Beginning</b>			<u>10,643,506</u>	
<b>Fund Balance, Ending</b>			<u>\$ 10,923,785</u>	



## City of Lake Forest

Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget and Actual - Debt Service Fund  
Year Ended April 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes:				
Property	\$ 2,075,525	\$ 2,075,525	\$ 2,084,524	\$ 8,999
Investment income	<u>9,346</u>	<u>9,346</u>	<u>66,259</u>	<u>56,913</u>
Total revenues	<u>2,084,871</u>	<u>2,084,871</u>	<u>2,150,783</u>	<u>65,912</u>
<b>Expenditures</b>				
Current:				
General government	2,250	2,250	31,887	(29,637)
Debt service:				
Principal retirement	2,192,957	2,192,957	2,192,956	1
Interest and fiscal charges	<u>769,116</u>	<u>769,116</u>	<u>769,126</u>	<u>(10)</u>
Total expenditures	<u>2,964,323</u>	<u>2,964,323</u>	<u>2,993,969</u>	<u>(29,646)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(879,452)</u>	<u>(879,452)</u>	<u>(843,186)</u>	<u>36,266</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	<u>360,688</u>	<u>360,688</u>	<u>1,260,688</u>	<u>900,000</u>
Total other financing sources (uses)	<u>360,688</u>	<u>360,688</u>	<u>1,260,688</u>	<u>900,000</u>
Net change in fund balance	<u><u>\$ (518,764)</u></u>	<u><u>\$ (518,764)</u></u>	417,502	<u><u>\$ 936,266</u></u>
<b>Fund Balance, Beginning</b>			<u>1,594,460</u>	
<b>Fund Balance, Ending</b>			<u><u>\$ 2,011,962</u></u>	

## City of Lake Forest

### Schedule of Revenues, Expenditures and Changes

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

Year Ended April 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Property taxes	\$ 1,400,000	\$ 1,400,000	\$ 1,481,416	\$ 81,416
Investment income	<u>1,000</u>	<u>1,000</u>	<u>37,994</u>	<u>36,994</u>
Total revenues	<u>1,401,000</u>	<u>1,401,000</u>	<u>1,519,410</u>	<u>118,410</u>
<b>Expenditures</b>				
General government	570,000	570,000	212,533	357,467
Capital outlay	100,000	100,000	-	100,000
Contingency	<u>140,069</u>	<u>140,069</u>	<u>-</u>	<u>140,069</u>
Total expenditures	<u>810,069</u>	<u>810,069</u>	<u>212,533</u>	<u>597,536</u>
Excess (deficiency) of revenues over (under) expenditures	<u>590,931</u>	<u>590,931</u>	<u>1,306,877</u>	<u>715,946</u>
<b>Other Financing Sources (Uses)</b>				
Transfers out	<u>(730,688)</u>	<u>(730,688)</u>	<u>(1,260,688)</u>	<u>(530,000)</u>
Total other financing sources (uses)	<u>(730,688)</u>	<u>(730,688)</u>	<u>(1,260,688)</u>	<u>(530,000)</u>
Net change in fund balance	<u>\$ (139,757)</u>	<u>\$ (139,757)</u>	46,189	<u>\$ 185,946</u>
<b>Fund Balance, Beginning</b>			<u>5,999</u>	
<b>Fund Balance, Ending</b>			<u>\$ 52,188</u>	

## City of Lake Forest

### Schedule of Revenues, Expenditures and Changes

in Fund Balance - Budget and Actual - Capital Improvements Fund

Year Ended April 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes				
Property	\$ 1,548,908	\$ 1,548,908	\$ 1,540,184	\$ (8,724)
Other taxes	2,746,016	2,746,016	4,207,185	1,461,169
Charges for services	110,950	110,950	154,211	43,261
Grants and contributions	2,923,166	5,673,166	2,780,850	(2,892,316)
Investment income	75,000	75,000	789,470	714,470
Miscellaneous	<u>5,000</u>	<u>5,000</u>	<u>36,775</u>	<u>31,775</u>
Total revenues	<u>7,409,040</u>	<u>10,159,040</u>	<u>9,508,675</u>	<u>(650,365)</u>
<b>Expenditures</b>				
Current:				
General government	1,190,825	1,243,034	878,694	364,340
Highways and streets	2,128,000	2,501,975	2,380,075	121,900
Sanitation	-	50,576	4,050	46,526
Culture and recreation	90,000	90,000	-	90,000
Capital outlay	8,588,665	13,310,630	7,938,205	5,372,425
Contingency	1,722,905	1,722,905	-	1,722,905
Debt service:				
Interest and fiscal charges	<u>-</u>	<u>-</u>	<u>155,964</u>	<u>(155,964)</u>
Total expenditures	<u>13,720,395</u>	<u>18,919,120</u>	<u>11,356,988</u>	<u>7,562,132</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(6,311,355)</u>	<u>(8,760,080)</u>	<u>(1,848,313)</u>	<u>6,911,767</u>
<b>Other Financing Sources (Uses)</b>				
General obligation bonds issued	-	-	10,770,000	10,770,000
Premium on debt issued	-	-	1,390,156	1,390,156
Transfers in	920,000	920,000	4,550,000	3,630,000
Proceeds from capital asset sales	<u>20,000</u>	<u>20,000</u>	<u>265,641</u>	<u>245,641</u>
Total other financing sources (uses)	<u>940,000</u>	<u>940,000</u>	<u>16,975,797</u>	<u>16,035,797</u>
Net change in fund balance	<u>\$ (5,371,355)</u>	<u>\$ (7,820,080)</u>	15,127,484	<u>\$ 22,947,564</u>
<b>Fund Balance, Beginning</b>			<u>22,340,775</u>	
<b>Fund Balance, Ending</b>			<u>\$ 37,468,259</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, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Operating Revenues</b>				
Charges for services	\$ 8,710,634	\$ 8,710,634	\$ 8,873,155	\$ 162,521
Connection fees	125,000	125,000	157,192	32,192
Miscellaneous	4,000	4,000	1,470	(2,530)
Total operating revenues	<u>8,839,634</u>	<u>8,839,634</u>	<u>9,031,817</u>	<u>192,183</u>
<b>Operating Expenses</b>				
General and administrative	2,610,523	2,610,523	2,594,801	15,722
Operations and maintenance	3,504,945	3,352,338	2,539,800	812,538
Contingency	957,699	957,699	-	957,699
Total operating expenses	<u>7,073,167</u>	<u>6,920,560</u>	<u>5,134,601</u>	<u>1,785,959</u>
<b>Nonoperating Revenues (Expenses)</b>				
Investment income	41,537	41,537	483,187	441,650
Principal retirement	(1,888,607)	(1,888,607)	(1,888,607)	-
Interest expense	(424,772)	(424,772)	(277,982)	146,790
Paying agent fees	(750)	(750)	(905)	(155)
Total nonoperating revenues (expenses)	<u>(2,272,592)</u>	<u>(2,272,592)</u>	<u>(1,684,307)</u>	<u>588,285</u>
<b>Contribution and Transfers</b>				
Transfers in	-	-	8,796	8,796
Net contribution and transfers	<u>-</u>	<u>-</u>	<u>8,796</u>	<u>8,796</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, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Operating Revenues</b>				
Charges for services	\$ 1,764,617	\$ 1,764,617	\$ 1,861,913	\$ 97,296
Miscellaneous	5,234	5,234	-	(5,234)
Total operating revenues	<u>1,769,851</u>	<u>1,769,851</u>	<u>1,861,913</u>	<u>92,062</u>
<b>Operating Expenses</b>				
General and administrative	750,497	750,497	759,176	(8,679)
Operations and maintenance	1,002,396	1,156,846	1,142,760	14,086
Contingency	200,426	200,426	-	200,426
Total operating expenses	<u>1,953,319</u>	<u>2,107,769</u>	<u>1,901,936</u>	<u>205,833</u>
<b>Nonoperating Revenues (Expenses)</b>				
Investment income	-	-	13,929	13,929
Principal retirement	(87,645)	(87,645)	(87,645)	-
Interest expense	(8,775)	(8,775)	746	9,521
Grants and contributions	-	138,617	138,517	(100)
Paying agent fees	(500)	(500)	(8)	492
Other	-	-	8,090	8,090
Total nonoperating revenues (expenses)	<u>(96,920)</u>	<u>41,697</u>	<u>73,629</u>	<u>31,932</u>
<b>Contribution and Transfers</b>				
Transfers in	<u>80,000</u>	<u>80,000</u>	<u>50,000</u>	<u>(30,000)</u>
Net contribution and transfers	<u>80,000</u>	<u>80,000</u>	<u>50,000</u>	<u>(30,000)</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, 2023

	<u>Fleet</u>	<u>Self Insurance</u>	<u>Liability Insurance</u>	<u>Total</u>
<b>Assets</b>				
Current assets:				
Cash and cash equivalents	\$ 440,228	\$ 5,177,176	\$ 2,086,345	\$ 7,703,749
Receivables:				
Other	8,950	25,083	5,731,037	5,765,070
Inventories	514,931	-	-	514,931
Prepaid items	-	-	685,521	685,521
	<u>964,109</u>	<u>5,202,259</u>	<u>8,502,903</u>	<u>14,669,271</u>
Total current assets				
Noncurrent assets:				
Capital assets (net of accumulated depreciation):				
Property and equipment	48,047	-	-	48,047
Accumulated depreciation	<u>(48,047)</u>	<u>-</u>	<u>-</u>	<u>(48,047)</u>
	<u>964,109</u>	<u>5,202,259</u>	<u>8,502,903</u>	<u>14,669,271</u>
Total assets				
<b>Deferred Outflows of Resources</b>				
Deferred outflows related to pensions	417,436	-	-	417,436
Deferred outflows related to total OPEB liability	<u>6,650</u>	<u>-</u>	<u>-</u>	<u>6,650</u>
	<u>424,086</u>	<u>-</u>	<u>-</u>	<u>424,086</u>
Total deferred outflows of resources				
<b>Liabilities</b>				
Current liabilities:				
Accounts payable	31,633	855,040	78,850	965,523
Accrued liabilities	11,277	426,629	127,829	565,735
Unearned revenue	5,407	-	-	5,407
Total OPEB liability	<u>4,103</u>	<u>-</u>	<u>-</u>	<u>4,103</u>
	<u>52,420</u>	<u>1,281,669</u>	<u>206,679</u>	<u>1,540,768</u>
Total current liabilities				
Noncurrent liabilities:				
Compensated absences	37,782	-	-	37,782
Net pension liability	381,503	-	-	381,503
Total OPEB liability	<u>44,152</u>	<u>-</u>	<u>-</u>	<u>44,152</u>
	<u>463,437</u>	<u>-</u>	<u>-</u>	<u>463,437</u>
Total noncurrent liabilities				
	<u>515,857</u>	<u>1,281,669</u>	<u>206,679</u>	<u>2,004,205</u>
Total liabilities				
<b>Deferred Inflows of Resources</b>				
Deferred inflows related to pensions	2,557	-	-	2,557
Deferred inflows related to total OPEB liability	<u>20,996</u>	<u>-</u>	<u>-</u>	<u>20,996</u>
	<u>23,553</u>	<u>-</u>	<u>-</u>	<u>23,553</u>
Total deferred inflows of resources				
<b>Net Position</b>				
Unrestricted	<u>848,785</u>	<u>3,920,590</u>	<u>8,296,224</u>	<u>13,065,599</u>
	<u>\$ 848,785</u>	<u>\$ 3,920,590</u>	<u>\$ 8,296,224</u>	<u>\$ 13,065,599</u>
Total net position				



## City of Lake Forest

Combining Statement of Revenues, Expenses and  
 Changes in Fund Net Position  
 Internal Service Funds  
 Year Ended April 30, 2023

	<u>Fleet</u>	<u>Self Insurance</u>	<u>Liability Insurance</u>	<u>Totals</u>
<b>Operating Revenues</b>				
Charges for services	\$ 1,974,902	\$ 5,712,186	\$ 1,357,477	\$ 9,044,565
Total operating revenues	<u>1,974,902</u>	<u>5,712,186</u>	<u>1,357,477</u>	<u>9,044,565</u>
<b>Operating Expenses</b>				
General and administrative	<u>2,152,068</u>	<u>5,916,875</u>	<u>1,434,917</u>	<u>9,503,860</u>
Total operating expenses	<u>2,152,068</u>	<u>5,916,875</u>	<u>1,434,917</u>	<u>9,503,860</u>
Operating income	<u>(177,166)</u>	<u>(204,689)</u>	<u>(77,440)</u>	<u>(459,295)</u>
<b>Nonoperating Revenues</b>				
Investment income	<u>16,796</u>	<u>149,144</u>	<u>79,418</u>	<u>245,358</u>
Total nonoperating revenues	<u>16,796</u>	<u>149,144</u>	<u>79,418</u>	<u>245,358</u>
Income (loss) before transfers	<u>(160,370)</u>	<u>(55,545)</u>	<u>1,978</u>	<u>(213,937)</u>
<b>Transfers</b>				
Transfers in	<u>1,875</u>	<u>-</u>	<u>-</u>	<u>1,875</u>
Total transfers	<u>1,875</u>	<u>-</u>	<u>-</u>	<u>1,875</u>
Change in net position	<u>(158,495)</u>	<u>(55,545)</u>	<u>1,978</u>	<u>(212,062)</u>
<b>Net Position, Beginning</b>	<u>1,007,280</u>	<u>3,976,135</u>	<u>8,294,246</u>	<u>13,277,661</u>
<b>Net Position, Ending</b>	<u>\$ 848,785</u>	<u>\$ 3,920,590</u>	<u>\$ 8,296,224</u>	<u>\$ 13,065,599</u>

## City of Lake Forest

Combining Statement of Cash Flows  
Internal Service Funds  
Year Ended April 30, 2023

	<u>Fleet</u>	<u>Self Insurance</u>	<u>Liability Insurance</u>	<u>Total</u>
<b>Cash Flows From Operating Activities</b>				
Received from customers	\$ 1,977,299	\$ 5,717,687	\$ 1,327,356	\$ 9,022,342
Paid to suppliers for goods and services	(1,582,283)	(6,253,483)	(1,380,961)	(9,216,727)
Paid to employees for services	(554,436)	-	-	(554,436)
Net cash flows from operating activities	<u>(159,420)</u>	<u>(535,796)</u>	<u>(53,605)</u>	<u>(748,821)</u>
<b>Cash Flows From Investing Activities</b>				
Investment income	<u>16,796</u>	<u>149,144</u>	<u>79,418</u>	<u>245,358</u>
Net cash flows from investing activities	<u>16,796</u>	<u>149,144</u>	<u>79,418</u>	<u>245,358</u>
<b>Cash Flows From Noncapital Financing Activities</b>				
Transfers from (to) other funds	<u>1,875</u>	-	-	<u>1,875</u>
Net cash flows from noncapital financing activities	<u>1,875</u>	-	-	<u>1,875</u>
Net change in cash and cash equivalents	(140,749)	(386,652)	25,813	(501,588)
<b>Cash and Cash Equivalents, Beginning</b>	<u>580,977</u>	<u>5,563,828</u>	<u>2,060,532</u>	<u>8,205,337</u>
<b>Cash and Cash Equivalents, Ending</b>	<u>\$ 440,228</u>	<u>\$ 5,177,176</u>	<u>\$ 2,086,345</u>	<u>\$ 7,703,749</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Flows From Operating Activities</b>				
Operating income (loss)	\$ (177,166)	\$ (204,689)	\$ (77,440)	\$ (459,295)
Changes in assets and liabilities:				
Accounts receivable	(3,010)	5,501	(30,121)	(27,630)
Inventories	(16,660)	-	-	(16,660)
Prepaid items	-	-	62,666	62,666
Net pension asset	623,708	-	-	623,708
Deferred outflows related to pensions	(340,265)	-	-	(340,265)
Accounts payable	7,118	76,141	(41,312)	41,947
Accrued liabilities	134	(412,749)	32,602	(380,013)
Net pension liability	381,503	-	-	381,503
Deferred inflows related to pensions	(640,391)	-	-	(640,391)
Deferred revenue	5,407	-	-	5,407
Compensated absences	2,596	-	-	2,596
Deferred outflows related to total OPEB liability	1,322	-	-	1,322
Deferred inflows related to total OPEB liability	6,120	-	-	6,120
Total OPEB liability	<u>(9,836)</u>	<u>-</u>	<u>-</u>	<u>(9,836)</u>
Net cash flows from operating activities	<u>\$ (159,420)</u>	<u>\$ (535,796)</u>	<u>\$ (53,605)</u>	<u>\$ (748,821)</u>

## City of Lake Forest

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

Fleet Fund

Year Ended April 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Operating Revenues</b>				
Charges for services	\$ 1,965,964	\$ 1,965,964	\$ 1,974,902	\$ 8,938
Total operating revenues	<u>1,965,964</u>	<u>1,965,964</u>	<u>1,974,902</u>	<u>8,938</u>
<b>Operating Expenses</b>				
General and administrative	2,062,964	2,082,000	2,152,068	(70,068)
Contingency	<u>208,200</u>	<u>208,200</u>	<u>-</u>	<u>208,200</u>
Total operating expenses	<u>2,271,164</u>	<u>2,290,200</u>	<u>2,152,068</u>	<u>138,132</u>
<b>Nonoperating Revenues</b>				
Investment income	<u>3,000</u>	<u>3,000</u>	<u>16,796</u>	<u>13,796</u>
Total nonoperating revenues	<u>3,000</u>	<u>3,000</u>	<u>16,796</u>	<u>13,796</u>
Net income (loss) before transfers	<u>(302,200)</u>	<u>(321,236)</u>	<u>(160,370)</u>	<u>160,866</u>
<b>Transfers</b>				
Transfers in	<u>-</u>	<u>-</u>	<u>1,875</u>	<u>1,875</u>
Net transfers	<u>-</u>	<u>-</u>	<u>1,875</u>	<u>1,875</u>
Change in net position	<u>\$ (302,200)</u>	<u>\$ (321,236)</u>	<u>(158,495)</u>	<u>\$ 162,741</u>
<b>Net Position, Beginning</b>			<u>1,007,280</u>	
<b>Net Position, Ending</b>			<u>\$ 848,785</u>	

## City of Lake Forest

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

Self Insurance Fund

Year Ended April 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Operating Revenues</b>				
Charges for services	<u>\$ 5,710,000</u>	<u>\$ 5,710,000</u>	<u>\$ 5,712,186</u>	<u>\$ 2,186</u>
Total operating revenues	<u>5,710,000</u>	<u>5,710,000</u>	<u>5,712,186</u>	<u>2,186</u>
<b>Operating Expenses</b>				
General and administrative	5,985,000	5,985,000	5,916,875	68,125
Contingency	<u>598,500</u>	<u>598,500</u>	<u>-</u>	<u>598,500</u>
Total operating expenses	<u>6,583,500</u>	<u>6,583,500</u>	<u>5,916,875</u>	<u>666,625</u>
<b>Nonoperating Revenues</b>				
Investment income	<u>20,000</u>	<u>20,000</u>	<u>149,144</u>	<u>129,144</u>
Total nonoperating revenues	<u>20,000</u>	<u>20,000</u>	<u>149,144</u>	<u>129,144</u>
Net income (loss)	<u>(853,500)</u>	<u>(853,500)</u>	<u>(55,545)</u>	<u>797,955</u>
Change in net position	<u>\$ (853,500)</u>	<u>\$ (853,500)</u>	<u>(55,545)</u>	<u>\$ 797,955</u>
<b>Net Position, Beginning</b>			<u>3,976,135</u>	
<b>Net Position, Ending</b>			<u>\$ 3,920,590</u>	

## City of Lake Forest

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

Liability Insurance Fund

Year Ended April 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Operating Revenues</b>				
Charges for services	<u>\$ 1,327,348</u>	<u>\$ 1,327,348</u>	<u>\$ 1,357,477</u>	<u>\$ 30,129</u>
Total operating revenues	<u>1,327,348</u>	<u>1,327,348</u>	<u>1,357,477</u>	<u>30,129</u>
<b>Operating Expenses</b>				
General and administrative	1,250,000	1,400,000	1,434,917	(34,917)
Contingency	<u>125,000</u>	<u>125,000</u>	<u>-</u>	<u>125,000</u>
Total operating expenses	<u>1,375,000</u>	<u>1,525,000</u>	<u>1,434,917</u>	<u>90,083</u>
<b>Nonoperating Revenues</b>				
Investment income	<u>10,000</u>	<u>10,000</u>	<u>79,418</u>	<u>69,418</u>
Total nonoperating revenues	<u>10,000</u>	<u>10,000</u>	<u>79,418</u>	<u>69,418</u>
Change in net position	<u>\$ (37,652)</u>	<u>\$ (187,652)</u>	1,978	<u>\$ 189,630</u>
<b>Net Position, Beginning</b>			<u>8,294,246</u>	
<b>Net Position, Ending</b>			<u>\$ 8,296,224</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, 2023

	<u>Police Pension</u>	<u>Firefighters' Pension</u>	<u>Total</u>
<b>Assets</b>			
Cash	\$ 54,092	\$ 603,278	\$ 657,370
Investments:			
Illinois police officers' pension investment fund	43,349,372	-	43,349,372
Illinois firefighters' pension investment fund	-	46,040,951	46,040,951
Prepaid items	1,523	5,820	7,343
Due from primary government	<u>47,276</u>	<u>26,684</u>	<u>73,960</u>
Total assets	<u>43,452,263</u>	<u>46,676,733</u>	<u>90,128,996</u>
<b>Liabilities</b>			
Accounts payable	<u>1,125</u>	<u>370</u>	<u>1,495</u>
Total liabilities	<u>1,125</u>	<u>370</u>	<u>1,495</u>
<b>Net Position</b>			
Restricted for pension benefits	<u>\$ 43,451,138</u>	<u>\$ 46,676,363</u>	<u>\$ 90,127,501</u>

## City of Lake Forest

Combining Statement of Changes in Fiduciary Net Position  
Pension Trust Funds  
Year Ended April 30, 2023

	<u>Police Pension</u>	<u>Firefighters' Pension</u>	<u>Total</u>
<b>Additions</b>			
Contributions:			
Employer	\$ 3,580,856	\$ 2,511,501	\$ 6,092,357
Employee	<u>515,033</u>	<u>350,363</u>	<u>865,396</u>
Total contributions	<u>4,095,889</u>	<u>2,861,864</u>	<u>6,957,753</u>
Investment income:			
Interest	219,212	465,624	684,836
Net appreciation (depreciation) in fair value of investments	<u>332,539</u>	<u>(167,321)</u>	<u>165,218</u>
Total investment income (loss)	551,751	298,303	850,054
Less investment expense	<u>(59,925)</u>	<u>(36,074)</u>	<u>(95,999)</u>
Net investment income	<u>491,826</u>	<u>262,229</u>	<u>754,055</u>
Miscellaneous	<u>1,816</u>	<u>(2,786)</u>	<u>(970)</u>
Total additions	<u>4,589,531</u>	<u>3,121,307</u>	<u>7,710,838</u>
<b>Deductions</b>			
Pension benefits and refunds	3,691,088	3,285,509	6,976,597
Other administrative expenses	<u>59,179</u>	<u>35,450</u>	<u>94,629</u>
Total deductions	<u>3,750,267</u>	<u>3,320,959</u>	<u>7,071,226</u>
Change in net position	839,264	(199,652)	639,612
<b>Net Position, Beginning</b>	<u>42,611,874</u>	<u>46,876,015</u>	<u>89,487,889</u>
<b>Net Position, Ending</b>	<u>\$ 43,451,138</u>	<u>\$ 46,676,363</u>	<u>\$ 90,127,501</u>



## City of Lake Forest

### Schedule of Changes in Fiduciary Net Position - Budget and Actual

Police Pension Fund

Year Ended April 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Additions</b>				
Contributions:				
Employer	\$ 3,588,755	\$ 3,588,755	\$ 3,580,856	\$ (7,899)
Employee	<u>431,340</u>	<u>431,340</u>	<u>515,033</u>	<u>83,693</u>
Total contributions	<u>4,020,095</u>	<u>4,020,095</u>	<u>4,095,889</u>	<u>75,794</u>
Investment income (loss):				
Interest	700,000	700,000	219,212	(480,788)
Net appreciation (depreciation) in fair value of investments	<u>2,253,854</u>	<u>2,253,854</u>	<u>332,539</u>	<u>(1,921,315)</u>
Total investment income (loss)	2,953,854	2,953,854	551,751	(2,402,103)
Less investment expense	<u>(80,000)</u>	<u>(80,000)</u>	<u>(59,925)</u>	<u>20,075</u>
Net investment income (loss)	2,873,854	2,873,854	491,826	(2,382,028)
Miscellaneous	<u>-</u>	<u>-</u>	<u>1,816</u>	<u>1,816</u>
Total additions	<u>6,893,949</u>	<u>6,893,949</u>	<u>4,589,531</u>	<u>(2,304,418)</u>
<b>Deductions</b>				
Pension benefits and refunds	3,920,000	3,920,000	3,691,088	228,912
Other administrative expenses	70,495	70,495	59,179	11,316
Contingency	<u>407,049</u>	<u>407,049</u>	<u>-</u>	<u>407,049</u>
Total deductions	<u>4,397,544</u>	<u>4,397,544</u>	<u>3,750,267</u>	<u>647,277</u>
Change in net position	<u>\$ 2,496,405</u>	<u>\$ 2,496,405</u>	839,264	<u>\$ (1,657,141)</u>
<b>Net Position, Beginning</b>			<u>42,611,874</u>	
<b>Net Position, Ending</b>			<u>\$ 43,451,138</u>	

## City of Lake Forest

Schedule of Changes in Fiduciary Net Position - Budget and Actual  
 Firefighters' Pension Fund  
 Year Ended April 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Additions</b>				
Contributions:				
Employer	\$ 2,519,403	\$ 2,519,403	\$ 2,511,501	\$ (7,902)
Employee	<u>361,000</u>	<u>361,000</u>	<u>350,363</u>	<u>(10,637)</u>
Total contributions	<u>2,880,403</u>	<u>2,880,403</u>	<u>2,861,864</u>	<u>(18,539)</u>
Investment income (loss):				
Interest	800,000	800,000	465,624	(334,376)
Net appreciation (depreciation) in fair value of investments	<u>2,602,750</u>	<u>2,602,750</u>	<u>(167,321)</u>	<u>(2,770,071)</u>
Total investment income (loss)	3,402,750	3,402,750	298,303	(3,104,447)
Less Investment expense	<u>(65,000)</u>	<u>(65,000)</u>	<u>(36,074)</u>	<u>28,926</u>
Net investment income (loss)	3,337,750	3,337,750	262,229	(3,075,521)
Miscellaneous	<u>-</u>	<u>-</u>	<u>(2,786)</u>	<u>(2,786)</u>
Total additions	<u>6,218,153</u>	<u>6,218,153</u>	<u>3,121,307</u>	<u>(3,096,846)</u>
<b>Deductions</b>				
Pension benefits and refunds	3,212,230	3,212,230	3,285,509	(73,279)
Other administrative expenses	60,495	60,495	35,450	25,045
Contingency	<u>333,772</u>	<u>333,772</u>	<u>-</u>	<u>333,772</u>
Total deductions	<u>3,606,497</u>	<u>3,606,497</u>	<u>3,320,959</u>	<u>285,538</u>
Change in net position	<u>\$ 2,611,656</u>	<u>\$ 2,611,656</u>	(199,652)	<u>\$ (2,811,308)</u>
<b>Net Position, Beginning</b>			<u>46,876,015</u>	
<b>Net Position, Ending</b>			<u>\$ 46,676,363</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, 2023

	<u>General Fund</u>	<u>Adjustments</u>	<u>Statement of Net Position</u>
<b>Assets and Deferred Outflows of Resources</b>			
<b>Assets</b>			
Cash and cash equivalents	\$ 7,695,677	\$ -	\$ 7,695,677
Receivables (net of allowance for uncollectibles)			
Property taxes	4,654,873	-	4,654,873
Other taxes	23,567	-	23,567
Accounts	22,493		22,493
Capital assets			
Capital assets not depreciated	-	718,500	718,500
Capital assets depreciated, net of accumulated depreciation	-	<u>2,373,292</u>	<u>2,373,292</u>
Total assets	<u>12,396,610</u>	<u>3,091,792</u>	<u>15,488,402</u>
<b>Deferred outflows of Resources</b>			
Deferred outflows related to pensions	-	1,046,536	1,046,536
Deferred outflows related to total OPEB liability	-	<u>5,771</u>	<u>5,771</u>
Total deferred outflows of resources	-	<u>1,052,307</u>	<u>1,052,307</u>
Total assets and deferred outflows of resources	<u>\$ 12,396,610</u>	<u>\$ 4,144,099</u>	<u>\$ 16,540,709</u>
<b>Liabilities, Deferred Inflows of Resources and Fund Balance/Net Position</b>			
<b>Liabilities</b>			
Accounts payable	\$ 75,415	\$ -	\$ 75,415
Accrued liabilities	62,799	-	62,799
Long-term obligations			
Due within one year	-	34,724	34,724
Due in more than one year	-	<u>1,089,688</u>	<u>1,089,688</u>
Total liabilities	<u>138,214</u>	<u>1,124,412</u>	<u>1,262,626</u>
<b>Deferred Inflows of Resources</b>			
Property taxes levied for future periods	4,654,873	-	4,654,873
Deferred inflows related to pensions		6,384	6,384
Deferred inflows related to total OPEB liability	-	<u>39,030</u>	<u>39,030</u>
Total deferred inflows of resources	<u>4,654,873</u>	<u>45,414</u>	<u>4,700,287</u>
<b>Fund Balance/Net Position</b>			
Unassigned	7,603,523	(7,603,523)	-
Net position			
Net investment in capital assets	-	3,091,792	3,091,792
Unrestricted	-	<u>7,486,004</u>	<u>7,486,004</u>
Total fund balance/net position	<u>7,603,523</u>	<u>2,974,273</u>	<u>10,577,796</u>
Total liabilities, deferred inflows of resources and fund balance/net position	<u>\$ 12,396,610</u>	<u>\$ 4,144,099</u>	<u>\$ 16,540,709</u>

## City of Lake Forest

Discretely Presented Component Unit - Lake Forest Library

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

Changes in Fund Balance

Year Ended April 30, 2023

	<u>General Fund</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
<b>Revenues</b>			
Property taxes	\$ 4,463,978	\$ -	\$ 4,463,978
Intergovernmental	117,016	-	117,016
Charges for services	35,088	-	35,088
Grants and contributions	117,279	-	117,279
Fines	3,650	-	3,650
Investment Income	<u>307,550</u>	<u>-</u>	<u>307,550</u>
Total revenues	<u>5,044,561</u>	<u>-</u>	<u>5,044,561</u>
<b>Expenditures/expenses</b>			
Current	3,603,687	385,633	3,989,320
Capital outlay	<u>908,958</u>	<u>(908,958)</u>	<u>-</u>
Total expenditures/expenses	<u>4,512,645</u>	<u>(523,325)</u>	<u>3,989,320</u>
Net change in fund balance/net position	<u>531,916</u>	<u>523,325</u>	<u>1,055,241</u>
<b>Fund Balance/Net Position, Beginning</b>	<u>7,071,607</u>	<u>2,450,948</u>	<u>9,522,555</u>
<b>Fund Balance/Net Position, Ending</b>	<u>\$ 7,603,523</u>	<u>\$ 2,974,273</u>	<u>\$ 10,577,796</u>

# City of Lake Forest

## Summary of Debt Service Requirements to Maturity

April 30, 2023

<u>Fiscal Year</u>	<u>General Obligation Bonds</u>
2024	\$ 6,257,224
2025	4,241,965
2026	4,251,716
2027	4,236,915
2028	4,252,865
2029	4,514,430
2030	4,538,836
2031	4,665,887
2032	4,673,062
2033	4,640,223
2034	3,678,313
2035	1,149,063
2036	1,150,250
2037	1,145,275
2038	<u>786,600</u>
	<u>\$ 54,182,624</u>

**City of Lake Forest**

Debt Service Requirements to Maturity - General Obligation Bonds  
 April 30, 2023

Fiscal Year	Special Service Area 29 Tax Bonds		Series 2015 Obligation Bonds		Series 2017 Obligation Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 150,612	\$ 5,497	\$ 370,000	\$ 252,050	\$ 515,000	\$ 271,153
2025	-	-	385,000	242,800	525,000	260,853
2026	-	-	405,000	233,175	535,000	247,728
2027	-	-	410,000	223,050	550,000	234,352
2028	-	-	435,000	212,800	565,000	220,602
2029	-	-	650,000	200,837	580,000	206,477
2030	-	-	695,000	181,337	590,000	191,687
2031	-	-	740,000	160,488	610,000	173,987
2032	-	-	705,000	136,438	630,000	155,687
2033	-	-	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>\$ 150,612</u>	<u>\$ 5,497</u>	<u>\$ 8,065,000</u>	<u>\$ 2,121,350</u>	<u>\$ 9,295,000</u>	<u>\$ 2,468,214</u>

**City of Lake Forest**

Debt Service Requirements to Maturity - General Obligation Bonds  
 April 30, 2023

Fiscal Year	Series 2019 Obligation Bonds		Series 2021 Obligation Bonds		Series 2023 Obligation Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 2,370,000	\$ 315,962	\$ 590,000	\$ 140,900	\$ 935,000	\$ 341,050
2025	630,000	197,462	600,000	129,100	780,000	491,750
2026	660,000	165,963	615,000	117,100	820,000	452,750
2027	695,000	132,963	615,000	104,800	860,000	411,750
2028	730,000	98,213	625,000	92,500	905,000	368,750
2029	735,000	83,616	705,000	80,000	950,000	323,500
2030	755,000	68,912	715,000	65,900	1,000,000	276,000
2031	780,000	53,812	820,000	51,600	1,050,000	226,000
2032	810,000	37,237	890,000	35,200	1,100,000	173,500
2033	845,000	19,011	870,000	17,400	1,155,000	118,500
2034	-	-	-	-	1,215,000	60,750
2035	-	-	-	-	-	-
2036	-	-	-	-	-	-
2037	-	-	-	-	-	-
2038	-	-	-	-	-	-
	<u>\$ 9,010,000</u>	<u>\$ 1,173,151</u>	<u>\$ 7,045,000</u>	<u>\$ 834,500</u>	<u>\$ 10,770,000</u>	<u>\$ 3,244,300</u>



**City of Lake Forest**Debt Service Requirements to Maturity - General Obligation Bonds  
April 30, 2023

<u>Fiscal Year</u>	<u>Total Requirements</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	4,930,612	1,326,612	\$ 6,257,224
2025	2,920,000	1,321,965	4,241,965
2026	3,035,000	1,216,716	4,251,716
2027	3,130,000	1,106,915	4,236,915
2028	3,260,000	992,865	4,252,865
2029	3,620,000	894,430	4,514,430
2030	3,755,000	783,836	4,538,836
2031	4,000,000	665,887	4,665,887
2032	4,135,000	538,062	4,673,062
2033	4,235,000	405,223	4,640,223
2034	3,410,000	268,313	3,678,313
2035	1,015,000	134,063	1,149,063
2036	1,050,000	100,250	1,150,250
2037	1,080,000	65,275	1,145,275
2038	760,000	26,600	786,600
	<u>\$ 44,335,612</u>	<u>\$ 9,847,012</u>	<u>\$ 54,182,624</u>

**City of Lake Forest**

Special Service Area 29 Special Tax Bonds - 2004 Series  
 April 30, 2023

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

<b>Redeemable Annually on December 15</b>	<b>Amount</b>
2023	<u>\$ 150,612</u>
	<u>\$ 150,612</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>
2022	\$ 150,612	\$ 5,497	\$ 156,109	2023	2,749	2023	2,748
	<u>\$ 150,612</u>	<u>\$ 5,497</u>	<u>\$ 156,109</u>				

**City of Lake Forest**

General Obligation Bonds – 2015  
 April 30, 2023

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

<b>Redeemable Annually on December 15</b>	<b>Amount</b>
2023	\$ 370,000
2024	385,000
2025	405,000
2026	410,000
2027	435,000
Thereafter	<u>6,060,000</u>
	<u>\$ 8,065,000</u>

**Bond Principal and Interest Requirements**

<b>Tax Levy Year</b>	<b>Tax Levy</b>			<b>Coupons Due on</b>			
	<b>Principal</b>	<b>Interest</b>	<b>Total</b>	<b>June 15</b>	<b>Amount</b>	<b>December 15</b>	<b>Amount</b>
2022	\$ 370,000	\$ 252,050	\$ 622,050	2023	\$ 126,025	2023	\$ 126,025
2023	385,000	242,800	627,800	2024	121,400	2024	121,400
2024	405,000	233,175	638,175	2025	116,588	2025	116,587
2025	410,000	223,050	633,050	2026	111,525	2026	111,525
2026	435,000	212,800	647,800	2027	106,400	2027	106,400
Thereafter	<u>6,060,000</u>	<u>957,475</u>	<u>7,017,475</u>	Thereafter	478,738	Thereafter	478,737
	<u>\$ 8,065,000</u>	<u>\$ 2,121,350</u>	<u>\$10,186,350</u>				

**City of Lake Forest**

General Obligation Bonds – 2017  
 April 30, 2023

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

<u>Redeemable Annually on December 15</u>	<u>Amount</u>
2023	\$ 515,000
2024	525,000
2025	535,000
2026	550,000
2027	565,000
Thereafter	<u>6,605,000</u>
	<u>\$ 9,295,000</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>
2022	\$ 515,000	\$ 271,153	\$ 786,153	2023	\$ 135,577	2023	\$ 135,576
2023	525,000	260,853	785,853	2024	130,426	2024	130,427
2024	535,000	247,728	782,728	2025	123,864	2025	123,864
2025	550,000	234,352	784,352	2026	117,176	2026	117,176
2026	565,000	220,603	785,603	2027	110,302	2027	110,301
Thereafter	<u>6,605,000</u>	<u>1,233,525</u>	<u>7,838,525</u>	Thereafter	616,763	Thereafter	616,762
	<u>\$ 9,295,000</u>	<u>\$ 2,468,214</u>	<u>\$11,763,214</u>				

**City of Lake Forest**

General Obligation Bonds – 2019  
 April 30, 2023

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

<u>Redeemable Annually on December 15</u>	<u>Amount</u>
2023	\$ 2,370,000
2024	630,000
2025	660,000
2026	695,000
2027	730,000
Thereafter	<u>3,925,000</u>
	<u>\$ 9,010,000</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>
2022	\$ 2,370,000	\$ 315,962	\$ 2,685,962	2023	\$ 157,981	2023	\$ 157,981
2023	630,000	197,462	827,462	2024	98,731	2024	98,731
2024	660,000	165,963	825,963	2025	82,982	2025	82,981
2025	695,000	132,963	827,963	2026	66,482	2026	66,481
2026	730,000	98,213	828,213	2027	49,107	2027	49,106
Thereafter	<u>3,925,000</u>	<u>262,588</u>	<u>4,187,588</u>	Thereafter	131,294	Thereafter	131,294
	<u>\$ 9,010,000</u>	<u>\$ 1,173,151</u>	<u>\$10,183,151</u>				

**City of Lake Forest**

General Obligation Bonds – 2021  
 April 30, 2023

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

<u>Redeemable Annually on December 15</u>	<u>Amount</u>
2023	\$ 590,000
2024	600,000
2025	615,000
2026	615,000
2027	625,000
Thereafter	4,000,000
	<u>\$ 7,045,000</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>
2022	\$ 590,000	\$ 140,900	\$ 730,900	2023	\$ 70,450	2023	\$ 70,450
2023	600,000	129,100	729,100	2024	64,550	2024	64,550
2024	615,000	117,100	732,100	2025	58,550	2025	58,550
2025	615,000	104,800	719,800	2026	52,400	2026	52,400
2026	625,000	92,500	717,500	2027	46,250	2027	46,250
Thereafter	4,000,000	250,100	4,250,100	Thereafter	125,050	Thereafter	125,050
	<u>\$ 7,045,000</u>	<u>\$ 834,500</u>	<u>\$ 7,879,500</u>				

## City of Lake Forest

General Obligation Bonds – 2023

April 30, 2023

Date of issue:	April 27, 2023
Date of maturity:	December 15, 2033
Authorized issue:	\$ 10,770,000
Denomination of bonds:	\$ 5,000
Interest rates:	5.00%
Interest dates:	June 15 and December 15
Payable at:	Amalgamated Bank Chicago, Illinois

<b>Redeemable Annually on December 15</b>	<b>Amount</b>
2023	\$ 935,000
2024	780,000
2025	820,000
2026	860,000
2027	905,000
Thereafter	6,470,000
	<u>\$10,770,000</u>

### Bond Principal and Interest Requirements

<b>Tax Levy Year</b>	<b>Tax Levy</b>			<b>Coupons Due on</b>			
	<b>Principal</b>	<b>Interest</b>	<b>Total</b>	<b>June 15</b>	<b>Amount</b>	<b>December 15</b>	<b>Amount</b>
2022	\$ 935,000	\$ 341,050	\$ 1,276,050	2023	\$ -	2023	\$ 341,050
2023	780,000	491,750	1,271,750	2024	245,875	2024	245,875
2024	820,000	452,750	1,272,750	2025	226,375	2025	226,375
2025	860,000	411,750	1,271,750	2026	205,875	2026	205,875
2026	905,000	368,750	1,273,750	2027	184,375	2027	184,375
Thereafter	6,470,000	1,178,250	7,648,250	Thereafter	589,125	Thereafter	589,125
	<u>\$10,770,000</u>	<u>\$ 3,244,300</u>	<u>\$14,014,300</u>				

**City of Lake Forest**Debt Service Fund  
Combining Balance Sheet  
April 30, 2023

	<b>Special Service Area 25 General Obligation Bonds</b>	<b>Special Service Area 26 General Obligation Bonds</b>	<b>Special Service Area 29 General Obligation Bonds</b>	<b>2004 Series B 2011B/2019 General Obligation Bonds</b>
<b>Assets</b>				
Cash and cash equivalents	\$ -	\$ -	\$ 12,565	\$ 928,047
Receivables (net of allowance for uncollectibles):				
Property taxes	-	-	154,259	-
Total assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 166,824</u>	<u>\$ 928,047</u>
<b>Liabilities</b>				
Total Liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Deferred inflows of resources</b>				
Property taxes levied for future periods	-	-	154,259	-
<b>Fund Balance</b>				
Fund balance- restricted for debt service	-	-	12,565	928,047
Total deferred inflows of resources, liabilities and fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 166,824</u>	<u>\$ 928,047</u>



<b>2009/2019 General Obligation Bonds</b>	<b>2010/2019 General Obligation Bonds</b>	<b>2013/2021 General Obligation Bonds</b>	<b>2015 General Obligation Bonds</b>	<b>2023 General Obligation Bonds</b>	<b>Total</b>
\$ 39,983	\$ 68,217	\$ 53,958	\$ 8,997	\$ 900,195	\$ 2,011,962
<u>257,865</u>	<u>570,559</u>	<u>727,136</u>	<u>260,763</u>	<u>-</u>	<u>1,970,582</u>
<u>\$ 297,848</u>	<u>\$ 638,776</u>	<u>\$ 781,094</u>	<u>\$ 269,760</u>	<u>\$ 900,195</u>	<u>\$ 3,982,544</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<u>257,865</u>	<u>570,559</u>	<u>727,136</u>	<u>260,763</u>	<u>-</u>	<u>1,970,582</u>
<u>39,983</u>	<u>68,217</u>	<u>53,958</u>	<u>8,997</u>	<u>900,195</u>	<u>2,011,962</u>
<u>\$ 297,848</u>	<u>\$ 638,776</u>	<u>\$ 781,094</u>	<u>\$ 269,760</u>	<u>\$ 900,195</u>	<u>\$ 3,982,544</u>

## City of Lake Forest

Debt Service Fund

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances

Year Ended April 30, 2023

	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
<b>Revenues</b>				
Taxes:				
Property taxes	\$ 77,716	\$ 21,910	\$ 154,456	\$ -
Investment income	<u>1,570</u>	<u>517</u>	<u>2,214</u>	<u>38,999</u>
Total revenues	<u>79,286</u>	<u>22,427</u>	<u>156,670</u>	<u>38,999</u>
<b>Expenditures</b>				
General government	20,963	9,137	-	45
Debt Service:				
Principal	75,000	20,701	143,507	478,748
Interest	<u>2,213</u>	<u>714</u>	<u>10,448</u>	<u>48,613</u>
Total expenditures	<u>98,176</u>	<u>30,552</u>	<u>153,955</u>	<u>527,406</u>
Excess (deficiency) of revenues over expenditures	<u>(18,890)</u>	<u>(8,125)</u>	<u>2,715</u>	<u>(488,407)</u>
<b>Other financing sources:</b>				
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(18,890)	(8,125)	2,715	(488,407)
<b>Fund Balances, Beginning</b>	<u>18,890</u>	<u>8,125</u>	<u>9,850</u>	<u>1,416,454</u>
<b>Fund Balances, Ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,565</u>	<u>\$ 928,047</u>

<b>2009/2019 General Obligation Bonds</b>	<b>2010/2019 General Obligation Bonds</b>	<b>2013/2021 General Obligation Bonds</b>	<b>2015 General Obligation Bonds</b>	<b>2023 General Obligation Bonds</b>	<b>Total</b>
\$ 254,565	\$ 578,832	\$ 739,450	\$ 257,595	\$ -	\$ 2,084,524
<u>3,897</u>	<u>7,722</u>	<u>8,812</u>	<u>2,333</u>	<u>195</u>	<u>66,259</u>
<u>258,462</u>	<u>586,554</u>	<u>748,262</u>	<u>259,928</u>	<u>195</u>	<u>2,150,783</u>
56	211	475	1,000	-	31,887
190,000	385,000	545,000	355,000	-	2,192,956
<u>63,700</u>	<u>192,763</u>	<u>189,750</u>	<u>260,925</u>	<u>-</u>	<u>769,126</u>
<u>253,756</u>	<u>577,974</u>	<u>735,225</u>	<u>616,925</u>	<u>-</u>	<u>2,993,969</u>
<u>4,706</u>	<u>8,580</u>	<u>13,037</u>	<u>(356,997)</u>	<u>195</u>	<u>(843,186)</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>360,688</u>	<u>900,000</u>	<u>1,260,688</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>360,688</u>	<u>900,000</u>	<u>1,260,688</u>
4,706	8,580	13,037	3,691	900,195	417,502
<u>35,277</u>	<u>59,637</u>	<u>40,921</u>	<u>5,306</u>	<u>-</u>	<u>1,594,460</u>
<u>\$ 39,983</u>	<u>\$ 68,217</u>	<u>\$ 53,958</u>	<u>\$ 8,997</u>	<u>\$ 900,195</u>	<u>\$ 2,011,962</u>

## Statistical Section

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

<b><u>Contents</u></b>	<b><u>Page</u></b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	139
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the factors affecting the City's ability to generate its property and sales taxes.	144
<b>Debt Capacity</b> 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.	152
<b>Demographic and Economic Information</b> 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.	157
<b>Operating Information</b> 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.	160

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

## City of Lake Forest

Net Position by Component

Last Ten Fiscal Years

April 30, 2023

	<u>2014</u>	<u>2015</u>	<u>2016*</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
<b>Governmental Activities</b>										
Net investment in capital assets	\$ 184,270,349	\$ 181,056,601	\$ 181,481,470	\$ 170,568,584	\$ 166,607,491	\$ 164,675,251	\$ 165,179,598	\$ 164,798,332	\$ 165,811,050	\$ 169,967,523
Restricted	16,860,362	15,737,797	18,506,073	15,476,976	20,193,505	26,714,972	27,807,934	36,509,516	57,740,630	50,792,460
Unrestricted	<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>	<u>(21,655,117)</u>	<u>(9,092,750)</u>
Total governmental activities net position	<u>\$ 224,819,841</u>	<u>\$ 223,541,715</u>	<u>\$ 181,507,615</u>	<u>\$ 176,977,155</u>	<u>\$ 175,794,278</u>	<u>\$ 176,580,546</u>	<u>\$ 174,726,292</u>	<u>\$ 186,594,782</u>	<u>\$ 201,896,563</u>	<u>\$ 211,667,233</u>
<b>Business-Type Activities</b>										
Net investment in capital assets	\$ 36,163,443	\$ 36,617,378	\$ 37,582,505	\$ 37,504,482	\$ 40,729,712	\$ 39,610,155	\$ 39,052,272	\$ 38,142,896	\$ 38,585,070	\$ 37,912,290
Restricted	-	-	-	-	-	-	-	580,012	1,957,016	-
Unrestricted	<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>	<u>11,424,910</u>	<u>14,935,571</u>
Total business-type activities	<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>	<u>\$ 51,966,996</u>	<u>\$ 52,847,861</u>
<b>Total Primary Government</b>										
Net investment in capital assets	\$ 220,433,792	\$ 217,673,979	\$ 219,063,975	\$ 208,073,066	\$ 207,337,203	\$ 204,285,406	\$ 204,231,870	\$ 202,941,228	\$ 204,396,120	\$ 207,879,813
Restricted	16,860,362	15,737,797	18,506,073	15,476,976	20,193,505	26,714,972	27,807,934	37,089,528	59,697,646	50,792,460
Unrestricted	<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>	<u>(10,230,207)</u>	<u>5,842,821</u>
Total primary government net position	<u>\$ 270,722,620</u>	<u>\$ 269,101,013</u>	<u>\$ 227,413,521</u>	<u>\$ 222,177,958</u>	<u>\$ 225,474,660</u>	<u>\$ 225,699,184</u>	<u>\$ 223,470,574</u>	<u>\$ 235,606,495</u>	<u>\$ 253,863,559</u>	<u>\$ 264,515,094</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, 2023

	2014	2015*	2016	2017	2018	2019	2020	2021	2022	2023
<b>Expenses</b>										
<b>Governmental Activities</b>										
General government	\$ 12,311,198	\$ 12,604,331	\$ 11,675,363	\$ 16,882,976	\$ 9,884,646	\$ 13,773,790	\$ 13,865,425	\$ 12,863,134	\$ 11,182,027	\$ 15,254,047
Highway and streets	7,762,403	8,839,231	9,230,548	10,923,639	9,621,569	9,081,471	8,677,958	7,457,325	6,929,008	7,992,398
Sanitation	2,586,125	2,474,355	2,208,326	2,611,231	2,585,940	2,580,043	2,678,876	2,438,916	1,959,547	2,980,137
Culture and recreation	10,397,593	10,172,391	8,463,259	10,023,195	10,003,119	8,859,391	8,977,855	9,453,397	9,205,623	12,433,798
Public safety	14,430,151	15,303,399	16,360,830	17,048,209	17,017,092	19,769,395	23,338,259	16,854,590	20,578,227	22,900,489
Interest	1,333,267	1,357,552	1,293,742	1,559,100	1,271,181	1,231,944	1,115,802	920,485	871,548	477,955
Total governmental activities expenses	<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>	<u>50,725,980</u>	<u>62,038,824</u>
<b>Business-Type Activities</b>										
Waterworks and sewerage	7,476,752	8,353,825	7,239,042	8,510,811	8,122,998	7,832,615	8,168,879	8,486,272	7,441,106	8,456,249
Golf	1,554,678	1,642,121	1,868,252	2,095,510	1,604,261	1,875,677	1,861,393	2,042,874	2,161,621	2,259,135
Total business-type activities	<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>	<u>9,602,727</u>	<u>10,715,384</u>
Total primary government expenses	<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>	<u>\$ 60,328,707</u>	<u>\$ 72,754,208</u>
<b>Program Revenues</b>										
<b>Governmental Activities</b>										
Charges for services:										
General government	\$ 4,756,948	\$ 5,442,475	\$ 8,191,440	\$ 8,860,169	\$ 5,203,210	\$ 5,007,655	\$ 4,077,609	\$ 3,754,897	\$ 4,296,082	\$ 4,219,903
Highway and streets	741,334	710,795	990,840	782,953	1,006,644	2,730,122	2,183,456	2,476,794	2,726,225	2,885,458
Sanitation	77,147	682,062	697,435	734,111	721,276	749,620	1,040,121	1,053,692	1,040,338	1,053,425
Culture and recreation	3,314,856	3,156,699	3,257,796	2,810,762	3,491,365	3,117,795	2,594,119	1,733,927	2,885,644	3,178,479
Public safety	1,950,998	1,795,521	1,552,567	1,689,547	1,992,985	2,117,186	2,525,439	2,517,398	2,946,021	2,897,404
Operating grants and contributions	1,105,191	1,345,670	1,368,451	1,088,579	1,298,006	985,676	1,529,863	1,097,399	1,164,031	1,259,314
Capital grants and contributions	757,239	468,255	280,675	1,174,000	356,178	505,988	448,694	777,054	2,368,237	3,357,688
Total governmental activities program revenues	<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>	<u>17,426,578</u>	<u>18,851,671</u>
<b>Business-Type Activities</b>										
Charges for services:										
Waterworks and sewerage	7,521,323	8,034,469	7,477,558	7,873,741	8,083,554	7,818,777	7,512,450	8,569,806	9,695,464	8,778,538
Golf	1,397,836	1,414,217	1,759,271	1,606,661	1,480,618	1,524,654	1,459,127	1,864,338	1,824,684	1,861,913
Operating grants and contributions	-	-	-	-	-	228,332	-	-	-	138,517
Capital grants and contributions	-	-	-	-	-	-	-	-	554,466	-
Total business-type activities program revenues	<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>	<u>12,074,614</u>	<u>10,778,968</u>
Total government program revenues	<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>	<u>\$ 29,501,192</u>	<u>\$ 29,630,639</u>
<b>Net (Expense)/Revenue</b>										
<b>Governmental Activities</b>	<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>	<u>\$(33,299,402)</u>	<u>\$(43,187,153)</u>
<b>Business-Type Activities</b>	<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>	<u>2,471,887</u>	<u>63,584</u>
Total primary government net expense	<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>	<u>\$(30,827,515)</u>	<u>\$(43,123,569)</u>

## City of Lake Forest

Change in Net Position  
Last Ten Fiscal years  
Year Ended April 30, 2023

	2014	2015*	2016	2017	2018	2019	2020	2021	2022	2023
<b>General Revenues and Other Changes in Net Position</b>										
<b>Governmental Activities</b>										
Taxes:										
Property	\$ 23,744,650	\$ 24,468,769	\$ 25,006,224	\$ 25,928,864	\$ 26,193,444	\$ 27,591,773	\$ 28,569,827	\$ 30,459,112	\$ 32,149,905	\$ 33,144,358
Sales	3,047,529	2,851,103	2,889,306	2,829,607	2,105,736	2,095,938	2,597,218	1,081,489	1,795,817	2,033,255
Income and use	2,182,325	2,386,567	2,251,828	2,306,546	2,272,639	2,593,506	2,584,198	3,223,407	3,829,655	3,774,572
Telecommunications and utility	4,026,972	3,954,001	3,551,491	3,596,175	3,440,365	3,603,381	3,170,895	3,102,515	3,285,771	3,242,737
Real estate transfer tax	1,633,580	1,224,610	1,288,175	1,398,160	1,622,900	1,471,595	1,256,265	2,735,405	2,652,110	2,125,930
Other	581,443	534,625	514,231	636,368	2,178,246	2,410,453	2,717,862	4,308,631	5,824,190	5,910,164
Investment earnings	637,193	547,118	145,329	1,042,049	1,665,391	2,215,202	1,664,355	3,564,117	(883,765)	2,778,603
Miscellaneous	669,145	73,613	-	-	-	-	-	-	-	-
Gain on sale of assets	-	-	-	-	(3,874)	7,775	38,500	-	-	7,000
Transfers	(97,000)	(168,750)	(924,496)	(360,000)	(4,343,841)	786,850	(198,500)	(29,500)	(52,500)	(58,796)
Total governmental activities	<u>36,425,837</u>	<u>35,871,656</u>	<u>34,722,088</u>	<u>37,377,769</u>	<u>35,131,006</u>	<u>42,776,473</u>	<u>42,400,620</u>	<u>48,445,176</u>	<u>48,601,183</u>	<u>52,957,823</u>
<b>Business-Type Activities</b>										
Investment earnings	38,550	33,408	40,362	58,366	236,990	279,189	175,969	42,285	56,757	497,116
Other	-	1,621	6,033	2,450	61,835	299,176	309,870	290,648	374,139	261,369
Transfers	97,000	168,750	924,496	360,000	4,343,841	(786,850)	198,500	29,500	52,500	58,796
Total business-type activities	<u>135,550</u>	<u>203,779</u>	<u>970,891</u>	<u>420,816</u>	<u>4,642,666</u>	<u>(208,485)</u>	<u>684,339</u>	<u>362,433</u>	<u>483,396</u>	<u>817,281</u>
Total primary government	<u>\$ 36,561,387</u>	<u>\$ 36,075,435</u>	<u>\$ 35,692,979</u>	<u>\$ 37,798,585</u>	<u>\$ 39,773,672</u>	<u>\$ 42,567,988</u>	<u>\$ 43,084,959</u>	<u>\$ 48,807,609</u>	<u>\$ 49,084,579</u>	<u>\$ 53,775,104</u>
<b>Changes in Net Position</b>										
Governmental activities	\$ 308,813	\$ (1,278,126)	\$ 1,829,224	\$ (4,530,460)	\$ (1,182,877)	\$ 2,694,481	\$ (1,854,254)	\$ 11,868,490	\$ 15,301,781	\$ 9,770,670
Business-type activities	23,279	(343,481)	1,100,426	(705,103)	4,479,579	(345,014)	(374,356)	267,431	2,955,283	880,865
Total primary government change in net position	<u>\$ 332,092</u>	<u>\$ (1,621,607)</u>	<u>\$ 2,929,650</u>	<u>\$ (5,235,563)</u>	<u>\$ 3,296,702</u>	<u>\$ 2,349,467</u>	<u>\$ (2,228,610)</u>	<u>\$ 12,135,921</u>	<u>\$ 18,257,064</u>	<u>\$ 10,651,535</u>

\*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, 2023

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
<b>General Fund</b>										
Nonspendable	\$ 2,126,990	\$ 1,648,832	\$ 1,272,224	\$ 778,160	\$ 150,038	\$ 129,280	\$ 143,703	\$ 208,661	\$ 91,038	\$ 199,053
Restricted	957,420	957,420	-	-	-	-	-	-	-	-
Unassigned	<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>	<u>28,872,687</u>	<u>31,157,853</u>
Total general fund	<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>	<u>\$ 28,963,725</u>	<u>\$ 31,356,906</u>
<b>All Other Governmental Funds</b>										
Nonspendable	\$ -	\$ 381,173	\$ 408,539	\$ 536,121	\$ 28,688	\$ 32,837	\$ 29,139	\$ 28,878	\$ -	\$ 292,047
Restricted	16,127,257	14,726,999	20,337,111	19,420,288	20,806,879	26,656,696	27,693,271	36,738,128	45,175,456	62,488,187
Assigned	1,449,284	1,448,736	1,456,053	-	-	-	-	-	-	-
Unassigned	<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>	<u>-</u>	<u>-</u>
governmental funds	<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>	<u>\$ 45,175,456</u>	<u>\$ 62,780,234</u>
Total governmental funds	<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>	<u>\$ 74,139,181</u>	<u>\$ 94,137,140</u>



# City of Lake Forest

Changes in Fund Balances of Governmental Funds  
 Last Ten Fiscal Years  
 Year Ended April 30, 2023

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Revenues</b>										
Property taxes	\$ 23,744,650	\$ 24,468,769	\$ 25,006,224	\$ 25,928,864	\$ 26,193,444	\$ 27,591,773	\$ 28,569,827	\$ 30,459,112	\$ 32,149,905	\$ 33,144,358
Other taxes	11,471,849	4,641,466	4,317,316	4,609,057	4,786,506	4,775,587	4,702,203	6,236,640	7,420,624	7,296,938
Intergovernmental revenues	576,125	6,972,923	6,680,193	6,656,768	6,331,183	6,717,794	7,274,602	7,982,783	9,381,665	9,450,281
Grants and contributions	962,249	950,823	1,056,523	1,419,736	997,289	2,220,550	1,082,083	1,959,289	803,304	3,495,343
Charges for services	7,373,500	7,935,973	8,506,756	8,005,317	8,833,079	8,759,327	8,749,224	7,611,794	9,915,260	10,085,851
Licenses and permits	2,477,338	2,821,066	5,222,568	5,157,398	3,232,276	3,456,703	2,954,115	3,133,137	3,460,452	3,661,327
Fines and forfeitures	297,005	287,333	260,407	321,168	345,438	355,304	271,985	260,726	256,681	252,955
Investment income (loss)	610,601	524,150	115,462	989,515	1,553,167	2,043,136	1,534,251	3,531,497	(919,400)	2,533,245
Miscellaneous revenue	759,384	790,344	779,137	841,731	1,831,152	1,511,534	1,360,723	1,346,521	1,777,933	1,557,864
<b>Total revenues</b>	<b>48,272,701</b>	<b>49,392,847</b>	<b>51,944,586</b>	<b>53,929,554</b>	<b>54,103,534</b>	<b>57,431,708</b>	<b>56,499,013</b>	<b>62,521,499</b>	<b>64,246,424</b>	<b>71,478,162</b>
<b>Expenditures</b>										
General government	10,112,393	10,248,830	10,811,408	11,581,286	10,469,740	11,657,265	11,960,755	13,142,471	12,312,871	13,261,755
Highways and streets	2,293,840	2,371,461	2,157,463	3,118,461	2,354,587	4,577,657	3,393,599	3,232,159	3,994,492	5,489,525
Sanitation	2,212,166	2,235,135	2,276,433	2,311,435	2,290,986	2,480,420	2,619,476	2,653,638	2,583,681	2,752,581
Culture and recreation	8,686,298	8,457,043	8,338,284	8,532,289	8,853,547	9,319,869	9,398,508	9,260,377	9,740,683	10,123,672
Public safety	14,299,583	14,469,408	15,090,712	15,126,874	15,520,779	16,900,348	18,456,208	18,449,813	19,464,610	20,127,970
Capital outlay	5,527,772	7,582,668	10,992,926	5,439,469	8,746,881	3,971,995	6,753,993	4,568,295	3,160,885	8,971,850
Debt service:										
Principal	1,400,950	1,623,436	1,791,579	7,906,696	1,782,156	1,429,625	1,730,850	1,910,089	2,009,665	2,192,956
Interest	1,319,276	1,400,609	1,293,634	1,639,191	1,277,596	1,242,498	1,202,730	1,026,472	957,831	925,090
<b>Total expenditures</b>	<b>45,852,278</b>	<b>48,388,590</b>	<b>52,752,439</b>	<b>55,655,701</b>	<b>51,296,272</b>	<b>51,579,677</b>	<b>55,516,119</b>	<b>54,243,314</b>	<b>54,224,718</b>	<b>63,845,399</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>2,420,423</b>	<b>1,004,257</b>	<b>(807,853)</b>	<b>(1,726,147)</b>	<b>2,807,262</b>	<b>5,852,031</b>	<b>982,894</b>	<b>8,278,185</b>	<b>10,021,706</b>	<b>7,632,763</b>
<b>Other Financing Sources (Uses)</b>										
Transfers in	3,224,306	2,020,085	2,846,321	7,776,661	4,799,274	7,280,685	4,627,667	6,804,841	6,791,294	6,101,025
Transfers out	(3,321,306)	(2,188,835)	(2,895,321)	(8,136,661)	(7,050,020)	(7,644,685)	(4,826,167)	(6,834,841)	(7,493,794)	(6,161,696)
Bonds issued	-	-	9,780,000	-	-	-	-	-	-	10,770,000
Loan proceeds	-	-	830,080	-	-	-	-	-	-	-
Premium (discount) on bonds issued	26,093	-	106,384	-	-	-	797,619	-	511,784	1,390,156
Proceeds from refunding G.O. bonds	9,715,000	-	-	-	-	-	10,751,022	-	7,590,000	-
Payments for refunding G.O. bonds	(9,665,000)	-	-	-	-	-	(11,445,875)	-	(8,101,528)	-
Sale of capital assets	791,038	24,053	73,224	5,636,108	26,076	26,551	38,500	14,843	-	265,711
<b>Total other financing sources (uses)</b>	<b>770,131</b>	<b>(144,697)</b>	<b>10,740,688</b>	<b>5,276,108</b>	<b>(2,224,670)</b>	<b>(337,449)</b>	<b>(57,234)</b>	<b>(15,157)</b>	<b>(702,244)</b>	<b>12,365,196</b>
<b>Net changes in fund balances</b>	<b>\$ 3,190,554</b>	<b>\$ 859,560</b>	<b>\$ 9,932,835</b>	<b>\$ 3,549,961</b>	<b>\$ 582,592</b>	<b>\$ 5,514,582</b>	<b>\$ 925,660</b>	<b>\$ 8,263,028</b>	<b>\$ 9,319,462</b>	<b>\$ 19,997,959</b>
Debt service as a percentage of noncapital expenditures	6.17%	6.43%	6.54%	17.36%	6.49%	5.42%	5.78%	5.76%	5.92%	5.58%

## 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
2013	\$ 2,047,760,158	\$ 200,625,492	\$ 62,064	\$ 5,099,690	\$ -	\$ 2,253,547,404	1.2480	\$ 6,760,642,212	33.333%
2014	2,047,998,906	196,562,054	61,541	5,846,135	-	2,250,468,636	1.2741	6,751,405,908	33.333%
2015	2,105,361,682	196,233,065	46,548	6,294,764	-	2,307,936,059	1.2794	6,923,808,177	33.333%
2016	2,226,672,717	209,668,706	49,445	6,591,173	90,630	2,443,072,671	1.2268	7,329,218,013	33.333%
2017	2,309,650,453	215,722,819	51,936	6,841,694	1,690,541	2,533,957,443	1.2366	7,601,872,329	33.333%
2018	2,305,181,606	214,536,978	52,832	7,152,663	4,202,435	2,531,126,514	1.2782	7,593,379,542	33.333%
2019	2,222,762,174	228,895,482	53,502	6,085,440	16,133,495	2,473,930,093	1.3721	7,421,790,279	33.333%
2020	2,168,305,007	221,826,768	55,722	6,474,628	22,935,969	2,419,598,094	1.4638	7,258,794,282	33.333%
2021	2,149,678,467	225,662,484	55,419	6,476,640	25,028,375	2,406,901,385	1.5217	7,220,704,155	33.333%
2022	2,196,169,409	222,850,729	55,906	7,089,985	25,629,367	2,451,795,396	1.5590	7,355,386,188	33.333%

#### 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

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Bonds	0.088	0.090	0.067	0.059	0.060	0.066	0.074	0.077	0.077	0.076
Corporate	0.580	0.590	0.619	0.603	0.600	0.620	0.646	0.663	0.683	0.709
Firemen's Pension	0.052	0.054	0.053	0.050	0.061	0.065	0.077	0.093	0.098	0.099
IMRF	0.037	0.038	0.037	0.035	0.035	0.035	0.037	0.039	0.040	0.040
Library	0.152	0.155	0.153	0.146	0.145	0.149	0.157	0.166	0.170	0.176
Library Sites & Building	0.017	0.017	0.017	0.016	0.016	0.016	0.017	0.018	0.018	0.019
Parks/Park Maintenance	0.191	0.194	0.196	0.187	0.184	0.188	0.197	0.225	0.229	0.236
Police Pension	0.076	0.080	0.082	0.078	0.083	0.087	0.109	0.125	0.134	0.135
Ptab/CE Recapture	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.011	0.007
Recreation for Handicapped Rec.	0.018	0.018	0.018	0.018	0.018	0.019	0.020	0.021	0.021	0.022
Social Security	0.037	0.038	0.037	0.035	0.035	0.035	0.037	0.039	0.040	0.040
<b>City Direct Rates *</b>	<b>1.248</b>	<b>1.274</b>	<b>1.279</b>	<b>1.227</b>	<b>1.237</b>	<b>1.280</b>	<b>1.371</b>	<b>1.464</b>	<b>1.522</b>	<b>1.559</b>
<b>Overlapping Rates</b>										
College of Lake County	0.296	0.306	0.299	0.285	0.281	0.282	0.282	0.290	0.293	0.296
County of Lake	0.663	0.682	0.663	0.632	0.622	0.612	0.597	0.598	0.598	0.589
Lake County Forest Preserve	0.218	0.210	0.208	0.193	0.187	0.182	0.180	0.182	0.179	0.173
North Shore Sanitary District	0.164	0.169	0.166	0.157	0.153	0.153	0.153	0.157	0.158	0.160
School District 67, Elem.	1.424	1.452	1.429	1.367	1.355	1.391	1.472	1.551	1.606	1.652
School District 115, High School	1.420	1.450	1.409	1.329	1.314	1.336	1.375	1.445	1.494	1.535
Township	0.037	0.039	0.038	0.036	0.035	0.035	0.036	0.037	0.037	0.048
Township Road and Bridge	0.032	0.033	0.032	0.031	0.030	0.031	0.032	0.033	0.034	0.026
<b>Total tax rate</b>	<b>5.502</b>	<b>5.615</b>	<b>5.523</b>	<b>5.257</b>	<b>5.214</b>	<b>5.302</b>	<b>5.498</b>	<b>5.757</b>	<b>5.922</b>	<b>6.038</b>
City's share of total tax rate	23%	23%	23%	23%	24%	24%	25%	25%	26%	26%

#### Data Source

Office of the County Clerk - Shields Township

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

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

\* Excludes rates for the Special Service Areas

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

## City of Lake Forest

Principal Property Taxpayers  
Current Year and Nine Years Ago

Taxpayer	2023			2014		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Valuation	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Valuation
Kelmscott Park Apartments LLC	\$ 15,858,226	1	0.65%			
Chicago Title Land Trust Company	13,635,533	2	0.56%			
Abbot Laboratories	12,910,490	3	0.53%			
Lake Forest Place LLC	12,740,128	4	0.52%			
Chicago Bears Football Club, Inc	11,290,096	5	0.46%	\$ 5,400,570	9	0.24%
Chicago Title Land Trust Company	11,251,294	6	0.46%			
CAI Investment Lake Forest Global	10,243,283	7	0.42%			
Conway Gateway LLC	9,939,028	8	0.41%			
SOT North Field LP	9,614,340	9	0.39%			
Hospira Inc	7,946,882	10	0.32%	18,429,766	1	0.82%
Lake Products, Inc				13,924,734	2	0.62%
The Presbyterian Home				13,000,708	3	0.58%
CBIZ Property Tax Solutions				9,053,796	4	0.40%
Trustmark Insurance Co				7,609,239	5	0.34%
Northwestern Lake Forest Hospital				7,324,881	6	0.33%
Lake Forest Landmark Co. LLC				6,721,223	7	0.30%
Lake Forest Landmark II				5,723,477	8	0.25%
Riggs & Co.				5,262,931	10	0.23%
	<u>\$ 115,429,300</u>		<u>4.71%</u>	<u>\$ 92,451,325</u>		<u>4.10%</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.

2023 Column is 2022 Assessed Valuation

2014 Column is 2013 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
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	35,063,302	34,914,741	99.58%	960	34,915,701	99.58%
2021	35,959,054	35,808,504	99.58%	1,484	35,809,988	99.59%
2022	37,642,488	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

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General	0.580	0.590	0.619	0.603	0.600	0.617	0.646	0.663	0.683	0.709
IMRF/Social Security	0.074	0.076	0.074	0.070	0.070	0.071	0.074	0.078	0.079	0.081
Firefighter Pension	0.052	0.054	0.053	0.050	0.061	0.065	0.077	0.093	0.098	0.099
Police Pension	0.076	0.080	0.082	0.078	0.083	0.087	0.109	0.125	0.134	0.135
Parks and Recreation	0.191	0.194	0.196	0.187	0.184	0.188	0.196	0.224	0.229	0.236
Special Recreation	0.018	0.018	0.018	0.018	0.018	0.019	0.020	0.021	0.021	0.022
General Obligation Bond 2008	0.037	0.037	0.026	0.000	0.000	0.000	-	-	-	-
General Obligation Bond 2009	0.013	0.013	0.009	0.012	0.012	0.011	0.011	0.011	0.011	0.008
General Obligation Bond 2010	0.012	0.025	0.015	0.020	0.020	0.019	0.019	0.019	0.019	0.018
General Obligation Bond 2013	0.026	0.015	0.010	0.018	0.018	0.027	0.027	0.027	0.027	0.023
General Obligation Bond 2015	-	-	0.008	0.009	0.010	0.009	0.009	0.009	0.009	0.008
Total tax rate	1.079	1.102	1.110	1.065	1.076	1.113	1.188	1.269	1.311	1.339

### 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

	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Merchandise	\$ 7,005	\$ 7,471	\$ 5,072	\$ 4,358	\$ 4,215	\$ 5,854	\$ 4,980	\$ 2,427	\$ 6,183
Food	105,771	96,009	92,936	93,838	95,457	144,134	189,599	203,271	205,928
Drinking and Eating Places	180,023	163,447	173,473	182,278	177,620	261,770	216,636	290,619	411,141
Apparel	68,291	75,606	73,785	72,540	67,069	116,944	115,308	181,680	222,405
Furniture & H.H. & Radio	39,494	36,526	32,774	28,424	29,524	47,907	62,235	111,261	92,924
Lumber, Building, Hardware	-	-	7,537	8,238	9,633	17,362	27,244	30,082	34,466
Automobile and Filling Stations	34,895	28,267	26,735	30,895	35,146	48,650	45,234	65,741	77,445
Drugs and Miscellaneous Retail	117,262	118,740	117,224	102,558	103,843	154,528	179,191	551,958	636,194
Agriculture and All Others	105,139	129,721	116,945	105,670	66,743	146,885	148,739	217,430	289,167
Manufacturers	7,095	(3,818)	-	-	-	-	-	12,293	16,700
Censored categories	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>\$ 664,975</b>	<b>\$ 651,969</b>	<b>\$ 646,481</b>	<b>\$ 628,799</b>	<b>\$ 589,250</b>	<b>\$ 944,034</b>	<b>\$ 989,166</b>	<b>\$ 1,666,760</b>	<b>\$ 1,992,553</b>
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%	1.00%	1.00%	1.00%	1.00%

### Data Source

Illinois Department of Revenue

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

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

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

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

## City of Lake Forest

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

	2013	2014	2015	2016	2017	2018	2019*	2020	2021	2022
General Merchandise	\$ 19,656	\$ 14,010	\$ 14,930	\$ 11,412	\$ 10,496	\$ 10,069	\$ 8,964	\$ 5,204	\$ 2,465	\$ 6,204
Food	593,446	673,803	591,893	564,049	550,591	535,167	528,469	615,073	594,801	614,841
Drinking and Eating Places	338,382	364,221	329,303	350,024	372,173	362,713	349,961	224,312	297,355	416,955
Apparel	136,270	136,582	151,212	147,576	145,141	134,201	146,455	115,423	182,571	222,670
Furniture & H.H. & Radio	77,642	78,988	73,061	65,571	56,848	59,046	66,569	62,239	111,580	93,634
Lumber, Building, Hardware	19,724	-	-	15,076	16,479	19,267	21,891	27,245	30,893	34,867
Automobile and Filling Stations	241,339	178,178	133,684	139,764	141,260	131,243	575,290	134,743	170,053	198,011
Drugs and Miscellaneous Retail	433,159	430,482	414,407	431,966	399,115	381,239	393,920	391,545	879,413	924,313
Agriculture and All Others	285,401	255,189	295,974	271,061	246,697	166,637	222,162	170,645	248,950	325,478
Manufacturers	-	14,415	(5,107)	-	-	-	-	-	13,645	23,220
Censored categories	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>\$ 2,145,019</b>	<b>\$ 2,145,868</b>	<b>\$ 1,999,357</b>	<b>\$ 1,996,499</b>	<b>\$ 1,938,800</b>	<b>\$ 1,799,582</b>	<b>\$ 2,313,681</b>	<b>\$ 1,746,430</b>	<b>\$ 2,531,724</b>	<b>\$ 2,860,192</b>
Total Number of Payers	637	637	673	687	687	604	578	510	2897	4030
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
2014	1.50%	5.00%	0.50%	0.50%	7.50%
2015	1.50%	5.00%	0.50%	0.50%	7.50%
2016	1.50%	5.00%	0.50%	0.50%	7.50%
2017	1.50%	5.00%	0.50%	0.50%	7.50%
2018	1.50%	5.00%	0.50%	0.50%	7.50%
2019	1.50%	5.00%	0.50%	0.50%	7.50%
2020	2.00%	5.00%	0.50%	0.50%	8.00%
2021	2.00%	5.00%	0.50%	0.50%	8.00%
2022	2.00%	5.00%	0.50%	0.50%	8.00%
2023	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				
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
2022	26,227,244	-	12,701,765	-	38,929,009	1.63%	2.61%	2,009.24
2023	35,806,171	-	10,606,327	-	46,412,498	1.91%	2.41%	2,396.35

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

<b>Fiscal Year</b>	<b>General Obligation Bonds</b>	<b>Less Amounts Available In Debt Service Fund</b>	<b>Total</b>	<b>Percentage of Estimated Actual Taxable Value of Property*</b>	<b>Per Capita</b>
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	38,929,009	1,640,674	37,288,335	0.52%	1,924.56
2022	38,929,009	1,289,571	37,639,438	0.52%	1,942.68
2023	46,412,498	1,766,088	44,646,410	0.61%	2,305.28

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, 2023

Governmental unit	Gross Debt	Percentage Debt Applicable to the City of Lake Forest*	City of Lake Forest Share of Debt
Lake County	\$ 140,400,000	9.94%	\$ 13,955,760
Lake County Community College #532	84,145,000	10.48%	8,818,396
Lake County Forest Preserve District	166,060,000	9.94%	16,506,364
School District #67	2,555,000	100.00%	2,555,000
School District #103	6,395,000	0.01%	640
High School District #115	14,200,000	79.50%	11,289,000
	<hr/>		<hr/>
Subtotal, overlapping debt	413,755,000		53,125,160
City of Lake Forest direct debt	<hr/> 35,806,171	100.00%	<hr/> 35,806,171
Total direct and overlapping debt	<u>\$ 449,561,171</u>		<u>\$ 88,931,331</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

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Debt limit	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total net debt applicable to limit	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Legal debt margin	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total net debt applicable to the limit as a percentage of debt limit	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

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

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

## City of Lake Forest

Pledged Revenue Coverage

Last Ten Fiscal Years

Fiscal Year	Waterworks and Sewerage and Golf Course Bonds							Coverage
	Gross Revenue	Less: Operating Expenses	Net Available Revenue	Debt Service				
				Principal	Interest			
2014	\$ 9,043,227	\$ 5,406,022	\$ 3,637,205	\$ 1,815,000	\$ 433,125		1.62	
2015	8,918,081	5,445,461	3,472,620	1,847,000	402,951		1.54	
2016	10,190,948	5,826,164	4,364,784	1,877,000	373,266		1.94	
2017	9,881,831	6,438,798	3,443,033	1,902,000	339,386		1.54	
2018	10,022,069	5,644,942	4,377,127	1,952,000	544,461		1.75	
2019	10,357,788	6,992,668	3,365,120	1,987,000	580,023		1.31	
2020	9,655,908	6,253,668	3,402,240	2,067,000	530,673		1.31	
2021	10,796,575	6,752,827	4,043,748	1,934,413	607,064		1.59	
2022	12,543,737	5,821,671	6,722,067	1,871,947	523,002		2.81	
2023	11,522,792	6,736,826	4,785,967	1,976,252	434,286		3.85	

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

Water Charges and Other includes investment earnings but excludes sale of property and grants

Operating expenses does not include debt service, depreciation or reserve requirements

## City of Lake Forest

Demographic and Economic Information  
Last Ten Fiscal Years

Fiscal Year	Population		Equalized Accessed Valuation (EAV)		Per Capita EAV		Personal Income		Per Capita Personal Income	Unemployment Rate
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	5.5%
2016 *	19,375	(A)	2,307,936,059		119,119		1,493,657,500		77,092	4.7%
2017 *	19,375	(A)	2,443,072,671		126,094		1,493,657,500		77,092	4.6%
2018 *	19,375	(A)	2,533,957,443		130,785		1,493,657,500		77,092	4.0%
2019 *	19,375	(A)	2,526,924,079		130,422		1,493,657,500		77,092	3.9%
2020 *	19,375	(A)	2,457,796,598		126,854		1,493,657,500		77,092	3.4%
2021 *	19,375	(A)	2,396,662,125		123,699		1,493,657,500		77,092	6.4%
2022 *	19,375	(A)	2,381,873,010		122,935		1,493,657,500		77,092	3.8%
2023 *	19,368	(A)	2,426,166,029		125,267		1,928,239,344		99,558	3.5%

(A) Actual

(E) Estimate by City of Lake Forest

### Data Source

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

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

Fiscal Year 2023 the City updated and used 2020 census data

## City of Lake Forest

Principal Employers

Current Year and Nine Years Ago

Employer	2023			2014		
	Employees	Rank	% of Total City Population	Employees	Rank	% of Total City Population
Northwestern Medicine Lake Forest Hospital	1,523	1	7.86%	1,600	1	8.26%
Abbott	1,140	2	5.89%			
Hospira Inc.	934	3	4.82%	1,350	2	6.97%
Pactiv Corporation	494	4	2.55%	800	3	4.13%
Trustmark Insurance Company	490	5	2.53%	300	7	1.55%
Solo Cup Co.				600	4	3.10%
Lake Forest College excludes student employees	438	6	2.26%	500	5	2.58%
Lake Forest H.S. District 115 teacher, support staff	319	7	1.65%	350	6	1.81%
Lake Forest Elem. S.D. No. 67	305	8	1.57%			
Packaging Corporation of America	295	9	1.52%	200	10	1.03%
City of Lake Forest	212	10	1.09%	224	8	1.16%
Brunswick Corporation	-			200	9	1.03%

### Data Source

City staff contacted companies via mail.



## City of Lake Forest

Full-Time Equivalent Employees  
Last Ten Fiscal Years

### Full-Time-Equivalent Budgeted Employees as of April 30

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Government										
Administration	25	25	25.0	25.4	23.5	23.8	23.75	24.75	24.75	25.75
Community Development	13.0	13.0	13.0	13.0	13.0	13.0	13.0	13.0	13.0	13.0
Public Safety										
Fire Protection										
Firefighters	33	33	33	33	32	32	32	32	32	32
Administrative	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Police										
Officers	40	40	40	40	40	40	40	40	40	40
Civilians	18.0	18.0	8.0	9.0	7.0	7.0	7.0	7.0	7.0	7.0
Public Works										
Public Works Administration	4	4	4	4	4	4	4	4	4	4
Building Maintenance	7	7	7	7	7	7	7	7	7	7
Engineering	5	5	5	5	5	5	5	5	5	5
Streets	8	7.5	7.5	8.0	8.0	8.0	8.0	8.0	8.0	8.0
Sanitation	11	10.5	10.5	10.0	10.0	10.0	10.0	10.0	10.0	10.0
Forestry	0	0	0	0	0	0	0	0	0	0
Fleet (vehicle) Maintenance	6	6	6	6	6	6	6	6	6	6
Water										
Water Plant	7	7	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5
Water and Sewer	9	9	8.5	8.5	8.5	8.5	8.5	8.5	8.5	8.5
Parks	15.4	15.4	15.4	15.0	15.0	15.0	15.0	15.0	15.0	15.0
Recreation	15.4	15.4	15.4	16.0	16.0	16.0	16.0	16.0	16.0	16.0
Golf Course	2.2	2.2	2.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Cemetery	2	2	2	2	3	3	3	3	3	3
Senior Resources	3	3	3	3	3	3	3	3	3	3
Sub - total City	224	224	214	213.4	209.5	209.75	209.75	210.75	210.75	211.75
Library	28.2	28.2	29.2	30.5	30.5	31.0	30.0	31.0	30.0	26.0
Total all	252.2	252.2	243.2	243.9	240	240.75	239.75	241.75	240.75	237.75

#### Data Source

City Departments and employee totals as of April 30th

## City of Lake Forest

Operating Indicators

Last Ten Fiscal Years

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Government										
City Clerk										
Real Estate Transfer Tax (1)										
Number of Transactions	440	394	355	361	425	418	369	663	637	427
Rebates Issued	67	40	44	37	40	45	33	63	67	45
Birth Certificates Issued	2,250	2,556	2,575	2,474	2,807	2,759	2,525	2,617	3,212	3,385
Passports Issued (2)	0	0	0	0	0	0	0	0	0	0
Community Development										
Building permits issued	3,418	3,667	3,855	3,632	3,753	4,275	3,716	3,847	4,446	4,612
Residential construction	13	20	27	21	9	13	18	29	32	33
Commercial construction	1	1	1	1	4	-	1	2	2	2
Building inspections conducted	8,651	9,657	11,009	11,707	10,798	11,214	10,586	10,466	10,065	10,065
Public Safety										
Fire protection										
I.S.O. rating	4	4	4	3	3	3	3	3	3	3
Number of calls answered										
EMS	1,574	1,785	1,712	1,923	1,909	1,839	2,232	1,868	2,159	2,344
Fire	1,497	1,503	1,367	1,385	1,448	1,450	1,448	1,127	1,403	1,436
Police (calendar year)										
Non traffic arrests	191	89	166	129	76	157	83	80	95	49
Parking violations	5,979	5,250	3,907	5,396	4,325	6,891	3,748	1,107	2,242	2,043
Traffic violations	1,877	1,741	1,985	1,718	949	1,909	1,583	1,487	1,336	1,518
Public Works										
Streets										
Street resurfacing (miles) (calendar year)	5.00	5.50	2.40	3.28	2.63	2.20	3.40	1.90	1.20	3.10
Number of snow events										
Salting	27	21	24	15	10	9	6	5	5	2
Plowing	21	20	10	5	10	9	10	14	13	11
Inches of snow	48	50	24	22	45	46	26	63	37	29
Sanitation										
Refuse collection customers	6,462	6,654	6,295	6,467	6,467	6,484	6,503	6,527	6,550	6,550
Parks and Recreation (3)										
Fitness										
Number of programs	336	181	346	215	200	257	246	682	70	159
Units of participation	1,587	1,216	1,271	1,473	1,430	1,446	1,442	2,079	1,502	1,635
Athletics										
Number of programs	270	341	168	275	237	466	460	792	213	411
Units of Participation	2,524	2,282	1,348	2,006	2,026	1,931	1,958	561	1,901	3,169
Lakefront, Early Childhood Education and Lifetime Activities										
Number of programs	294	126	130	176	161	228	223	298	124	136
Units of participation	1,380	752	1,393	1,221	1,385	1,679	1,685	443	1,233	977
Cultural Arts/Special Events										
Number of programs	286	87	147	286	246	310	312	550	259	591
Units of participation	1,999	1,329	1,579	4,133	4,743	5,064	5,078	1,698	5,269	6,688

## City of Lake Forest

Operating Indicators (Continued)  
Last Ten Fiscal Years

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Wildlife Discovery Center, Ridge Teams Course and Adventure										
Number of programs	47	20	20	26	34	31	33	24	23	37
Units of participation	360	2,263	2,802	3,685	2,148	2,233	2,224	98	698	657
Developed parks and recreation areas	10	10	11	11	11	10	11	11	11	11
Developed park acreage	404	404	405	405	405	344	344	344	344	344
Sites with playgrounds	9	9	9	9	9	9	9	9	9	9
Sites with baseball diamonds	8	8	8	8	8	8	7	7	7	7
Sites with soccer fields	7	7	7	7	7	7	7	7	7	7
Sites with basketball standards	5	5	5	5	5	5	4	4	4	4
Sites with tennis courts	6	6	6	6	6	6	6	6	6	6
Deer Path Golf Course										
Size	18 holes	18 holes	18 holes	18 holes	18 holes	18 holes	18 holes	18 holes	18 holes	18 holes
Rounds of Play	29,435	27,956	29,445	27,101	24,631	26,184	24,666	24,508	26,293	26,799
Daily fee	17,449	17,646	20,478	19,755	18,660	21,172	20,089	20,380	22,112	20,831
Seasonal	11,986	10,310	8,967	7,346	5,971	5,012	4,577	4,128	4,181	5,968
Water										
New Connections (tap-ons)	28	33	66	30	23	29	21	27	15	12
Meters in operation	6,751	6,764	6,810	6,854	6,854	6,840	6,850	6,899	6,911	6,920
Meters connected to sewerage system	6,587	6,577	6,645	6,718	6,778	6,766	6,789	6,832	6,842	6,854
Average daily consumption (MGD)	3.652	3.250	3.162	3.499	3.550	3.430	3.132	3.400	3.804	3.324
Peak daily consumption (MGD)	8.611	7.345	8.268	8.315	8.926	7.247	7.916	8.180	8.482	8.579
Rated daily pumping capacity (MGD)	14	14	14	14	14	14	14	14	14	14
Total gallons pumped during fiscal year (in millions)	1,332.8	1,187.6	1,157.2	1,277.0	1,296.0	1,252.0	1,146.4	1,241.0	1,387.8	1,213.4
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	148,318	146,214	146,153	221,568	248,598	147,024	149,026	350,692	366,063	411,037
Registered borrowers	15,403	15,440	15,460	15,518	13,588	13,946	7,908	9,408	9,377	6,180
Fiscal yearbooks, items or materials circulation	450,876	410,852	383,561	376,144	551,232	366,128	346,603	262,366	350,541	288,572

### 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	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Public Safety										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Vehicles	23	23	21	24	24	23	23	23	23	23
Fire protection										
Stations	2	2	2	2	2	2	2	2	2	2
Vehicles	17	15	17	17	15	18	18	19	23	23
Public Works										
Bridges										
Vehicle	14	14	14	14	14	14	14	14	14	14
Pedestrian	12	12	12	12	12	13	13	13	13	13
Streets										
Streets (centerline miles)	119.24	119.24	119.24	119.24	119.24	119.24	119.24	119.24	119.24	119.24
Streetlights										
Gas	438	438	438	438	438	438	438	438	438	438
Electric	1,536	1,570	1,570	1,570	1,570	1,570	1,570	1,570	1,570	1,570
Storm sewer (miles)	219.41	219.41	219.43	219.43	219.46	219.54	219.54	219.54	219.54	220.12
Parks and Recreation										
Acreage	404	404	405	405	405	344	344	344	344	344
Water										
Water mains (miles)	165.79	166.44	166.44	166.89	167.68	167.68	167.73	167.84	167.84	168.08
Fire hydrants	1,362	1,511	1,511	1,511	1,519	1,374	1,400	1,400	1,400	1,416
Wastewater										
Sanitary sewers (miles)	138.95	138.95	139.43	139.43	140.25	140.25	140.25	140.25	140.25	140.41

### Data Source

City departments

N/A = data not available