

New Issue

Date of Sale: Wednesday, April 17, 2024
Between 10:15 – 10:30 A.M., C.D.T.
(Open Speer Auction)

Investment Rating:
Moody's Investors Service ... Aaa

Official Statement

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



\$17,670,000*
LAKE COUNTY FOREST PRESERVE DISTRICT
Lake County, Illinois
General Obligation Limited Tax Bonds, Series 2024

Dated Date of Delivery

Book-Entry

Due December 15, 2029-2035

The \$17,670,000* General Obligation Limited Tax Bonds, Series 2024 (the "Bonds"), are being issued by the Lake County Forest Preserve District, Lake County, Illinois (the "District"). Interest on the Bonds is payable semiannually on June 15 and December 15 of each year, commencing June 15, 2025. The Bonds will be issued using a book-entry system. The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Bonds. The ownership of one fully registered Bond for each maturity will be registered in the name of Cede & Co., as nominee for DTC and no physical delivery of Bonds will be made to purchasers; provided, however, the purchaser or underwriter of the Bonds may request registered bonds. The Bonds will mature on December 15 in the following years and amounts.

AMOUNTS*, MATURITIES, INTEREST RATES, PRICES OR YIELDS AND CUSIP NUMBERS⁽¹⁾

Principal Amount*	Due Dec. 15	Interest Rate	Price or Yield	CUSIP Number(1)	Principal Amount*	Due Dec. 15	Interest Rate	Price or Yield	CUSIP Number(1)
\$2,170,000	2029	_____ %	_____ %	_____	\$2,640,000	2033	_____ %	_____ %	_____
2,280,000	2030	_____ %	_____ %	_____	2,770,000	2034	_____ %	_____ %	_____
2,390,000	2031	_____ %	_____ %	_____	2,910,000	2035	_____ %	_____ %	_____
2,510,000	2032	_____ %	_____ %	_____					

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

OPTIONAL REDEMPTION

The Bonds due December 15, 2029-2032, inclusive, are not subject to redemption prior to maturity. The Bonds due December 15, 2033-2035, inclusive, are callable in whole or in part at the option of the District on any date on or after December 15, 2032, at a price of par and accrued interest. If less than all the Bonds are called, they shall be redeemed in such principal amounts and from such maturities as determined by the District and within any maturity by lot. See "OPTIONAL REDEMPTION" herein.

PURPOSE, LEGALITY AND SECURITY

Bond proceeds will be used to acquire land for preservation purposes and to pay the costs of issuing the Bonds. See "THE PROJECT" herein.

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

This Official Statement is dated April 4, 2024, and has been prepared under the authority of the District. An electronic copy of this Official Statement is available from the www.speerfinancial.com web site under "Debt Auction Center/Official Statements Sales Calendars/Competitive". Additional copies may be obtained from Mr. Stephen A. Neaman, Director of Finance, Lake County Forest Preserve District, 1899 W. Winchester Road, Libertyville, Illinois 60048 or from the Municipal Advisor to the District:



*Subject to change.

(1) CUSIP numbers appearing in this Official Statement have been provided by the CUSIP Global Services ("CGS"). CGS is managed on behalf of the American Bankers Association by FactSet Research Systems Inc. The District is not responsible for the selection of CUSIP numbers and makes no representation as to their correctness on the Bonds or as set forth on the cover of this Official Statement.

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

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

This Official Statement shall be supplemented following the sale of the Bonds to include the final terms of the Bonds and other information, and, as supplemented by such final terms and any other information required by law or deemed appropriate by the District, shall constitute a “Final Official Statement” of the District with respect to the Bonds, as that term is defined in the Rule

No dealer, broker, salesman or other person has been authorized by the District to give any information or to make any representations with respect to the Bonds other than as contained in the Official Statement and, if given or made, such other information or representations must not be relied upon as having been authorized by the District. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy any securities other than the Bonds, nor shall there be any offer to sell or solicitation of an offer to buy the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. This Official Statement is submitted in connection with the sale of the securities described in it and may not be reproduced or used, in whole or in part, for any other purposes.

Unless otherwise indicated, the District is the source of all tables and statistical and financial information contained in this Official Statement. The information contained in this Official Statement concerning DTC has been obtained from DTC. Certain information contained in the Official Statement and the Final Official Statement may have been obtained from sources other than records of the District and, while believed to be reliable, is not guaranteed as to completeness. **THE INFORMATION AND EXPRESSIONS OF OPINION IN THE OFFICIAL STATEMENT ARE SUBJECT TO CHANGE, AND NEITHER THE DELIVERY OF THE OFFICIAL STATEMENT NOR ANY SALE MADE UNDER EITHER SUCH DOCUMENT SHALL CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE DISTRICT SINCE THE RESPECTIVE DATES THEREOF.**

This Official Statement should be considered in its entirety and no one factor considered more or less important than any other by reason of its position in this Official Statement. References herein to laws, rules, regulations, ordinances, resolutions, agreements, reports and other documents do not purport to be comprehensive or definitive. All references to such documents are qualified in their entirety by reference to the particular document, the full text of which may contain qualifications of and exceptions to statements made herein. Where full texts have not been included as appendices to the Official Statement, they will be furnished on request.

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

IN CONNECTION WITH THE OFFERING, THE UNDERWRITER MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SECURITIES OFFERED HEREBY AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

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OFFICIAL BID FORM
OFFICIAL NOTICE OF SALE

BOND ISSUE SUMMARY

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

Issuer:	Lake County Forest Preserve District, Lake County, Illinois.
Issue:	\$17,670,000* General Obligation Limited Tax Bonds, Series 2024.
Dated Date:	Date of delivery, expected to be on or about May 8, 2024.
Interest Due:	Each June 15 and December 15, commencing June 15, 2025.
Principal Due:	December 15, commencing December 15, 2029 through December 15, 2035, as detailed on the cover page hereto.
Authorization:	The Bonds are authorized by the Downstate Forest Preserve District Act, as amended, the Local Government Debt Reform Act, as amended, and a separate bond ordinance, adopted by the Board of Commissioners on April 10, 2024, as supplemented by a Notification of Sale authorized therein and executed in connection with the sale of the Bonds.
Security:	In the opinion of Bond Counsel, the Bonds are valid and legally binding upon the District and are payable from any funds of the District legally available for such purpose, and all taxable property in the District is subject to the levy of taxes to pay the same without limitation as to rate, except that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion. The amount of said taxes that may be extended to pay the Bonds is limited as provided by law. See " THE BONDS " herein.
Optional Redemption:	The Bonds maturing on or after December 15, 2033, are callable in whole or in part on any date at the option of the District on or after December 15, 2032, at a price of par and accrued interest. See " OPTIONAL REDEMPTION " herein.
Investment Rating:	The District has received an investment rating of Aaa for the Bonds from Moody's Investors Service, New York, New York. See " INVESTMENT RATING " herein.
Purpose:	Bond proceeds will be used to acquire land for preservation purposes and to pay the costs of issuing the Bonds.
Tax Exemption:	Chapman and Cutler LLP, Chicago, Illinois, will provide an opinion as to the tax exemption of the interest on the Bonds as discussed under " TAX EXEMPTION " in this Official Statement. Interest on the Bonds is not exempt from present State of Illinois income taxes.
Bond Registrar/Paying Agent:	Amalgamated Bank of Chicago, Chicago, Illinois.
Book-Entry Form:	The Bonds will be registered in the name of Cede & Co. as nominee for The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository of the Bonds. See APPENDIX B herein. However, the purchaser or underwriter of the Bonds may request registered bonds
Denomination:	\$5,000 or integral multiples thereof.
Delivery:	The Bonds are expected to be delivered on or about May 8, 2024.
Municipal Advisor:	Speer Financial, Inc., Chicago, Illinois.

*Subject to change.

LAKE COUNTY FOREST PRESERVE DISTRICT
Lake County, Illinois

Board of Commissioners

Angelo D. Kyle
President

John Wasick
Vice President

Marah Altenberg
Esiah Campos
Carissa Casbon
Jennifer Clark
Mary Ross Cunningham
Michael Danforth

Paul Frank
Sandy Hart
Diane Hewitt
J. Kevin Hunter
Sara Frederick Knizhnik
Ann B. Maine

Paras Parekh
Linda Pedersen
Gina Roberts
Adam Schlick
Jessica Vealitzek

District Officials

Alex Ty Kovach
Executive Director

Stephen A. Neaman
Director of Finance

Burke, Warren, MacKay & Serritella, P.C.
Issuer's Counsel

Speer Financial, Inc.
Municipal Advisor

Chapman and Cutler LLP
Bond Counsel

INTRODUCTION

The purpose of this Official Statement is to set forth certain information concerning the Lake County Forest Preserve District, Lake County, Illinois (the “District”), in connection with the offering and sale of its \$17,670,000* General Obligation Limited Tax Bonds, Series 2024 (the “Bonds”).

This Official Statement contains “forward-looking statements” that are based upon the District’s current expectations and its projections about future events. When used in this Official Statement, the words “project,” “estimate,” “intend,” “expect,” “scheduled,” “pro-forma” and similar words identify forward-looking statements. Forward-looking statements are subject to known and unknown risks, uncertainties and factors that are outside of the control of the District. Actual results could differ materially from those contemplated by the forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. Neither the District nor any other party plans to issue any updates or revisions to these forward-looking statements based on future events.

THE PROJECT

The Bond proceeds will be used to acquire land for preservation purposes (the “Project”) and to pay the costs of issuance of the Bonds. The Project may include one or more parcels of property located in the District.

SOURCES AND USES

The sources and uses of funds resulting from the Bonds are shown below:

SOURCES:	
Principal Amount	\$ _____
Original Issue Premium	_____
Total Sources	\$ _____
USES:	
Costs of the Project	\$ _____
Costs of Issuance(1)	_____
Total Uses	\$ _____

Note: (1) Includes estimated costs including underwriter’s discount, fixed costs of issuance and contingencies.

OPTIONAL REDEMPTION

The Bonds due December 15, 2029-2032, inclusive, are not subject to redemption prior to maturity. The Bonds due December 15, 2033-2035, inclusive, are callable in whole or in part at the option of the District on any date on or after December 15, 2032, at a price of par and accrued interest. If less than all the Bonds are called, they shall be redeemed in such principal amounts and from such maturities as determined by the District and within any maturity by lot.

*Subject to change.

The Bond Registrar will give notice of redemption, identifying the Bonds (or portions thereof) to be redeemed, by mailing a copy of the redemption notice by first class mail not less than thirty (30) days nor more than sixty (60) days prior to the date fixed for redemption to the registered owner of each Bond (or portion thereof) to be redeemed at the address shown on the registration books maintained by the Bond Registrar. Unless moneys sufficient to pay the redemption price of the Bonds to be redeemed are received by the Bond Registrar prior to the giving of such notice of redemption, such notice may, at the option of the District, state that said redemption will be conditional upon the receipt of such moneys by the Bond Registrar on or prior to the date fixed for redemption. If such moneys are not received, such notice will be of no force and effect, the District will not redeem such Bonds, and the Bond Registrar will give notice, in the same manner in which the notice of redemption has been given, that such moneys were not so received and that such Bonds will not be redeemed. Otherwise, prior to any redemption date, the District will deposit with the Bond Registrar an amount of money sufficient to pay the redemption price of all the Bonds or portions of Bonds which are to be redeemed on the date.

Subject to the provisions for a conditional redemption described above, notice of redemption having been given as described above and in the Bond Ordinance, the Bonds or portions of Bonds so to be redeemed will, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the District shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds will be paid by the Bond Registrar at the redemption price.

THE BONDS

General Description

The Bonds are dated their date of issuance (the “Dated Date”), will bear interest from the Dated Date and will mature in the years and in the amounts and at the rates as set forth on the cover page hereof. Interest on the Bonds is calculated on the basis of a 360-day year of twelve 30-day months. Interest on the Bonds is payable on each June 15 and December 15, commencing June 15, 2025. Principal of and interest on the Bonds is payable to The Depository Trust Company (“DTC”), New York, New York, by Amalgamated Bank of Chicago, Chicago, Illinois, as paying agent and bond registrar (the “Registrar”). The record date of the Bonds will be the close of business on the 1st day of the month of any regular or other interest payment date occurring on the 15th day of any month and 15 days preceding any interest payment date occasioned by the redemption of Bonds on other than the 15th day of a month (the “Record Date”). The Bonds are issued as fully registered bonds, registered in the name of Cede & Co., as nominee for DTC, in \$5,000 denominations or integral multiples thereof, and will be in book-entry-only form. See **APPENDIX B** herein.

The Registrar will maintain books for the registration of ownership and transfer of the Bonds (the “Bond Register”). Subject to the provisions of the Bonds as they relate to book-entry form, any Bond may be transferred upon the surrender thereof at the principal corporate trust office of the Registrar in Chicago, Illinois, together with an assignment duly executed by the registered owner or his or her attorney in such form as will be satisfactory to the Registrar. No service charge shall be made for any transfer or exchange of Bonds, but the District or the Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds, except in the case of the issuance of a Bond or Bonds for the unredeemed portion of a Bond surrendered for redemption.

The Registrar shall not be required to transfer or exchange any Bond during the period beginning at the close of business on the Record Date for an interest payment date to the opening of business on such interest payment date or during the period of 15 days preceding the giving of notice of redemption of Bonds or to transfer or exchange any Bond all or a portion of which has been called for redemption. See **“REGISTRATION, TRANSFER AND EXCHANGE”** herein.

Certain maturities of the Bonds are subject to optional redemption prior to maturity as described in **“OPTIONAL REDEMPTION”** herein.

Authority and Purpose

The Bonds are authorized by the Downstate Forest Preserve District Act, as amended, the Local Government Debt Reform Act of the State of Illinois (the “Debt Reform Act”), as amended, and a bond ordinance, adopted by the Board of Commissioners of the District (the “Board”) on the 10th day of April, 2024, as supplemented by a Notification of Sale authorized therein and executed in connection with the sale of the Bonds (together, the “Bond Ordinance”).

Proceeds of the Bonds will be used to acquire land for preservation purposes and pay costs associated with the issuance of the Bonds. See “**THE PROJECT**” herein.

Filing With the County Clerk

The Bond Ordinance will be filed with the County Clerk of Lake County, Illinois (the “County Clerk”). The Bond Ordinance will serve as authorization to the County Clerk to extend and collect the property taxes as set forth in the Bond Ordinance to pay debt service on the Bonds.

Security

The Bonds, in the opinion of Chapman and Cutler LLP, Chicago, Illinois, Bond Counsel (“Bond Counsel”), are valid and legally binding upon the District and are payable from any funds of the District legally available for such purpose, and all taxable property in the District is subject to the levy of taxes to pay the same without limitation as to rate, except that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors’ rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion. The amount of said taxes that will be extended to pay the Bonds is limited pursuant to the Property Tax Extension Limitation Law of the State of Illinois, as amended (the “Limitation Law”).

The Debt Reform Act provides that the Bonds are payable from the debt service extension base of the District (the “Base”), which is an amount equal to that portion of the extension for the District for the 1996 levy year constituting an extension for payment of principal of and interest on bonds issued by the District without referendum, but not including alternate bonds issued under Section 15 of the Debt Reform Act or refunding obligations issued to refund or to continue to refund obligations of the District initially issued pursuant to referendum, increased each year, commencing with the 2009 levy year, by the lesser of 5% or the percentage increase in the Consumer Price Index (as defined in the Limitation Law, the “CPI”) during the 12-month calendar year preceding the levy year. The Limitation Law further provides that the annual amount of taxes to be extended to pay the Bonds and all other limited bonds heretofore and hereafter issued by the District shall not exceed the Base.

The Bonds constitute one of three series of limited bonds of the District that are payable from the Base. Payments on the Bonds from the Base will be made on a parity with the payments on the District’s outstanding General Obligation Limited Tax Refunding Bonds, Series 2014A and General Obligation Limited Tax Refunding Bonds, Series 2016A (collectively, the “Outstanding Limited Bonds”). The District is authorized to issue from time to time additional limited bonds payable from the Base, as permitted by law, and to determine the lien priority of payments to be made from the Base to pay the District’s limited bonds.

The amount of the Base for levy year 2024 has been determined to be \$11,966,341.76.

The following chart shows the Base of the District, the debt service payable on the Outstanding Limited Bonds and the Bonds, and the available Base after the issuance of the Bonds.

Debt Service Extension Base After the Issuance of the Bonds

Levy Year	Debt Service Extension Base(1)	Debt Service due on the Outstanding Limited Bonds and the Bonds(2)(3)	Available Debt Service Extension Base Margin(2)
2023.....	\$11,572,864	\$7,399,800	\$ 4,173,064
2024.....	11,966,341	8,818,304	3,148,037
2025.....	11,966,341	8,694,100	3,272,241
2026.....	11,966,341	8,688,900	3,277,441
2027.....	11,966,341	9,060,900	2,905,441
2028.....	11,966,341	3,053,500	8,912,841
2029.....	11,966,341	3,055,000	8,911,341
2030.....	11,966,341	3,051,000	8,915,341
2031.....	11,966,341	3,051,500	8,914,841
2032.....	11,966,341	3,056,000	8,910,341
2033.....	11,966,341	3,054,000	8,912,341
2034.....	11,966,341	3,055,500	8,910,841
2035 and thereafter.....	11,966,341	0	11,966,341

- Notes: (1) Includes the lessor of 5% or the CPI increase affecting levy years 2023 (5%) and 2024 (3.4%); thereafter the CPI increase is assumed to be 0%.
 (2) Subject to change.
 (3) Includes the Bonds and assumes debt service on the Bonds at an estimated average net interest rate of approximately 3.39%.

Reference is made to **APPENDIX C** for the proposed form of opinion of Bond Counsel.

RISK FACTORS

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

Loss or Change of Bond Rating

An investment rating of Aaa has been received for the Bonds from Moody’s Investors Service (“Moody’s”). The rating can be changed or withdrawn at any time for reasons both under and outside the District’s control. Any change, withdrawal or combination thereof could adversely affect the ability of investors to sell the Bonds or may affect the price at which they can be sold.

Local Economy

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

Finances of the State of Illinois

While the finances of the State of Illinois (the “State”) have significantly improved in recent years, the State continues to deal with a severe underfunding of its pension systems, which, based on the comprehensive annual financial reports of the State’s five retirement systems, have a combined unfunded pension liability of approximately \$140 billion and a combined funded ratio of approximately 44%. Also, despite eight credit rating upgrades since June 2021, the State’s long term general obligation bonds carry the lowest ratings of all states.

The State enacted full budgets for the State fiscal years ending June 30, 2018 (the “Fiscal Year 2018 Budget”), June 30, 2019 (the “Fiscal Year 2019 Budget”), June 30, 2020 (the “Fiscal Year 2020 Budget”), June 30, 2021 (the “Fiscal Year 2021 Budget”), June 30, 2022 (the “Fiscal Year 2022 Budget”), and June 30, 2023 (the “Fiscal Year 2023 Budget”). On June 7, 2023, the Governor signed the State’s budget (Public Act 103 006) for the fiscal year ending June 30, 2024 (the “Fiscal Year 2024 Budget”), which included a \$183 million surplus, additional contributions to the State pension system and the State’s Budget Stabilization (“rainy day”) Fund, which is set to surpass \$2 billion, and the elimination of the State’s bill backlog.

The District cannot determine at this time the financial impact of these provisions on its overall financial condition, but such provisions may result in lower income tax revenues and sales tax revenues distributed to the District. The District can give no assurance that there will not be additional changes in applicable law modifying the manner in which local revenue sharing is allocated by the State, nor can the District predict the effect the State’s financial problems, including those caused by the Novel Coronavirus 2019 (“COVID 19”) or the various governmental or private actions in reaction thereto, may have on the District’s future finances.

Future Retirement Plan Funding Requirements

The District participates in two retirement plans, both of which are defined benefit pension plans administered by the Illinois Municipal Retirement Fund (the “IMRF”). See “**RETIREMENT PLANS**” herein. The IMRF projects that employer contributions to the retirement plans will increase over time. Increasing annual required employer contributions for the District could have a material adverse effect on the finances of the District.

Effect of a Decline in Equalized Assessed Valuations

The amount of property taxes extended for the District is determined by applying the various operating tax rates and the bond and interest tax rate levied by the District to the District’s Equalized Assessed Valuation (“EAV”). The District’s EAV could decrease for a number of reasons including, but not limited to, a decline in property values or large taxpayers moving out of the District. Declining EAVs and increasing tax rates (certain of which may reach their rate ceilings) could reduce the amount of taxes the District is able to receive.

Cybersecurity

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

Secondary Market for the Bonds

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

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

Continuing Disclosure

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

Suitability of Investment

The interest rates borne by the Bonds are intended to compensate the investor for assuming the risk of investing in the Bonds. Furthermore, the tax-exempt feature of the Bonds is currently more valuable to high tax bracket investors than to investors that are in low tax brackets. As such, the value of the interest compensation to any particular investor will vary with individual tax rates and circumstances. Each prospective investor should carefully examine this Official Statement and its own financial condition to make a judgment as to its ability to bear the economic risk of such an investment, and whether or not the Bonds are an appropriate investment for such investor.

Future Changes in Laws

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

Factors Relating to Tax Exemption

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

There are or may be pending in the Congress of the United States legislative proposals relating to the federal tax treatment of interest on the Bonds, including some that carry retroactive effective dates, that, if enacted, could affect the market value of the Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, it would apply to Bonds issued prior to enactment. Prospective purchasers of the Bonds should consult their own tax advisors regarding any pending or proposed federal tax legislation. Bond Counsel expresses no opinion regarding any pending or proposed federal tax legislation. Finally, reduction or elimination of the tax-exempt status of obligations such as the Bonds could have an adverse effect on the District's ability to access the capital markets to finance future capital or operational needs by reducing market demand for such obligations or materially increasing borrowing costs of the District.

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

Bankruptcy

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

Climate Change Risk

There are potential risks to the State, the District and their respective financial condition that are associated with changes to the climate over time and with increases in the frequency, timing and severity of extreme weather events, causing or increasing the severity of flooding and other natural disasters. The District cannot predict how or when various climate change risks may occur, nor can it quantify the impact on the State or the District, its population or its financial condition. Over time, the costs could be significant and could have a material adverse effect on the District's finances.

THE DISTRICT

The District was established pursuant to a referendum in 1958. The District is located in the northeast corner of Illinois adjoining Wisconsin to the north, Lake Michigan to the east, Cook County, Illinois to the south and McHenry County, Illinois to the west. The District is coterminous with the County of Lake (the "County") (approximately 447 square miles) and owns and operates more than 31,000 acres of land within the County. The population of the District was 714,342 according to the 2020 Census.

The District provides a range of services including land preservation, planning and development, conservation, restoration, environmental education, public safety, recreational activities, historical preservation and cultural events. The purposes of the land acquisition program include protecting natural areas for wildlife habitat, preserving wetlands, prairies and forests, providing trails, greenways, river and lake access, expanding existing preserves and creating new sites. Restoration projects include maintaining existing sites and restoring them with native grasses, wildflowers, trees and other vegetation. Improvement projects include creating trails and public access, constructing and improving education and historical facilities and providing recreation opportunities.

District museum, education and visitor centers, and other sites include the Bonner Farm, Greenbelt Cultural Center, Independence Grove Visitors Center, Bess Bower Dunn Museum and Ryerson Woods Visitors Center. The District owns and operates three golf courses: ThunderHawk, Countryside and Brae Loch. Numerous other recreational activities are provided.

Over the years, the District has received numerous local and national park and conservation awards plus the Distinguished Budget Presentation Award for fiscal year 2023 for the 29th consecutive year and the Excellence in Financial Reporting Award for the Comprehensive Annual Financial Report for fiscal year 2022 for the 36th consecutive year from the Government Finance Officers Association.

The District is governed by a 19-member Board of Commissioners. Commissioners consist of the members of the Lake County Board. The President is elected from among the Board of Commissioners and serves for a term of two years. The District has approximately 521 full-time, part-time and seasonal employees, equal to approximately 277 full-time equivalents. Some 71 District employees are represented by Construction and General Laborers Local Number 152 with a contract that expires on November 30, 2024. Fourteen peace officers are represented by the Illinois Fraternal Order of Police Labor Council with a contract that expires on December 31, 2025. The District considers labor relations to be good.

The District's mission is to preserve a dynamic and unique system of natural and cultural resources, and to develop innovative educational, recreational and cultural opportunities while exercising environmental and fiscal responsibility. The District exists for the purpose of acquiring, developing and maintaining land in its natural state; to protect and preserve the flora, fauna and scenic beauty; for the education, pleasure and recreation of the public; for flood control and water management; and for other purposes as conferred by statute. To accomplish this, the District has developed a unified system of large land holdings, which are restored as nearly as possible to their natural condition and protected as such. The District is in essence a regional park and conservation agency intended to serve the population of the County.

The first of three major land acquisition programs began in 1963 with the purchase of Van Patten Woods, Daniel Wright Woods, Wilmot Woods, Lakewood, Gurnee Woods and portions of the Spring Bluff and Ryerson areas. In 1973, the Des Plaines River Program was initiated, which included the purchase of lands on either side of the river through the length of the County.

The District's preserves in the County are characterized by forests, prairies, wetlands, ravines, savannas, flood plains, lakes and streams. The preserves accommodate a variety of activities and facilities: trails, nature, physical fitness, horse, snowmobile, cross-county skiing, bicycling, a winter sports area, picnic areas, fishing, dog exercise areas, model airplane field, group camping, swimming, canoeing, and golfing. The Bess Bower Dunn Museum offers the public a view of the County's history while the environmental education programs take place in the forest, river and farm of the Ryerson Conservation Area as well as other preserves. Special events presented throughout the year include: Events in the Plaza, Oaktober Fest, and Maple Syruping to name a few.

The District's day-to-day operations and administrative activities are managed by the Executive Director and are organized into eleven departments headquartered in Libertyville, Illinois. These departments, the names of which typify the multi-faceted nature of the District's operation, are: Administration; Community Engagement and Partnerships; Education; Executive; Facilities; Finance; Golf; Land Preservation; Natural Resources; Operations – Grounds Maintenance; Planning; and Public Safety. Every employee of the District is an important part of the total operation and plays a significant role in providing services to the public throughout the County.

THE COUNTY

General Information

The County, incorporated in 1839, is coterminous with the District. The County has a population of 714,342, according to the 2020 U.S. Census, and is the third largest county in the State. The County provides a full range of governmental services including sheriff's police protection and correctional facilities, water and sewer services, the construction and maintenance of highway and street infrastructure, health and welfare services, planning and zoning, and general administrative services.

Transportation

Among the reasons for the past growth in the County are the transportation facilities available to County residents. The County and northern Cook County are desirable residential sections of the Chicago metropolitan area and are easily accessible to the City of Chicago via expressways and the Illinois Tollway. Major routes in the County, in addition to the Illinois Tollway, include U.S. Highways 41, 45, 12 and 14, and Illinois Highways 42, 131, 83, 22 and 120. Rail transportation is provided by the Canadian Northern railroad for freight service, and by the Union Pacific and Milwaukee Road railroads for both commuter and freight service.

Water

Along the County's 24 miles of Lake Michigan shoreline are many beaches, industries and homes. Currently, many communities supply Lake Michigan water to their residents. The City of Highland Park provides Lake Michigan water to the Villages of Deerfield, Bannockburn, Lincolnshire and a portion of Riverwoods. Lake Michigan water is also provided by the Central Lake County Joint Action Water Agency ("CLCJAWA") to its members including certain incorporated and unincorporated portions of Lake County, the Villages of Fox Lake Hills, Grayslake, Gurnee, Lake Bluff, Lake Villa, Libertyville, Lindenhurst, Mundelein, Round Lake, Round Lake Beach, Wauconda, Volo and the Round Lake Consortium, which consists of the Villages of Round Lake Heights and Round Lake Park. There are some fifty small lakes liberally distributed in the western half and particularly in the northwestern quarter of the County. Water availability has contributed to the development of the County's industrial areas.

Income, Home Value and Education

Statistics reported by the U.S. Bureau of the Census American Community Survey 2018-2022 estimates indicate a high level of education and income. The County has the second highest per capita income of any Illinois county. The County's median family income of \$126,685 was exceeded by only one other Illinois county and was \$27,470 higher than the State's median of \$99,215. Over 90% of the County's families received incomes of \$35,000 or more. The median value of the County's owner-occupied homes was \$313,700, compared to \$239,100 for the State. More than 67% of all occupied housing units were owner occupied. More than 90% of the residents 25 years or older have completed high school or more. See "**SOCIOECONOMIC INFORMATION**" herein.

Government

The County consists of 18 townships which lie in 6 congressional districts and are represented by a total of 19 County Board members. There are 51 incorporated cities and villages, and 49 grade, high and unit school districts. Combined, the public school districts in the County have approximately 135,000 students.

County properties include the Tuberculosis Clinic, County Health Department and Clinic, Youth Detention Center, 911 Communication Center, highway department headquarters and various health centers and public works properties. The County also owns its downtown campus located in Waukegan, which includes the Administration Building, the Court Building, the Jail and the coroner’s office, Courthouse Square and Adult Justice Center. The County also has a Libertyville campus, at which is located its Transportation; Public Works; Planning, Building and Development; Stormwater; Health and Sheriff divisions.

The County has recognized that its rapid growth and development since World War II brought it increased responsibility to protect its water supply and to ensure adequate sewage treatment. A Department of Public Works was created in 1962 in order to provide these services and to protect the Fox and Des Plaines Rivers, numerous streams and creeks, and the County's many lakes. Flood control is handled by the Stormwater Management Commission (the “SMC”). Authorized by ordinance in 1992, the SMC provides technical assistance and problem-solving skills to coordinate flood damage reduction, flood hazard mitigation, water quality enhancements and natural resource protection projects and programs. Solid waste is handled by an independent County agency.

Tax Increment Financing Districts Located Within the County and District

A portion of the County’s and District’s equalized assessed valuation (“EAV”) is contained in tax increment finance (“TIF”) districts. When a TIF district is created within the boundaries of a taxing body, such as the District, the EAV of the portion of real property designated as a TIF district is frozen at the level of the tax year in which it was designated as such (the “Base EAV”). Any incremental increases in property tax revenue produced by the increase in EAV derived from the redevelopment project area during the life of the TIF district (the “Incremental EAV”) are not provided to the District until the TIF district expires. For the tax year 2022 (the most recent available), the combined Base EAV for all TIF districts located within the boundaries of the District was \$441,318,798, representing approximately 1.53% of the District’s 2022 tax year EAV. For the tax year 2022, the combined Incremental EAV for all such TIF districts was \$368,040,606.

SOCIOECONOMIC INFORMATION

Demographic information is not available for the District. The following statistics principally pertain to the County. Additional comparisons are made with the State.

Population

Population Trend(I)

	<u>1990</u>	<u>2000</u>	<u>2010</u>	<u>2020</u>	<u>% Change 2010-2020</u>
The County.....	516,418	644,356	703,462	714,342	1.55%
The State.....	11,430,602	12,419,293	12,830,632	12,812,508	(0.14%)

Note: (1) Source: U.S. Census.

Employment

Approximately 70 companies have their corporate or division headquarters in the County, the largest of which include Abbott Laboratories, Baxter Healthcare Corporation, Medline Industries, W.W. Grainger and Walgreens Boots Alliance. Following are lists of large employers located in the County.

Major Area Employers(1)

Location	Name	Product/Service	Approximate Employment
North Chicago	Great Lakes Naval Training Center	Department of the Navy	11,000(2)
Deerfield	Walgreens Boots Alliance, Inc.	Holding Company	5,700
Gurnee	Gurnee Mills	Shopping Center	4,000
Multiple	Baxter Healthcare Corp.	Medical and Hospital Equipment	3,600(3)
North Chicago	AbbVie	Pharmaceutical Company Headquarters	3,400
Gurnee	Six Flags Great America	Theme Park	3,000(4)
Riverwoods	Discover Financial Services, LLC	Company Headquarters and Financial Services	3,000
Waukegan	Lake County	Government	2,500(5)
Deerfield	Walgreen Company	Drug Stores Corporate Office	2,500
Lake Forest	W.W. Grainger Co., Inc.	Industrial Machinery	2,500
Libertyville	Condell Medical Center	General Medical and Surgical Hospital	2,102
Vernon Hills	Hawthorn Shopping Center	Shopping Center	2,000
Deerfield	Alera Group, Inc.	Management Consulting	1,900
Grayslake	College of Lake County	Community College	1,800
North Chicago/Abbot Park	Abbott Laboratories	Medical Devices	1,800

- Notes: (1) Source: The County, the 2023 Illinois Services Directory, the 2023 Illinois Manufacturers Directory and a selected telephone survey.
 (2) Includes civilian and military personnel.
 (3) Includes 1,900 in Round Lake and 1,700 in Deerfield.
 (4) Employment is seasonal.
 (5) The County employs a total of approximately 2,500 persons, of which approximately 2,000 are employed in Waukegan.

The following tables show employment by industry and by occupation for the County and the State as reported by the U.S. Census Bureau 2018-2022 American Community Survey 5-year estimated values.

Employment By Industry(1)

Classification	The County		The State	
	Number	Percent	Number	Percent
Agriculture, Forestry, Fishing and Hunting, and Mining	1,163	0.3%	64,950	1.0%
Construction	17,575	4.9%	342,937	5.5%
Manufacturing	55,966	15.7%	731,486	11.6%
Wholesale Trade	13,936	3.9%	175,238	2.8%
Retail Trade	42,107	11.8%	658,806	10.5%
Transportation and Warehousing, and Utilities	16,449	4.6%	434,186	6.9%
Information	5,096	1.4%	107,181	1.7%
Finance and Insurance, and Real Estate and Rental and Leasing	29,252	8.2%	463,714	7.4%
Professional, Scientific, and Management, and Administrative and Waste Management Services	50,838	14.2%	786,872	12.5%
Educational Services and Health Care and Social Assistance	71,415	20.0%	1,466,053	23.3%
Arts, Entertainment and Recreation and Accommodation and Food Services	29,393	8.2%	527,829	8.4%
Other Services, Except Public Administration	14,080	3.9%	287,651	4.6%
Public Administration	10,246	2.9%	233,544	3.7%
Total	357,516	100.0%	6,280,447	100.0%

Note: (1) Source: U.S. Bureau of the Census, American Community Survey 5-year estimates 2018 to 2022.

Employment By Occupation(1)

Classification	The County		The State	
	Number	Percent	Number	Percent
Management, Business, Science and Arts	167,104	46.7%	2,614,394	41.6%
Service	50,405	14.1%	1,018,669	16.2%
Sales and Office	74,964	21.0%	1,276,600	20.3%
Natural Resources, Construction, and Maintenance	19,935	5.6%	448,841	7.1%
Production, Transportation, and Material Moving	45,108	12.6%	921,943	14.7%
Total	357,516	100.0%	6,280,447	100.0%

Note: (1) Source: U.S. Bureau of the Census, American Community Survey 5-year estimates 2018 to 2022.

Annual Average Unemployment Rates(1)

<u>Calendar Year</u>	<u>The County</u>	<u>The State</u>
2014	6.5%	7.1%
2015	5.1%	5.3%
2016	5.2%	5.9%
2017	4.6%	4.9%
2018	4.5%	4.3%
2019	4.0%	4.0%
2020(2).....	8.2%	9.3%
2021(2).....	5.4%	6.1%
2022	4.2%	4.6%
2023	5.0%	4.5%

- Notes: (1) Source: Illinois Department of Employment Security.
 (2) The County attributes the increase in unemployment rates to the COVID-19 pandemic.

Housing

The U.S. Census Bureau 5-year estimated values reported that the median value of the County’s owner-occupied homes was \$313,700. This compares to \$239,100 for the State. The following table represents the five year average market value of specified owner-occupied units for the County and the State at the time of the 2018-2022 American Community Survey.

Home Values(1)

<u>Value</u>	<u>The County</u>		<u>The State</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Under \$50,000	5,347	2.8%	180,748	5.5%
\$50,000 to \$99,999	4,607	2.4%	324,962	9.8%
\$100,000 to \$149,999	14,000	7.4%	391,156	11.8%
\$150,000 to \$199,999	24,582	13.1%	435,868	13.2%
\$200,000 to \$299,999	41,350	22.0%	776,095	23.4%
\$300,000 to \$499,999	52,892	28.1%	785,156	23.7%
\$500,000 to \$999,999	37,075	19.7%	339,326	10.2%
\$1,000,000 or more.....	<u>8,195</u>	<u>4.4%</u>	<u>79,498</u>	<u>2.4%</u>
Total.....	188,048	100.0%	3,312,809	100.0%

Note: (1) Source: U.S. Bureau of the Census, American Community Survey 5-year estimates 2018 to 2022.

Mortgage Status(1)

	<u>The County</u>		<u>The State</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Housing Units with a Mortgage	123,655	65.8%	2,054,273	62.0%
Housing Units without a Mortgage	<u>64,393</u>	<u>34.2%</u>	<u>1,258,536</u>	<u>38.0%</u>
Total	188,048	100.0%	3,312,809	100.0%

Note: (1) Source: U.S. Bureau of the Census, American Community Survey 5-year estimates 2018 to 2022.

Income

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

<u>Ranking</u>	<u>County</u>	<u>2018 to 2022</u>
1.....	DuPage County	\$55,107
2.....	Lake County.....	53,677
3.....	Monroe County.....	47,248
4.....	McHenry County.....	46,322
5.....	Cook County.....	45,646
6.....	Kane County.....	44,523
7.....	Will County.....	44,356
8.....	Grundy County.....	42,192
9.....	Menard County.....	41,497
10.....	Piatt County.....	41,429

Note: (1) Source: U.S. Bureau of the Census. 2018-2022 American Community Survey 5-Year Estimates.

The following shows the median family income for counties in the State.

Ranking of Median Family Income(1)

<u>County</u>	<u>Family Income</u>	<u>Ranking</u>
DuPage County.....	\$131,901	1
Lake County.....	126,685	2
Monroe County.....	123,603	3
Will County.....	119,675	4
McHenry County.....	116,736	5
Kendall County.....	114,678	6
Kane County.....	112,260	7
Cook County.....	97,520	15

Note: (1) Source: U.S. Bureau of the Census. 2018-2022 American Community Survey 5-Year Estimates.

The U.S. Census Bureau 5-year estimated values reported that the County had a median family income of \$126,685. This compares to \$99,215 for the State. The following table represents the distribution of family incomes for the County and the State at the time of the 2018-2022 American Community Survey.

Family Income(1)

<u>Value</u>	<u>The County</u>		<u>The State</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Under \$10,000	3,244	1.8%	92,548	3.0%
\$10,000 to \$14,999	1,880	1.0%	51,680	1.6%
\$15,000 to \$24,999	5,479	3.0%	127,333	4.1%
\$25,000 to \$34,999	6,413	3.5%	160,445	5.1%
\$35,000 to \$49,999	11,510	6.3%	267,949	8.5%
\$50,000 to \$74,999	19,699	10.7%	455,252	14.5%
\$75,000 to \$99,999	21,820	11.9%	423,500	13.5%
\$100,000 to \$149,999	37,930	20.7%	660,439	21.1%
\$150,000 to \$199,999	25,971	14.1%	385,443	12.3%
\$200,000 or more.....	<u>49,659</u>	<u>27.0%</u>	<u>509,514</u>	<u>16.3%</u>
Total.....	183,605	100.0%	3,134,103	100.0%

Note: (1) Source: U.S. Bureau of the Census, American Community Survey 5-year estimates 2018 to 2022.

The U.S. Census Bureau 5-year estimated values reported that the County had a median household income of \$104,537. This compares to \$78,433 for the State. The following table represents the distribution of household incomes for the County and the State at the time of the 2018-2022 American Community Survey.

Household Income(1)

Value	The County		The State	
	Number	Percent	Number	Percent
Under \$10,000	8,528	3.3%	261,983	5.3%
\$10,000 to \$14,999	5,269	2.1%	173,630	3.5%
\$15,000 to \$24,999	12,465	4.9%	332,403	6.7%
\$25,000 to \$34,999	13,346	5.2%	350,966	7.1%
\$35,000 to \$49,999	19,872	7.8%	500,799	10.1%
\$50,000 to \$74,999	31,861	12.5%	766,671	15.4%
\$75,000 to \$99,999	31,117	12.2%	639,046	12.9%
\$100,000 to \$149,999	47,600	18.7%	876,255	17.6%
\$150,000 to \$199,999	29,674	11.6%	467,313	9.4%
\$200,000 or more.....	<u>55,062</u>	<u>21.6%</u>	<u>599,695</u>	<u>12.1%</u>
Total.....	254,794	100.0%	4,968,761	100.0%

Note: (1) Source: U.S. Bureau of the Census, American Community Survey 5-year estimates 2018 to 2022.

DEFAULT RECORD

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

SHORT-TERM BORROWING

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

FUTURE BORROWING

The District does not expect to issue any additional general obligation indebtedness in 2024. The District intends to submit a referendum question for inclusion on the November 2024 ballot. The referendum question is expected to ask voters to approve the future issuance of general obligation bonds by the District in an amount not to exceed \$155,000,000.

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DEBT INFORMATION

After issuance of the Bonds, the District will have outstanding \$167,190,000 (subject to change) principal amount of general obligation bonded debt.

Outstanding Bonds(1) (Principal Only)

Calendar Year	Series 2014A	Series 2015	Series 2016A	Series 2016B	Series 2019	Series 2021	Series 2021A	The Bonds(2)	Total(2)	Cumulative Retirement(2)	
	(12-15)	(12-15)	(12-15)	(12-15)	(12-15)	(12-15)	(12-15)	(12/15)		Amount	Percent
2024	\$ 3,215,000	\$ 1,980,000	\$ 3,305,000	\$ 3,045,000	\$ 1,210,000	\$ 3,475,000	\$ 1,045,000	\$ 0	\$ 17,275,000	\$ 17,275,000	10.33%
2025	3,295,000	2,025,000	3,390,000	3,135,000	1,265,000	3,650,000	1,100,000	0	17,860,000	35,135,000	21.02%
2026	0	1,740,000	7,260,000	3,230,000	1,330,000	3,755,000	1,155,000	0	18,470,000	53,605,000	32.06%
2027	0	1,705,000	7,400,000	3,315,000	1,395,000	4,015,000	1,215,000	0	19,045,000	72,650,000	43.45%
2028	0	2,140,000	7,920,000	3,015,000	1,465,000	4,215,000	1,275,000	0	20,030,000	92,680,000	55.43%
2029	0	2,085,000	0	0	1,540,000	4,415,000	1,340,000	2,170,000	11,550,000	104,230,000	62.34%
2030	0	2,170,000	0	0	1,615,000	4,635,000	1,400,000	2,280,000	12,100,000	116,330,000	69.58%
2031	0	2,255,000	0	0	1,680,000	4,765,000	1,460,000	2,390,000	12,550,000	128,880,000	77.09%
2032	0	2,345,000	0	0	1,745,000	4,860,000	1,485,000	2,510,000	12,945,000	141,825,000	84.83%
2033	0	0	0	0	1,795,000	4,950,000	1,520,000	2,640,000	10,905,000	152,730,000	91.35%
2034	0	0	0	0	1,845,000	5,045,000	0	2,770,000	9,660,000	162,390,000	97.13%
2035	0	0	0	0	1,890,000	0	0	2,910,000	4,800,000	167,190,000	100.00%
Total	\$6,510,000	\$18,445,000	\$29,275,000	\$15,740,000	\$18,775,000	\$47,780,000	\$12,995,000	\$17,670,000	\$167,190,000		

Notes: (1) Source: the District. Mandatory redemption amounts are shown for term bonds.
 (2) Subject to change.

Overlapping Bonded Debt(1)(2)
 (As of February 2, 2024)

<u>Type of Issuer</u>	<u>Applicable Debt(3)</u>
Lake County	\$ 143,955,000
School Districts	1,177,293,169
College Districts	89,985,026
Municipalities	490,563,691
Park Districts	96,877,738
Public Library Districts	24,635,292
Sanitary Districts	2,570,000
Special Service Areas (County and Municipal)	106,205,031
Fire Districts	<u>49,324,765</u>
Total Overlapping Debt.....	\$2,181,409,713
The District(4).....	<u>\$ 167,190,000</u>
Total Direct and Overlapping Debt(4)	\$2,348,599,713

- Notes: (1) Source: Lake County.
 (2) Based on 2022 EAV for Lake, Cook, McHenry, Kane, and Boone Counties, the most current available.
 (3) Outstanding debt includes Alternate Revenue Source bonds.
 (4) Includes the Bonds and is subject to change.

Legal Debt Margin(1)(2)

2023 Equalized Assessed Valuation	\$30,497,825,307	<u>2.3% of EAV</u>
Statutory Debt Limitation (2.3% of EAV)		\$701,449,982
<u>General Obligation Bonded Debt:</u>		
Series 2014A	\$ 6,510,000	
Series 2015	18,445,000	
Series 2016A	29,275,000	
Series 2016B	15,740,000	
Series 2019	18,775,000	
Series 2021	47,780,000	
Series 2021A	12,995,000	
The Bonds	17,670,000(2)	
Total General Obligation Bonded Debt		<u>\$167,190,000(2)</u>
Total Applicable Debt.....		<u>\$167,190,000(2)</u>
Legal Debt Margin		\$534,259,982(2)

- Notes: (1) Source: The District.
 (2) Subject to change.

Statement of Bonded Indebtedness(1)

	Amount <u>Applicable</u>	Ratio To		Per Capita (2020 Census <u>714,342</u>)
		<u>Equalized Assessed</u>	<u>Estimated Actual</u>	
District EAV, 2023	\$30,497,825,307	100.00%	33.33%	\$ 42,693.59
Estimated Actual Value, 2023	91,493,475,921	300.00%	100.00%	128,080.77
Direct Bonded Debt(2)	167,190,000	0.55%	0.18%	234.05
Overlapping Bonded Debt(3)	<u>2,181,409,713</u>	<u>7.15%</u>	<u>2.38%</u>	<u>3,053.73</u>
Total Direct And Overlapping Bonded Debt(2)	\$ 2,348,599,713	7.70%	2.57%	\$ 3,287.78

- Notes: (1) Source: the County.
 (2) Includes the Bonds and is subject to change.
 (3) As of February 2, 2024.

PROPERTY ASSESSMENT AND TAX INFORMATION

For the 2022 levy year, the District's EAV was comprised of approximately 80% residential, 15% commercial, 4% industrial and less than 1% farm and railroad property valuations. For the 2023 levy year, the District's total EAV is \$30,497,825,307, an increase of approximately 5.92%.

District Equalized Assessed Valuation(1)

Property Class:	Levy Years				
	2018	2019	2020	2021	2022
Residential	\$21,325,634,097	\$21,755,345,014	\$21,731,433,832	\$22,019,350,369	\$23,023,412,646
Farm.....	153,897,431	146,204,986	149,306,172	153,674,150	157,570,265
Commercial	4,026,016,892	4,242,412,622	4,204,223,876	4,198,557,936	4,402,768,682
Industrial	1,040,911,135	1,064,623,662	1,066,247,360	1,113,628,108	1,167,858,263
Railroad.....	35,973,403	37,807,383	38,170,280	38,170,280	41,515,822
Total.....	<u>\$26,582,432,958</u>	<u>\$27,246,393,667</u>	<u>\$27,189,381,520</u>	<u>\$27,523,380,843</u>	<u>\$28,793,125,678</u>
Percent Change +/-.....	2.22%(2)	2.50%	(0.21%)	1.23%	4.61%

- Notes: (1) Source: Lake County Clerk. Levy year 2023 EAV by property class is not available.
 (2) Based on a 2017 EAV of \$26,005,064,391.

Representative Tax Rates(1) (Per \$100 EAV)

District Rates(2):	Levy Years				
	2018	2019	2020	2021	2022
Corporate	\$ 0.056108	\$ 0.055115	\$ 0.056684	\$ 0.057661	\$0.059821
Construction and Development.....	0.023116	0.023160	0.023635	0.023798	0.024926
Audit.....	0.000488	0.000574	0.000728	0.000708	0.000450
IMRF	0.006399	0.005130	0.006498	0.005156	0.003569
Social Security.....	0.004426	0.004029	0.004159	0.004224	0.004011
Liability Insurance and Tort Judgements	0.003131	0.005568	0.004651	0.005418	0.002169
PTAB/CE Recapture.....	0.000000	0.000000	0.000000	0.001126	0.000958
Bonds and Interest	<u>0.088368</u>	<u>0.086193</u>	<u>0.085463</u>	<u>0.080814</u>	<u>0.077329</u>
Total.....	<u>\$ 0.182036</u>	<u>\$ 0.179769</u>	<u>\$ 0.181818</u>	<u>\$ 0.178905</u>	<u>\$0.173233</u>
Lake County.....	\$ 0.611675	\$ 0.596778	\$ 0.598027	\$ 0.597747	\$0.588728
Waukegan Unit School District No. 60.....	7.653503	6.923859	6.123011	5.415305	5.002426
College of Lake County No. 532.....	0.281854	0.281521	0.289671	0.293469	0.295800
Township of Waukegan	0.380829	0.350498	0.327520	0.301698	0.279478
Road and Bridge - Waukegan.....	0.033028	0.029652	0.027708	0.025369	0.023646
North Shore Water Reclamation District	0.153210	0.152986	0.157055	0.158336	0.159719
Waukegan Park District.....	0.946210	0.897469	0.876263	0.846034	0.823414
City of Waukegan	<u>3.030271</u>	<u>2.872621</u>	<u>2.754543</u>	<u>2.608604</u>	<u>2.429580</u>
Total(2)(3).....	<u>\$13.272616</u>	<u>\$12.285153</u>	<u>\$11.335616</u>	<u>\$10.425467</u>	<u>\$9.776024</u>

- Notes: (1) Source: Lake County Clerk's Office.
 (2) The only ceiling on a particular District tax rate is the ceiling set by statute, above which the rate is not permitted to be further increased by referendum or otherwise. The District rate ceilings include: Corporate (0.06%), Construction and Development (0.025%) and Audit (0.005%). The District's total aggregate tax rate for the various purposes subject to the hereinafter defined Limitation Law will not be allowed to exceed the District's limiting rate computed in accordance with the provisions of the Limitation Law.
 (3) Representative tax rates for other government units are from Waukegan Township tax code No. 12, which represents the largest portion of the County's 2022 EAV.

District Tax Extensions and Collections(1)

Levy Year	Collection Year	Tax Extensions	Total Collections	Percent
2013.....	2014	\$50,070,108	\$49,876,291	99.61%
2014.....	2015	47,559,052	47,390,413	99.65%
2015.....	2016	48,730,545	48,597,427	99.73%
2016.....	2017	48,036,830	47,828,573	99.57%
2017.....	2018	48,708,266	48,545,108	99.67%
2018.....	2019	48,389,598	48,248,541	99.71%
2019.....	2020	48,980,569	48,721,939	99.47%
2020.....	2021	49,438,190	49,174,668	99.47%
2021.....	2022	49,240,705	48,955,533	99.42%
2022.....	2023	49,879,195	49,673,231	99.59%

Note: (1) Source: the District.

Principal District Taxpayers(1)

Taxpayer Name	Business/Service	2022 EAV(2)
Memorial Health System.....	Hospital.....	\$12,373,283
Springfield Clinic LLP.....	Medical Office.....	8,939,652
Wal-Mart.....	Real Estate.....	7,858,416
White Oaks Mall Limited Partnership.....	Shopping Center.....	7,732,880
Horace Mann Service Corporation.....	Insurance.....	5,106,542
Wells Fargo Home Mortgage.....	Financial Services.....	4,677,418
White Oaks Plaza.....	Shopping Center.....	4,125,495
Lutheran Retirement Center.....	Retirement Center.....	3,552,334
Springcar Company LLC.....	Real Estate.....	3,548,026
Meijer Store.....	Retail Store.....	3,425,567
Total.....		\$61,339,613
Ten Largest Taxpayers as Percent of the District's 2022 EAV (\$2,873,028,054).....		2.14%

- Notes: (1) Source: Lake County Clerk. Principal District taxpayers for levy year 2023 is not available.
 (2) Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers listed contain multiple parcels and it is possible that some parcels and their valuations have been overlooked. The 2022 EAV is the most current available.

REAL PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION PROCEDURES

Summary of Property Assessment, Tax Levy and Collection Procedures

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

Tax Levy and Collection Procedures

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

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

Unpaid Taxes and Annual Tax Sales

Taxes that are not paid when due, or that are not paid by mail and postmarked on or before the due date, are deemed delinquent and bear interest at the rate of 1.50% per month (or portion thereof) until paid. Unpaid property taxes, together with penalties, interest and costs, constitute a lien against the property subject to the tax. If taxes go unpaid for 13 months, each county treasurer is required to sell the delinquent property taxes at the “Annual Tax Sale” — a sale of tax liens, not properties. A public sale is held, at which time successful tax buyers pay the unpaid taxes plus penalties. Taxpayers can redeem their property by paying the amount paid at the sale, plus interest penalties and fees. If no redemption is made within the applicable redemption period, then the tax buyer can secure a court-ordered deed to the home. If a tax buyer can prove the home has been abandoned, the period for seeking a deed can be shortened to two years. Owners of vacant, commercial and industrial properties have six months to redeem their taxes before the tax buyer can seek ownership of the property.

If there is no sale of the tax lien on a parcel of property at the Annual Tax Sale, the taxes are forfeited and the property becomes eligible to be purchased at any time thereafter at an amount equal to all delinquent taxes and interest accrued to the date of purchase. Redemption periods and procedures are the same as applicable to the Annual Tax Sale. When taxes go unpaid for more than 20 years, Illinois law states that the property is “forfeited to the state.” As a practical matter, this does not happen. Instead, the taxes are wiped out, as the property remains in its distressed condition barring a change in the owner’s circumstances or it being sold.

Exemptions

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

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

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

The Senior Citizens Homestead Exemption annually reduces the EAV on residences owned and occupied by senior citizens. Beginning with tax year 2013, the maximum exemption is \$5,000. Beginning with tax year 2023, the maximum exemption in the Collar Counties is \$8,000.

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

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

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

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

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

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

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

Property Tax Extension Limitation Law

The Limitation Law limits the annual growth in the amount of property taxes to be extended for certain Illinois non-home rule units, including the District. In general, the annual growth permitted under the Limitation Law is the lesser of 5% or the percentage increase in the CPI during the calendar year preceding the levy year. Taxes can also be increased due to new construction, referendum approval of tax rate increases, mergers and consolidations.

The effect of the Limitation Law is to limit the amount of property taxes that can be extended for a taxing body. In addition, general obligation bonds, notes and installment contracts payable from ad valorem taxes unlimited as to rate and amount cannot be issued by the affected taxing bodies unless they are approved by referendum, are alternate bonds or are for certain refunding purposes.

The District has the authority to levy taxes for many different purposes. See the table entitled “**Representative Tax Rates**” under “**PROPERTY ASSESSMENT AND TAX INFORMATION**” herein. The ceiling at any particular time on the rate at which these taxes may be extended for the District is either (i) unlimited (as provided by statute), (ii) initially set by statute but permitted to be increased by referendum, (iii) capped by statute, or (iv) limited to the rate approved by referendum. The only ceiling on a particular tax rate is the ceiling set by statute, at which the rate is not permitted to be further increased by referendum or otherwise. Therefore, taxing districts (such as the District) have flexibility to levy taxes for the purposes for which they most need the money. The total aggregate tax rate for the various purposes subject to the Limitation Law, however, will not be allowed to exceed the District’s limiting rate computed in accordance with the provisions of the Limitation Law.

Local governments, including the District, can issue limited tax bonds (such as the Bonds) in lieu of general obligation bonds that have otherwise been authorized by applicable law. See “**THE BONDS**” herein.

Truth in Taxation Law

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

FINANCIAL INFORMATION

Financial Reports

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

With the completion of the 2019 fiscal period the District completed a transition from a fiscal year that started on July 1st and finished on June 30th to a fiscal year starting on January 1st and ending on December 31st. To accomplish this transition, the District used an 18 month fiscal period for 2019 that started on July 1, 2018 and ended on December 31, 2019.

No Consent or Updated Information Requested of the Auditor

The tables contained in this “**FINANCIAL INFORMATION**” section (the “Excerpted Financial Information”) are from the audited financial statements of the District, including the audited financial statements for the 12 month fiscal period ended December 31, 2022 (the “2022 Audit”), which was approved by formal action of the District Board and attached to this Official Statement as **APPENDIX A**. The District has not requested the Auditor to update information contained in the Excerpted Financial Information or the 2022 Audit; nor has the District requested that the Auditor consent to the use of the Excerpted Financial Information or the 2022 Audit in this Official Statement. Other than as expressly set forth in this Official Statement, the financial information contained in the Excerpted Financial Information and 2022 Audit has not been updated since the date of the 2022 Audit. The inclusion of the Excerpted Financial Information and 2022 Audit in this Official Statement in and of itself is not intended to demonstrate the fiscal condition of the District since the date of the 2022 Audit. Questions or inquiries relating to financial information of the District since the date of the 2022 Audit should be directed to the District.

Financial Overview

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 revenue. 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.

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 District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. 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.

Proprietary fund financial statements are also reported using the economic resources measurement focus and the accrual basis of accounting.

The District received the Certificate of Achievement for excellence in financial reporting from the Government Finance Officers Association (GFOA) for the District’s 2022 Comprehensive Annual Financial Report. This is the 36th year that the District received this award.

Investment Policy

Interest Rate Risk. The District’s investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The objective is to maintain a core portfolio with maturities in the one-to-three-year range.

Credit Risk. State law limits investments in commercial paper, corporate bonds, and mutual bonds funds to the top two ratings, and municipal bonds with the top four ratings issued by nationally recognized statistical rating organizations. The District's investment policy does not impose further limits on investment choices. As of December 31, 2022, Illinois Metropolitan Investment 1-3 Year Fund was rated Aaa/bf by Moody's; Illinois Public Reserves Investment Management Trust (IPRIME) was rated AAAM by Standard and Poor's; Federated Government Obligations Fund was rated AAA/V1+ by Fitch and First American Government Obligations Fund is not rated. As of December 31, 2022, the District investment in municipal bonds were rated AAA (\$1,824,006), AA (\$26,517,965), A (\$6,548,376) by Standard and Poor's and Moody's Investor Services. Investments in negotiable certificates of deposit are not rated.

Custodial Credit Risk. In the case of deposits, this is the risk that, in the event of a bank failure, the District's deposits may not be returned. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The District's investment policy states that the investments should have a collateralization ratio of 110%. As of December 31, 2022, the District was not exposed to custodial credit risk.

Concentration of Credit Risk. It is the policy of the District to diversify its investment portfolio. Investments shall be diversified to eliminate the risk of loss resulting in overconcentration in a security, maturity, issuer, or class of securities. Disclosure is required when an investment with a single issuer exceeds 5% of investments. As of December 31, 2022 the District did not own any investment instruments that exceeded 5%.

See Note C to the 2022 Audit, as attached as **APPENDIX A** hereto.

Summary Financial Information

The following tables are summaries and do not purport to be the complete audits, copies of which are available upon request. The District is currently operating under a balanced budget and, to date, revenues and expenditures are generally within budgeted amounts. See **APPENDIX A** for the District's 2022 Audit.

The actuals to budget for fiscal year 2023 look favorable. The numbers are still being finalized at the present time and are subject to change until the final audited financial statements are released.

The total modified budget for revenues was \$73.1 million. Actual revenues are estimated to be \$74.2 million or about \$1 million over budget. All categories of revenue were over budget except for grants and donations and facility rentals. Property taxes were over budget due to a timing issue for payments from the County of Lake for collections from the previous year. Replacement tax payments were higher than expected due to changes made by the State of Illinois which were one-time in nature. Investment income was higher due to higher interest rates impacting earnings. Golf course revenues remained strong and were higher than expected along with permit, program, concessionaire and easement revenue. The grants and donation budget are mostly tied to capital projects which have not been completed. Several are multi-year projects and revenues will not be realized until the projects are complete.

The modified expense budget for 2023 was \$92.6 million. Actual expenditures are currently \$68.8 million. Operating expense actuals comprise \$35.8 million compared to a budget of \$38.3 million. Salaries and benefits and contractual expenses were both under budget (\$2.5 million). Commodity expenditures were over budget by less than 1% (\$30,817). Higher than expected prices for supplies due to inflation were the main reason they are over budget. Capital expenditures were significantly under budget (\$21.4 million). The District currently has several large projects that are multi-year projects that were either started in 2023 and expected to be completed in 2024 or were delayed and will be started in 2024.

The adopted 2024 budget was prepared in accordance with the District's Annual Budget Development Policies and Annual Strategic Action Plan and was adopted by the Board on October 11, 2023; it is a balanced budget with expenditures not exceeding revenue except where planned use of fund balances will occur, such as for capital projects or reduction of fund balances in accordance with the District's fund balance policies. The operating budget provides for programs and services that further the District's mission and strategic plan and allows it to address ongoing operating needs. The budget includes additions to operating programs, a limited number of personnel and additions in equipment.

The budget's expenditure and revenue plan meet the requirements of the 1991 Illinois Tax Limitation Act (Tax Cap). The total budget expenditures are \$66,825,199, which is a decrease of \$23,663,503 (26.2%) from the previous year's modified budget. The decrease is due largely to a reduction in capital expenditures. Operating expenses, excluding debt service, are up by 2.47% (\$944,350) from last year to \$39,161,880. Increases in salaries and benefits and commodities account for most of the percentage increase. Capital expenditures are down 81.5% or \$24.6 million from last year's modified budget.

Total budgeted property tax revenue is \$50,979,600, an increase of \$1,377,400 (2.8%) from the 2023 budget of \$49,602,200. The debt service property tax budget (\$22,274,875) is going up by only \$16,870 (0.1%). Total revenues for 2024 are budgeted at \$65,146,714 compared to \$71,707,589 in 2023. This is a decrease of \$6,560,875 or -9.1% over last year. The large decrease is mostly attributable to the grants and donations category. Grants and donations are down by \$8,969,745 due to several large capital and restoration projects budgeted for 2023.

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Statement of Net Position Governmental Activities

	Audited As of June 30	Audited As of December 31			
	2018	2019	2020	2021	2022
ASSETS:					
Current Assets:					
Cash and Investments	\$ 88,884,006	\$ 65,663,015	\$ 64,076,891	\$ 65,303,786	\$ 66,046,780
Property Taxes Receivable	21,282,399	49,081,597	51,007,560	50,353,319	50,713,076
Interest Receivable	214,488	195,641	265,794	268,191	235,620
Grant Receivable	614,198	571,377	497,614	647,364	983,432
Lease Receivable	0	0	0	0	1,154,971
Other Receivable	137,633	385,358	529,597	233,990	122,181
Inventory	298,262	299,320	273,609	309,326	331,949
Other Assets	0	539,520	354,500	325,689	348,670
Total Current Assets	<u>\$111,430,986</u>	<u>\$116,735,828</u>	<u>\$117,005,565</u>	<u>\$117,441,665</u>	<u>\$119,936,679</u>
Noncurrent Assets:					
Capital Assets (Not Being Depreciated)	\$650,450,422	\$648,585,207	\$650,740,895	\$654,751,793	\$655,408,986
Capital Assets (Net of Accumulated Depreciation)	81,277,648	81,700,622	77,003,803	76,601,618	71,636,343
Net Pension Asset	18,736	0	1,996,679	9,474,916	0
OPEB Asset	0	0	0	0	62,898
Total Noncurrent Assets	<u>\$731,746,806</u>	<u>\$730,285,829</u>	<u>\$729,741,377</u>	<u>\$740,828,327</u>	<u>\$727,108,227</u>
Total Assets(1)	<u>\$843,177,792</u>	<u>\$847,021,657</u>	<u>\$846,746,942</u>	<u>\$858,269,992</u>	<u>\$847,044,906</u>
Deferred Outflows of Resources:					
Deferred Loss on Refundings	2,949,839	2,066,474	\$ 1,567,202	\$ 1,305,225	\$ 1,043,248
Pension Actuarial Adjustments	2,122,999	1,386,689	406,284	1,501,905	8,470,157
Deferred Pension Contributions	763,367	0	0	0	0
OPEB Valuation	51,868	41,400	118,517	99,538	277,026
Accumulated Decrease in Fair Market Value of Hedging Derivatives	484,205	154,078	0	0	0
Total Deferred Outflows of Resources(1)	<u>\$ 6,372,278</u>	<u>\$ 3,648,641</u>	<u>\$ 2,092,003</u>	<u>\$ 2,906,668</u>	<u>\$ 9,790,431</u>
LIABILITIES:					
Current Liabilities:					
Accounts Payable	\$ 2,675,168	\$ 2,382,954	\$ 1,170,024	\$ 1,352,140	\$ 1,219,935
Accrued Payroll and Payroll Taxes	224,444	419,577	586,118	706,146	618,044
Unearned Property Tax Revenue	0	48,827,036	0	0	0
Other Unearned Revenue	428,528	172,482	88,682	96,157	89,231
Interest Payable	427,238	376,917	334,974	259,959	229,396
Derivative Instrument - Swap Agreement	484,205	154,078	0	0	0
Other Liabilities	1,212,566	1,020,914	1,493,036	1,156,055	1,678,930
Due Within One Year	<u>17,025,550</u>	<u>16,664,180</u>	<u>17,054,978</u>	<u>17,429,288</u>	<u>18,203,839</u>
Total Current Liabilities	<u>\$ 22,477,699</u>	<u>\$ 70,018,138</u>	<u>\$ 20,727,812</u>	<u>\$ 20,999,745</u>	<u>\$ 22,039,375</u>
Noncurrent Liabilities:					
Net Pension Liability	\$ 2,219,424	\$ 4,964,166	\$ 0	\$ 0	\$ 9,634,864
Net OPEB Liability	536,882	517,750	591,919	524,563	628,370
Due In More than One Year	<u>253,641,261</u>	<u>216,116,942</u>	<u>199,531,107</u>	<u>182,576,952</u>	<u>164,654,605</u>
Total Noncurrent Liabilities	<u>\$256,397,567</u>	<u>\$221,598,858</u>	<u>\$200,123,026</u>	<u>\$183,101,515</u>	<u>\$174,917,839</u>
Total Liabilities	<u>\$278,875,266</u>	<u>\$291,616,996</u>	<u>\$220,850,838</u>	<u>\$204,101,260</u>	<u>\$196,957,214</u>
Deferred Inflows of Resources:					
Pension Actuarial Adjustments	\$ 7,160,493	\$ 3,549,738	\$ 7,172,635	\$ 11,124,687	\$ 161,092
Property Taxes Levied for a Future Period	0	0	50,254,393	49,463,016	50,210,526
Deferred Inflows Related to Leases	0	0	0	0	1,136,986
OPEB Valuation	58,908	53,216	49,166	44,560	94,576
Deferred Gain on Refunding	0	2,446,769	2,293,846	2,140,923	1,988,000
Total Deferred Inflows of Resources	<u>\$ 7,219,401</u>	<u>\$ 6,049,723</u>	<u>\$ 59,770,040</u>	<u>\$ 62,773,186</u>	<u>\$ 53,591,180</u>
NET POSITION:					
Investment in Capital Assets, Net of Related Debt	\$481,937,893	\$510,540,422	\$521,843,943	\$538,227,314	\$550,998,023
Restricted For:					
Enabling Legislation - Audit and Insurance	2,128,609	1,828,790	2,273,621	2,487,702	2,781,669
Grants and Donations	861,328	0	0	0	0
Tree Replacement	0	0	0	273,269	297,127
Pensions	0	0	0	9,474,916	0
Other Purposes	0	0	272,395	0	0
Land Acquisition and Development	13,945,706	9,375,393	10,669,871	9,808,239	9,348,643
Enabling Legislation - FICA and Illinois Municipal Retirement	2,175,880	1,400,748	1,202,138	1,326,102	1,502,745
Debt Service	27,914,836	2,862,232	1,649,263	2,108,645	923,490
Unrestricted	<u>34,491,151</u>	<u>26,995,994</u>	<u>30,306,836</u>	<u>30,596,027</u>	<u>40,435,246</u>
Total Net Position	<u>\$563,455,403</u>	<u>\$553,003,579</u>	<u>\$568,218,067</u>	<u>\$594,302,214</u>	<u>\$606,286,943</u>

**Statement of Activities
 Governmental Activities**

Net (Expense) Revenue and Changes in Net Position

	Audited Year Ended June 30	Audited Years Ended December 31			
	2018	2019	2020	2021	2022
Functions/Programs:					
General Government	\$ (8,931,740)	\$ (14,058,042)	\$ (9,112,110)	\$ (6,974,745)	\$ (13,386,806)
Education and Cultural Resources	(2,779,276)	(4,399,952)	(1,934,627)	(3,094,733)	(2,623,220)
Public Safety	(2,141,203)	(3,465,661)	(2,438,410)	(1,553,380)	(2,809,292)
Recreation	(543,865)	(1,344,503)	(1,384,613)	(420,764)	(398,919)
Natural Resources	(3,192,868)	(9,210,854)	(2,557,238)	947,918	(6,540,803)
Maintenance and Development	(9,594,115)	(15,294,414)	(9,048,615)	(9,098,701)	(9,703,252)
Interest	<u>(10,111,139)</u>	<u>(15,986,191)</u>	<u>(8,203,639)</u>	<u>(5,926,513)</u>	<u>(4,771,311)</u>
Total Governmental Activities	\$ (37,294,206)	\$ (63,759,617)	\$ (34,679,252)	\$ (26,120,918)	\$ (40,233,603)
General Revenues:					
Property and Replacement Taxes	\$ 49,443,288	\$ 49,786,745	\$ 48,825,696	\$ 51,760,540	\$ 52,606,200
Investment Income	956,473	3,442,166	1,036,439	137,392	(603,659)
Insurance Claim	162,981	16,009	2,229	78,238	91,736
Other	0	0	0	0	19,916
Gain on Disposal of Assets	381,089	62,873	29,376	228,895	108,639
Donation of Capital Assets	0	0	0	0	(4,500)
Total General Revenues and Transfers	\$ 50,943,831	\$ 53,307,793	\$ 49,893,740	\$ 52,205,065	\$ 52,218,332
Change in Net Position	\$ 13,649,625	\$ (10,451,824)	\$ 15,214,488	\$ 26,084,147	\$ 11,984,729
Net Position - Beginning	\$549,805,778(1)	\$563,455,403	\$553,003,579	\$568,218,067	\$594,302,214
Net Position - Ending	\$563,455,403	\$553,003,579	\$568,218,067	\$594,302,214	\$606,286,943

**General Fund
 Balance Sheet**

	Audited As of June 30	Audited As of December 31			
	2018	2019	2020	2021	2022
ASSETS:					
Cash and Cash Equivalents	\$27,543,213	\$26,950,533	\$28,553,197	\$30,070,743	\$33,166,759
Property Taxes Receivable, Net	6,981,655	16,831,247	17,523,663	18,266,692	18,698,023
Interest Receivable	70,521	99,340	155,699	146,348	135,266
Lease Receivable	0	0	0	0	702,711
Other Receivable	98,694	101,419	54,352	61,501	76,212
Inventory	298,262	299,320	273,609	309,326	331,949
Due from Other Fund	0	0	360,600	0	215,558
Other Assets	0	278,919	240,267	272,573	279,106
Total Assets	<u>\$34,992,345</u>	<u>\$44,560,778</u>	<u>\$47,161,387</u>	<u>\$49,127,183</u>	<u>\$53,605,584</u>
LIABILITIES DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES:					
Liabilities:					
Accounts Payable	\$ 1,366,308	\$ 354,338	\$ 320,914	\$ 293,556	\$ 394,877
Accrued Payroll and Payroll Taxes	161,769	299,920	432,879	546,740	447,479
Unearned Revenue	1,902	1,831	87,524	95,000	87,899
Other Liabilities	190,214	493,570	855,622	549,953	807,605
Total Liabilities	\$ 1,720,193	\$ 1,149,659	\$ 1,696,939	\$ 1,485,249	\$ 1,737,860
Deferred Inflows of Resources:					
Unavailable Property Tax Revenue	\$ 6,129,009	\$16,637,775	\$17,153,592	\$17,734,849	\$18,195,473
Deferred Lease Revenue	0	0	0	0	689,808
Unavailable Grant Revenue	1,000	0	0	0	0
Total Deferred Inflows of Resources	\$ 6,130,009	\$16,637,775	\$17,153,592	\$17,734,849	\$18,885,281
Fund Balances:					
Nonspendable	\$ 298,262	\$ 299,320	\$ 513,874	\$ 581,900	\$ 611,055
Restricted	2,128,609	1,828,790	2,273,621	2,487,702	2,781,669
Committed	322,582	301,368	294,469	282,285	259,419
Assigned	8,832,774	8,927,643	10,298,750	16,635,324	18,878,554
Unassigned	<u>15,559,916</u>	<u>15,416,223</u>	<u>14,930,142</u>	<u>9,919,874</u>	<u>10,451,746</u>
Total Fund Balances	\$27,142,143	\$26,773,344	\$28,310,856	\$29,907,085	\$32,982,443
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$34,992,345</u>	<u>\$44,560,778</u>	<u>\$47,161,387</u>	<u>\$49,127,183</u>	<u>\$53,605,584</u>

**General Fund
 Statement of Revenues and Expenditures**

	Audited Year Ending June 30	Audited Years Ended December 31			
	2018	2019	2020	2021	2022
REVENUES:					
Property and Replacements Taxes	\$17,423,282	\$23,508,281	\$17,357,848	\$18,986,150	\$21,288,806
Investment Income.....	243,834	1,192,947	453,797	60,241	(372,468)
Land and Building Rentals	213,635	412,617	99,520	206,630	367,201
Permits	763,831	1,051,706	483,665	1,055,818	976,912
Easements and Licenses	35,088	53,652	36,564	37,176	29,742
Charges for Services and Sales.....	1,087,600	1,667,128	382,816	1,105,676	1,411,650
Grants and Contributions	47,338	153,758	1,072,904	107,753	98,208
Programs and Admissions	280,108	441,160	58,186	176,705	214,959
Other Revenue	619,650	265,499	242,957	169,986	305,038
Total Revenues.....	<u>\$20,714,366</u>	<u>\$28,746,748</u>	<u>\$20,188,257</u>	<u>\$21,906,135</u>	<u>\$24,320,048</u>
EXPENDITURES:					
Current:					
General Government	\$ 6,197,225	\$ 9,924,671	\$ 6,847,375	\$ 7,025,637	\$ 7,036,581
Educational.....	2,154,409	3,338,462	2,091,024	2,234,970	2,259,944
Public Safety.....	2,724,436	4,260,608	2,971,580	3,118,509	3,263,398
Recreation	1,225,829	2,072,450	917,217	844,683	971,672
Maintenance and Development.....	5,202,042	8,339,283	5,278,171	6,115,010	6,354,822
Debt Service:					
Principal.....	430,000	223,671	0	0	12,051
Interest	295,631	143,516	0	0	838
Lease Outlay	0	0	0	0	64,917
Capital Outlay	1,414,055	635,991	359,838	785,328	1,189,294
Total Expenditures	<u>\$19,643,627</u>	<u>\$28,938,652</u>	<u>\$18,465,205</u>	<u>\$20,124,137</u>	<u>\$21,153,517</u>
Excess (Deficiency) of Revenues Over Expenditures	\$ 1,070,739	\$ (191,904)	\$ 1,723,052	\$ 1,781,998	\$ 3,166,531
Other Financing Sources (Uses), Net	<u>(197,379)</u>	<u>(176,895)</u>	<u>(185,540)</u>	<u>(185,769)</u>	<u>(91,173)</u>
Net Change in Fund Balance	\$ 873,360	\$ (368,799)	\$ 1,537,512	\$ 1,596,229	\$ 3,075,358
Fund Balance, Beginning of Year	<u>26,268,783</u>	<u>27,142,143</u>	<u>26,773,344</u>	<u>28,310,856</u>	<u>29,907,085</u>
Fund Balance, End of Year	<u>\$27,142,143</u>	<u>\$26,773,344</u>	<u>\$28,310,856</u>	<u>\$29,907,085</u>	<u>\$32,982,443</u>

**General Fund
 Statement of Revenues and Expenditures**

	Budget Twelve Months Ended 12/31/2023	Preliminary Unaudited Twelve Months Ended 12/31/2023	Budget Twelve Months Ended 12/31/2024
	REVENUES:		
Property Tax	\$17,977,990	\$18,270,918	\$18,893,540
Replacement Tax.....	1,800,000	2,747,185	2,000,000
Investment Income.....	433,300	1,425,798	517,800
Permits	860,600	929,683	907,500
Program & Admission	196,140	213,254	146,400
Land & Building Rent	435,680	372,233	420,680
Easements and Licenses	26,450	28,742	27,110
Grant & Contribution	507,490	404,213	81,000
Concessionaire Rev	400,000	423,375	250,000
Charges Service/Sale	951,150	954,206	1,013,550
Other Revenue	306,360	330,331	188,510
Revenue Total	<u>\$23,895,160</u>	<u>\$26,099,937</u>	<u>\$24,446,090</u>
Salaries	\$12,684,050	\$12,487,347	\$13,564,574
Benefits	2,685,240	2,380,993	2,717,326
Commodities.....	1,719,050	1,602,989	1,723,700
Contractuals	5,373,804	4,968,242	5,565,257
Capital Outlay	6,737,314	1,852,469	2,271,000
Transfers	200,000	200,000	204,500
Expense Total.....	<u>\$29,399,458</u>	<u>\$23,492,039</u>	<u>\$26,046,357</u>
Grand Total.....	\$ (5,504,298)	\$ 2,607,898	\$ (1,600,267)

RETIREMENT PLANS

The District participates in two retirement plans administered by the Illinois Municipal Retirement Fund (the “IMRF”). Specifically, the District participates in an IMRF-administered plan for its regular employees (the “Regular Plan”). The Sheriff’s Law Enforcement Personnel Plan (the “SLEP Plan” and together with the Regular Plan, the “Pension Plans”) is for sheriffs, deputy sheriffs and selected police chiefs. Certain of the provisions of these plans are described below. See Note M to the 2022 Audit, as attached as **APPENDIX A** hereto, for additional information on the Pension Plans, including plan descriptions, information on employer contributions and employee contributions, the funded status and funding progress of the pension plans, and information on the assumptions made and the methods employed by such pension plans’ actuaries.

Background Regarding Pension Plans

The Actuarial Valuation

The disclosures in the 2022 Audit related to the Pension Plans are based in part on the actuarial valuations of the Pension Plans. In the actuarial valuations, the actuary for each of the Pension Plans measures the financial position of the Pension Plan, determines the amount to be contributed to a Pension Plan pursuant to statutory requirements, and produces information mandated by the financial reporting standards issued by the Governmental Accounting Standards Board (“GASB”), as described below.

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

GASB Standards

GASB provides standards for financial reporting and accounting related to pension plans (the GASB Standards”). The GASB Standards require calculation and disclosure of a “Net Pension Liability” or “Net Pension Asset,” which is the difference between the actuarial present value of projected benefit payments that is attributed to past periods of employee service calculated pursuant to the methods and assumptions set forth in the GASB Standards (referred to in such statements as the “Total Pension Liability”) and the fair market value of the pension plan’s assets (referred to as the “Fiduciary Net Position”).

The GASB Standards employ a rate, referred to in such statements as the “Discount Rate,” which is used to discount projected benefit payments to their actuarial present values. The Discount Rate is a blended rate comprised of (1) a long-term expected rate of return on a pension plan’s investments (to the extent that such assets are projected to be sufficient to pay benefits), and (2) a tax-exempt municipal bond rate meeting certain specifications set forth in the GASB Standards.

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

Pension Plans Remain Governed by the Pension Code

Each of the GASB Standards establish requirements for financial reporting purposes. However, the Pension Plans are ultimately governed by the provisions of the Pension Code in all respects, including, but not limited to, the amounts to be contributed by the District to the Pension Plans in each year.

The IMRF

The District contributes to the Pensions Plans, all of which are administered by the IMRF. Each of the Pension Plans are defined-benefit, agent multiple employer pension plans that act as common investment and administrative agents for units of local government and school districts in Illinois. The Pensions Plans are established and administered under statutes adopted by the Illinois General Assembly. The Pension Code sets the benefit provisions of the IMRF, as well as the employee contribution and employer contribution provisions, all of which can only be amended by the Illinois General Assembly.

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

The IMRF issues a publicly available financial report that includes financial statements and required supplementary information which may be viewed at the IMRF’s website, however, the IMRF does not issue separate publicly available reports for the District’s Pension Plans.

As of December 31, 2022, the District’s IMRF membership of 689 consisted of: 237 retirees and beneficiaries currently receiving benefits (225 Regular Plan and 12 SLEP Plan), 236 inactive plan members entitled to but not yet receiving benefits (231 Regular Plan and 5 SLEP Plan), and 216 active plan members (197 Regular Plan and 19 SLEP Plan).

See Note M to the 2022 Audit for additional information on the actuarial methods and assumptions, including information regarding the Discount Rate and the sensitivity of the Net Pension Liability to changes in the Discount Rate, with respect to each of the Pension Plans.

Contributions to the Pension Plans and Pension Plan Expense

Both employers and employees contribute to the IMRF. At present, with respect to the Regular Plan, employees contribute 4.50% of their salary to the IMRF, as established by statute. With respect to the SLEP Plan, employees contribute 7.50% of their salary to the IMRF, as established by statute. Employers are required to make all additional contributions necessary to fund the benefits provided by the IMRF to its employees. The annual rate at which an employer must contribute to the IMRF is established by the IMRF Board. The District’s contribution rates for the Regular Plan, expressed as a percentage of covered payroll, for calendar year 2022 was 9.41% and for calendar year 2021 was 11.51%. The District’s contribution rates for the SLEP Plan for such calendar years were 13.18% for 2022 and 16.52% for 2021. For the fiscal period ended December 31, 2022, the District contributed \$1,227,348 for the Regular Plan and \$241,998 for the SLEP Plan. Such 2022 contributions were \$16,334 in excess of and \$1 less than the actuarial determined contributions for the Regular Plan and SLEP Plan, respectively.

The Regular Plan

The following section provides information regarding the funded status of the District's IMRF Regular Plan:

Measures of Financial Position

The following table presents the measures of the Regular Plan's financial position as of December 31, 2018 through 2022 which are presented pursuant to the GASB Standards.

Net Pension (Asset)/Liability and Fiduciary Net Position as a Percent of Total Pension Liability (1)(2)

<u>FISCAL YEAR ENDED DECEMBER 31</u>	<u>TOTAL PENSION LIABILITY</u>	<u>FIDUCIARY NET POSITION</u>	<u>NET PENSION (ASSET)/LIABILITY</u>	<u>FIDUCIARY NET POSITION AS A % OF TOTAL PENSION LIABILITY</u>
2018	\$76,822,817	\$64,809,700	\$ 12,013,117	84.25 %
2019	80,727,480	75,514,660	5,212,820	93.54 %
2020	83,674,931	85,188,091	(1,513,160)	101.81 %
2021	89,220,506	97,985,850	(8,765,344)	109.82 %
2022	92,988,489	83,190,205	9,798,284	89.46 %

Notes: (1) Source: the 2022 Audit.
 (2) The discount rate for each year was 7.25%.

See Note M to the 2022 Audit, and the related required supplementary information disclosures, for a description of the IMRF, the Regular Account, the District's funding policy, information on the assumptions and methods used by the actuary, and the financial reporting information required by the New GASB Standards.

The SLEP Plan

The following section provides information regarding the funded status of the District's SLEP Plan:

Measures of Financial Position

The following table presents the measures of the SLEP Plan's financial position as of December 31, 2018 through 2022 which are presented pursuant to the GASB Standards.

Net Pension (Asset)/Liability and Fiduciary Net Position as a Percent of Total Pension Liability (1)(2)

<u>FISCAL YEAR ENDED DECEMBER 31</u>	<u>TOTAL PENSION LIABILITY</u>	<u>FIDUCIARY NET POSITION</u>	<u>NET PENSION (ASSET)/LIABILITY</u>	<u>FIDUCIARY NET POSITION AS A % OF TOTAL PENSION LIABILITY</u>
2018	\$ 9,256,284	\$ 8,282,449	\$ 973,835	89.48 %
2019	10,249,829	9,879,772	370,057	96.39 %
2020	10,881,037	11,381,388	(500,351)	104.60 %
2021	11,820,185	13,320,517	(1,500,332)	112.69 %
2022	13,005,867	12,056,260	949,607	92.70 %

Notes: (1) Source: the 2022 Audit.
 (2) The discount rate for each year was 7.25%.

See Note M to the 2022 Audit, and the related required supplementary information disclosures, for a description of the IMRF, the SLEP Account, the District's funding policy, information on the assumptions and methods used by the actuary, and the financial reporting information required by the New GASB Standards.

OTHER POST-EMPLOYMENT BENEFITS

The District's group health insurance plan is a single-employer self-insured health care plan administered by the District (the "OPEB Plan"). The OPEB Plan provides limited health care coverage at 100% of the active premium rate. The State requires IMRF employers who offer health insurance to their active employees to offer the same health insurance to disabled members, retirees, and surviving spouses at the same premium rate for active employees. Therefore an implicit rate subsidy exists for retirees resulting from the participation in postemployment healthcare plans that cover both active employees and retirees. The OPEB Plan operates on a pay-as-you-go funding basis. Pay-as-you-go funding refers to the fact that benefits are paid as they become due and assets are not accumulated for payment of benefits in the future. As such, the OPEB Plan has a Funded Ratio of 0%. The Total OPEB Liability of the OPEB Plan as of December 31, 2022 was \$714,897, all of which was unfunded.

Please see Note N to the 2022 Audit for additional information regarding the District's OPEB Plan.

REGISTRATION, TRANSFER AND EXCHANGE

See also **APPENDIX B** for information on registration, transfer and exchange of book-entry bonds. The Bonds will be initially issued as book-entry bonds.

The District shall cause books for the registration and for the transfer of the Bonds to be kept at the principal corporate trust office of the Bond Registrar in Chicago, Illinois. The District will authorize to be prepared, and the Bond Registrar shall keep custody of, multiple bond blanks executed by the District for use in the transfer and exchange of Bonds.

Any Bond may be transferred or exchanged, but only in the manner, subject to the limitations, and upon payment of the charges as set forth in the Bond Ordinance. Upon surrender for transfer or exchange of any Bond at the principal corporate trust office of the Bond Registrar, duly endorsed by, or accompanied by a written instrument or instruments of transfer in form satisfactory to the Bond Registrar and duly executed by the registered owner or such owner's attorney duly authorized in writing, the District shall execute and the Bond Registrar shall authenticate, date and deliver in the name of the registered owner, transferee or transferees (as the case may be) a new fully registered Bond or Bonds of the same maturity and interest rate of authorized denominations, for a like aggregate principal amount.

The execution by the District of any fully registered Bond shall constitute full and due authorization of such Bond, and the Bond Registrar shall thereby be authorized to authenticate, date and deliver such Bond, provided, however, the principal amount of outstanding Bonds of each maturity authenticated by the Bond Registrar shall not exceed the authorized principal amount of Bonds for such maturity less Bonds previously paid.

The Registrar shall not be required to transfer or exchange any Bond during the period beginning at the close of business on the Record Date for an interest payment date to the opening of business on such interest payment date or during the period of 15 days preceding the giving of notice of redemption of Bonds or to transfer or exchange any Bond all or a portion of which has been called for redemption.

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

No service charge shall be made for any transfer or exchange of Bonds, but the District or the Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds.

TAX EXEMPTION

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

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

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

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

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

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

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

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

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

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

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

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

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

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

CONTINUING DISCLOSURE

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

There have been no instances in the previous five years in which the District failed to comply, in all material respects, with any undertaking previously entered into by it pursuant to the Rule, except that for its fiscal years 2019 and 2020 the District filed its annual financial information late by 7 days and 23 days, respectively. A failure by the District to comply with the Undertaking will not constitute a default under the Bond Ordinance and beneficial owners of the Bonds are limited to the remedies described in the Undertaking. The District must report any failure to comply with the Undertaking in accordance with the Rule. Any broker, dealer or municipal securities dealer must consider such report before recommending the purchase or sale of the Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Bonds and their market price.

LITIGATION

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

OFFICIAL STATEMENT AUTHORIZATION

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

INVESTMENT RATING

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

CERTAIN LEGAL MATTERS

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

UNDERWRITING

The Bonds were offered for sale by the District at a public, competitive sale on April 17, 2024. The best bid submitted at the sale was submitted by _____ (the "Underwriter"). The District awarded the contract for sale of the Bonds to the Underwriter at a price of \$ _____. The Underwriter has represented to the District that the Bonds have been subsequently re-offered to the public initially at the yields or prices set forth on the cover page of the Final Official Statement.

MUNICIPAL ADVISOR

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

CERTIFICATION

I have examined this Official Statement dated April 4, 2024, for the \$17,670,000* General Obligation Limited Tax Bonds, Series 2024, believe it to be true and correct and will provide to the purchaser of the Bonds at the time of delivery a certificate confirming to the purchaser that to the best of my knowledge and belief information in the Official Statement was at the time of acceptance of the bid for the Bonds and, including any addenda thereto, was at the time of delivery of the Bonds true and correct in all material respects and does not include any untrue statement of a material fact, nor does it omit the statement of any material fact required to be stated therein, or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

/s/

Director of Finance

LAKE COUNTY FOREST PRESERVE DISTRICT

Lake County , Illinois

**Subject to change.*

APPENDIX A

**LAKE COUNTY FOREST PRESERVE DISTRICT
LAKE COUNTY, ILLINOIS**

FISCAL YEAR 2022 AUDITED FINANCIAL STATEMENTS

Annual Comprehensive Financial Report Ending December 31, 2022

(A Component Unit of Lake County, Illinois)



Lake County
Forest Preserves
Libertyville, Illinois



Lake County Forest Preserve District
(A component unit of Lake County, Illinois)

Annual Comprehensive Financial Report

As of and For the Year Ended December 31, 2022

Prepared by:

The Department of Finance

Stephen Neaman
Director of Finance

and

Beth Frederick
Deputy Director of Finance

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)

Annual Comprehensive Financial Report
As of and For the Year Ended December 31, 2022

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LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)

Annual Comprehensive Financial Report
As of and For the Year Ended December 31, 2022

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LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)

Annual Comprehensive Financial Report
As of and For the Year Ended December 31, 2022

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INTRODUCTORY SECTION



June 27, 2023

Dear Residents of Lake County:

The Lake County Forest Preserve District (the “District”) is pleased to submit its annual comprehensive financial report for the fiscal period ended December 31, 2022. Pursuant to statute and in accordance with the Forest Preserve District Rules of Order and Operational Procedures, an annual independent audit of all funds and accounts of the District shall be conducted by certified public accountants licensed to practice public accounting in the State of Illinois. This report is published to fulfill that requirement for the fiscal year ended December 31, 2022. Responsibility for the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the Executive Director and the Director of Finance, and is based upon a comprehensive framework of internal control that is established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Baker Tilly US LLP, Certified Public Accountants, have issued an unmodified opinion on the District’s financial statements for the fiscal period ended December 31, 2022. The independent auditors’ report is located at the front of the financial section of this report.

Generally Accepted Accounting Principles (GAAP) require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management’s Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The District’s MD&A can be found immediately following the report of the independent auditors.

DISTRICT PROFILE

The District was created by referendum in the November 4, 1958, general election for the purpose of preserving the County’s natural resources, while providing education and recreation to the public.

The District is a separate body and political subdivision of the State of Illinois. The District has independent taxing powers and its boundaries are the same as those of Lake County. It is governed by a 19-member Board of Commissioners which also serves, by state statute, as the Lake County Board. The District’s day-to-day operations and administrative activities are managed by the Executive Director and staffed by 519 full-time, part-time, and seasonal employees organized into nine departments. The District is located in the northeast corner of Illinois adjoining Wisconsin, Lake Michigan, McHenry and Cook Counties (Chicago), and is headquartered in Libertyville, Illinois.

With 63 sites the District provides a full range of services including land preservation, planning, development, conservation, restoration, education, public safety, recreational activities, historical

preservation, and cultural events. In addition to governmental activities, the business-type activities of Brae Loch, Countryside, and ThunderHawk Golf Courses are included in the financial statements.

The budget is legally enacted through the passage of an annual Appropriation Ordinance, pursuant to statute and the District's Rules of Order and Operational Procedures, prior to the last day of the first quarter of the fiscal year. This ordinance includes additional available funds for contingencies that may arise during the fiscal year. The legal level of control is at the individual fund level.

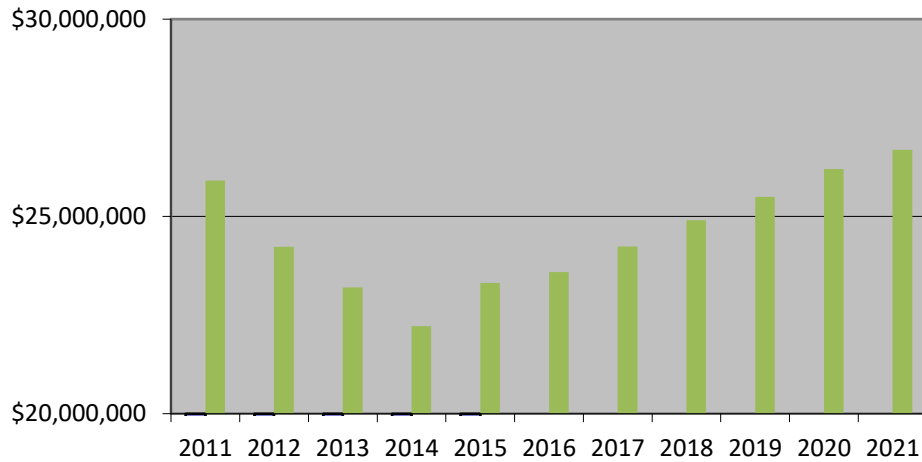
DISTRICT'S ECONOMIC CONDITION

Our Forest Preserves are at the heart of what makes Lake County such a great place to live, work, and play. As the third largest county in the state, Lake County's market valuation is approximately \$86.4 billion. Through the leadership of our Board of Commissioners and support of Lake County voters, we've been able to preserve important pieces of our natural and cultural heritage. These pockets of Illinois' prairies, forests, lakes, and rivers are protected for current and future generations to enjoy and benefit from.

The District ended the year in a positive condition despite increased operating cost caused by inflation. Governmental Fund balances overall ended the year at just slightly below last year despite planned reductions from capital spending. Operating revenues bounced back to near pre-pandemic levels in areas where in-person activities were involved. Revenues also remained strong for our golf enterprise fund, dog permits and Fox River Marina which increased during the pandemic. The District will continue to monitor economic indicators and progress against the inflation, supply chain issues and employment costs for the possible effect they could have on operating expenses and non-tax operating revenues. The reserve balances of the District remain strong and will enable the District to weather a short-term economic slowdown.

The 2021 Equalized Assessed Valuation (EAV) increased by 1.23% from the previous year. During the period between 2008 and 2014, property values had declined by 25.7%. The EAV for 2022 also increased by 4.6%. The county has a varied manufacturing and industrial base that adds to the relative stability of the county. Business activity within the county is diverse, including the home of the only Navy basic training base in the United States, an amusement park, and numerous varied manufacturing firms, real estate developers, retail stores and service providers. The county's sustainability in the current economy is primarily due to its location, with Lake Michigan to the east, Wisconsin to the north and the City of Chicago to the south. The county's communities include picturesque rural communities, highly developed urban centers, wealthy suburbs and tourist communities.

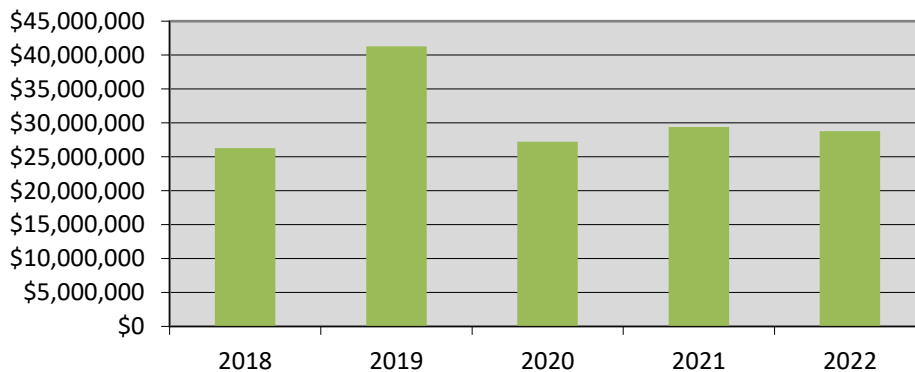
General Corporate & Special Purpose Tax Levy



The general corporate and special purpose tax levies have decreased from \$28.4 million for the 2009 tax levy to \$26.7 million for the 2021 tax levy. This is a reduction of \$1.7 million from what the levy was for 2009. The decrease was the result of declining property values brought on by the Great Recession. During the decline the District continued conservative budgeting practices and wise use of fiscal resources. Property values have stabilized over the past five years and increased by 27.1% from the low point in 2014.

Governmental fund expenditures, including maintenance and development, public safety, education, recreation, natural resources, and general government have decreased from \$29.4 million in 2021 to 28.8 million (2.1%) in 2022. The decrease was driven largely by reduced employee costs. The District prepares a ten-year operating forecast which projects revenues and expenditures using conservative assumptions. The forecast is updated annually and is very helpful in seeing future issues. It is helpful with current decisions that may impact future operations.

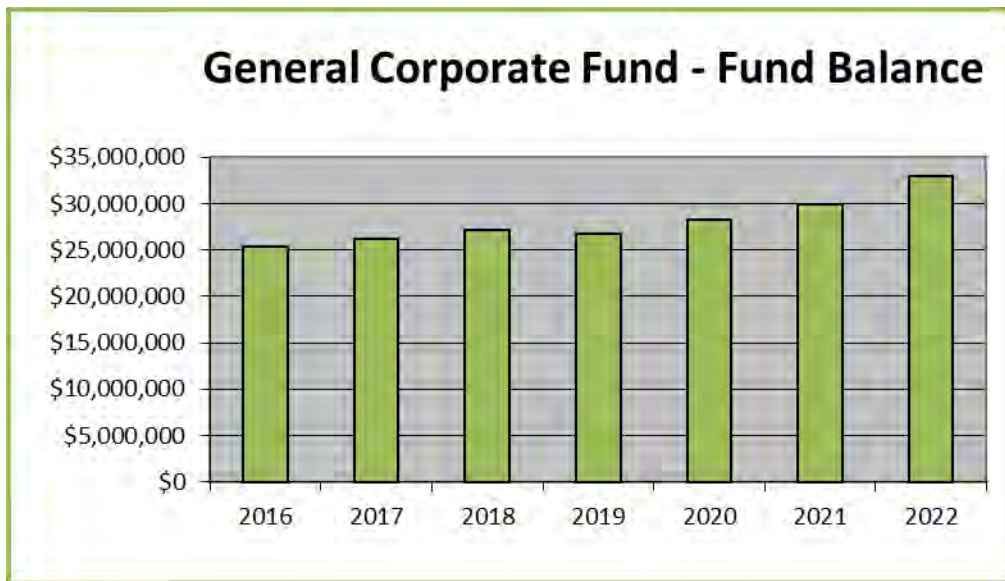
Governmental Fund Expenditures



The District also has a ten-year capital improvement plan that is updated during the budget process. The District coordinates development of the capital improvement budget with the development of the operating budget. Future operating costs associated with new capital improvements are projected and included in operating budget forecasts. The District maintains all capital assets at a level adequate to protect the capital investment and to minimize future maintenance and replacement costs.

On November 4, 2008, 66% of the voters said YES to a \$185 million bond referendum to continue land acquisition, habitat restoration, new trails, and public access improvements. Including the \$185 million, during the past twenty years, voters have approved referenda totaling \$273 million for new land and \$82 million for habitat restoration, new trails, and public access improvements. \$107 million of additional bond proceeds were issued in 2006 and 2008 under the debt service extension. These bond proceeds were used for land acquisition and capital development. The District has issued all of the \$185 million of the referendum approved bonds and there is currently exploring plans for another referendum in 2024.

The District issued refunding bonds in 2021 to refund bonds originally issued in 2010 and 2013 and received the highest possible rating of Aaa from Moody's. The District is one of very few forest preserve districts in the country rated Aaa. Moody's bestowed their highest Aaa bond rating on the District's bonds as a result of the District's current maintenance of very strong financial operations. Additional factors for the triple "A" rating are diversified and expanding economic base, sound financial management, high levels of reserves, and moderate overall debt level.



The fund balance of the General Corporate Fund remains strong and falls within the policy guidelines set by the Board for cash flow and emergency expenditures (35% of the ensuing year's fund budget). During 2021, non-property tax revenue results were mixed as pandemic restrictions were lifted gradually during the year. Overall, in 2022 revenues exceeded budget by \$2.4 million. While an increase of \$1.8 million in replacement tax revenue accounted for most of the increase, in person activities rebounded during 2022 with programs and admissions, land and building rentals and concessionaire revenues ending the year at close to pre-pandemic levels. Other outdoor activities remained strong such as the Fox River Marina and beer garden outperforming last year's revenues. Operating expenses were \$5.4 million under budget for the year and were \$1.03 million higher than last year. Capital outlays were the most under budget (\$4.0 million) with a couple of large projects getting underway during the year but not completed. Employee turnover contributed to employee costs coming in under budget by \$866,560. Inflation also impacted operating expenses with gasoline and maintenance supplies being impacted the

most.

The Lake County Forest Preserve District has an important responsibility to its citizens to plan the adequate funding of services desired by the public, including the provision and maintenance of public facilities, prudent financial management, and accurate accounting for public funds. The District strives to ensure that it is capable of adequately funding and providing services that preserve land for open space, preservation of the environment, and educational, recreational, and cultural opportunities. The District will maintain or improve its land and infrastructure on a systematic basis. The following objectives for the District's fiscal performance are recognized in order to achieve this purpose:

- Preserve the strategic financial integrity, well-being, and current AAA bond rating.
- Continue to maintain a high standard of accounting practices, and ensure the use of a good system of financial and accounting controls which records transactions in an appropriate manner.
- Continue to provide adequate funding of all retirement systems.
- Look for ways to maintain long-term financial sustainability following the Districts approved Strategic Plan and use of a ten-year rolling financial forecast.
- Evaluate funding sources to address priority capital improvement projects in the ten-year capital improvement plan and ensure funding necessary to maintain preserves in a high quality manner.
- Monitor and plan for changes in the county's equalized assessed valuation.
- Report year-end financial information in accordance with generally accepted accounting principles, and in accordance with recommended best practices, as promulgated by the Government Finance Officers Association (GFOA).

FUTURE CHALLENGES AND LONG RANGE ISSUES

Fiscal year 2022 saw most all activities return to near pre-pandemic levels. The non-tax revenues that fell sharply during 2020 and 2021 recovered as restrictions on social gatherings were lifted. Outdoor activities such as golf, the dog exercise areas and boating at the Fox River preserve remained at high levels compared to 2021. As the effects of the pandemic still linger, the District is facing several challenges in the upcoming years regarding ongoing management and maintenance, growth of land holdings and new preserve openings. Although the District is currently well positioned financially to meet these challenges, care will have to be taken to ensure that the District remains in a strong financial position to address these areas now and in the future. Tax rate caps and property tax extension limitations as well as non-tax revenue growth will have to be balanced against future operational costs. The impact of inflation on operating expenses during 2022 and into 2023 will have to be addressed.

The District continues a long term financial planning program by projecting and evaluating revenue and expenses on a rolling ten year basis. After 2008, declining property values meant declining property tax revenues because the District hit its statutory tax rate caps. These declines stopped with the 2015 property assessment. Property values grew by 3.49% in 2015 and have risen each year since, with the exception of 2020 which declined by 0.21%. During 2022 property values rose by 4.6%. That was the largest increase since 2016. These increases in property values did not translate into a one for one increase in property tax revenue and future increases in property values will not automatically mean increases in

property tax revenue. State caps on property tax revenue increases are tied to the annual rate of inflation (CPI) or 5%, whichever is lower. The 2021 CPI rate, set at the end of 2020, which funded the 2022 budget was only 1.4%. Inflation during 2022 nearly hit 9%. The Downstate Forest Preserve Act also limits the maximum tax rate for the Districts' General Fund and Development Tax levy Fund. Both of these funds are projected to be just below their maximum tax rates for the 2023 tax levy unless property values grow at a rate above 2%. With inflation running 8.6% and the tax rates at or near their maximums, the District will have to continue keep expenses under control and make every effort to reduce them where possible.

Long-term challenges facing the District also include increasing public access to several land holdings that currently have no improved facilities. Tax rate caps, the current impact of inflation, employment cost pressures and the cost of capital for these improvements will be an ongoing issue.

As the economy has continued to recover from the impact of the COVID-19 pandemic, inflation, supply chain disruptions and staff shortages are presenting new challenges. In order to continue to control expenses and retain our fund balance in accordance with the Board adopted goals, our best course of action is to evaluate all costs, carefully consider any new programs or staff (replacements included) before committing resources, analyze new revenue sources, reduce or eliminate maintenance intensive design features in new Master Plans, land bank new acquisitions for the foreseeable future, be conservative in our financial projections and use our staff's experience to maximize efficiencies while minimizing impacts to our core mission. The balance between controlling costs while we expand the District will require constant evaluation over this period of time.

As part of our continuing effort to plan for these and future challenges the District adopted a 100-year vision for Lake County and a strategic plan. During 2020 the strategic plan updated its 5 year objectives. The objectives are:

- Steward Healthy Landscapes – protect and restore ecological habitats and services
- Strengthen Connections – extend public access, brand awareness and education and outreach
- Ensure Financial Stability – build a clear economic pathway for long-term capacity
- Sustain Organizational Excellence – Emphasize mission-centric leadership to balance organizational resources, core activities and culture

These objectives will guide the financial decisions of the District over the next 5 years.

AWARDS AND ACKNOWLEDGEMENTS

In the District's continued efforts to provide excellence in service to Lake County citizens, the District has received many state and regional awards over the years.

This year, we received two financial awards recognizing the quality of financial reporting:

- Distinguished Budget Presentation Award, Government Finance Officers Association, Annual Budget 2023, 28th consecutive year.

- Excellence in Financial Reporting, Government Finance Officers Association, Comprehensive Annual Financial Report 2021, 35th consecutive year.

The preparation of the comprehensive annual financial report on a timely basis was made possible by the dedication and hard work of the staff of the Finance Department. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report.

In addition, our appreciation is made to the members of the Board of Commissioners, Department Directors, and the Independent Auditors who have all contributed to making this report possible.

Respectfully submitted,



Alex T. Kovach
Executive Director



Stephen A. Neaman
Director of Finance



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

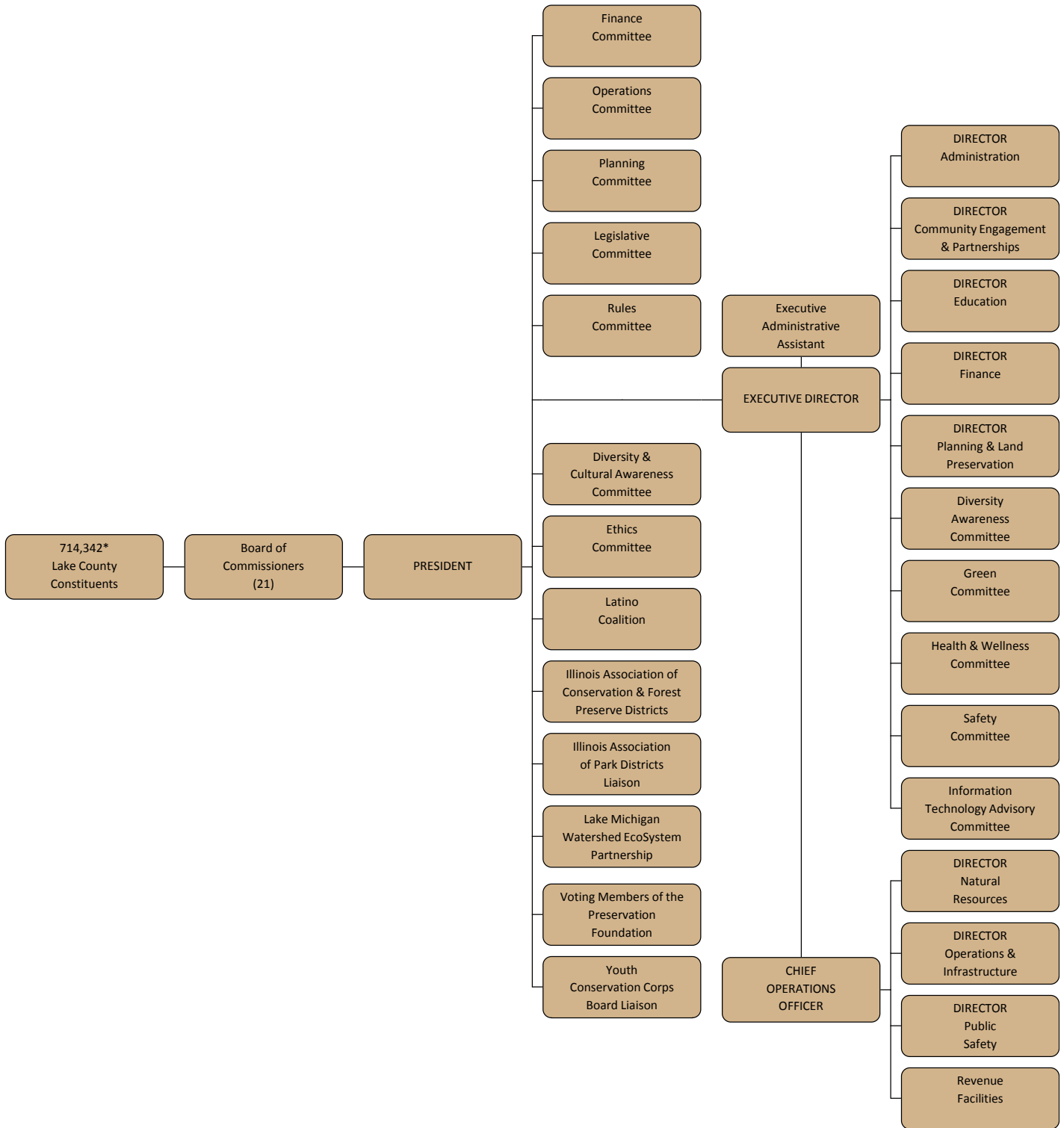
**Lake County Forest Preserve District
Illinois**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2021

Christopher P. Morrill

Executive Director/CEO



*Denotes number of constituents from 2020 Census

**Presidential Appointments
December 2022 – December 2024**

Eff. 12-13-2022; rev. 1-18-2023

OFFICERS AND OFFICIALS

Angelo D. Kyle
PRESIDENT

John Wasik
VICE PRESIDENT

Gina Roberts
TREASURER

Julie Gragnani
SECRETARY

Paul Frank
ASSISTANT TREASURER

Maureen Shelton
ASSISTANT SECRETARY

Steve Neaman
DEPUTY TREASURER

Alex Ty Kovach
EXECUTIVE DIRECTOR

STANDING COMMITTEES

FINANCE COMMITTEE

Gina Roberts, *Chair*
Paul Frank, *Vice Chair*
Michael Danforth
Sandy Hart
Diane Hewitt *eff. 1-18-23*
Sara Knizhnik
Ann B. Maine

PLANNING COMMITTEE

Paras Parekh, *Chair eff. 1-18-23*
Carissa Casbon, *Vice Chair eff. 1-18-23*
Marah Altenberg
Esiah Campos
J. Kevin Hunter
Linda Pedersen
John Wasik

LEGISLATIVE COMMITTEE

Jennifer Clark, *Chair*
Gina Roberts, *Vice Chair*
Diane Hewitt
Paras Parekh
Linda Pedersen

RULES COMMITTEE

Paras Parekh, *Chair*
Paul Frank, *Vice Chair*
Mary Ross Cunningham
J. Kevin Hunter
Sara Knizhnik
Ann B. Maine
Gina Roberts

OPERATIONS COMMITTEE

Jessica Vealitzek, *Chair*
Mary Ross Cunningham, *Vice Chair*
Jennifer Clark
Michael Danforth
Sara Knizhnik
Adam Schlick
John Wasik

(over)

SPECIAL COMMITTEES

DIVERSITY & CULTURAL AWARENESS COMMITTEE

Mary Ross Cunningham, *Chair*
Marah Altenberg, *Vice Chair*
Carissa Casbon
Gina Roberts
Esiah Campos

ETHICS COMMITTEE

Jennifer Clark, *Chair*
Paul Frank, *Vice Chair*
Linda Pedersen
Gina Roberts
Michael Danforth

OUTSIDE BOARD MEMBERS AND LIAISONS

ILLINOIS ASSOCIATION OF PARK DISTRICTS

Jennifer Clark, *Liaison*

LAKE MICHIGAN WATERSHED ECOSYSTEM PARTNERSHIP

Paul Frank, *Representative*

LATINO COALITION

Esiah Campos, *Representative*

BOARD OF DIRECTORS OF THE PRESERVATION FOUNDATION OF THE LAKE COUNTY FOREST PRESERVES

Angelo D. Kyle
John Wasik

MEMBERS OF THE PRESERVATION FOUNDATION OF THE LAKE COUNTY FOREST PRESERVES

Angelo D. Kyle
Paul Frank
J. Kevin Hunter
Ann B. Maine
Paras Parekh
Linda Pedersen
Jessica Vealitzek
John Wasik
Nels Leutwiler

YCC (YOUTH CONSERVATION CORPS) BOARD

Marah Altenberg, *Liaison*

OTHER APPOINTMENTS

CORPORATE COUNSEL AND PARLIAMENTARIAN

Matthew E. Norton
Burke, Warren, MacKay & Serritella

OUTSIDE ETHICS ADVISOR

John B. Murphey, Partner
Odelson, Sterk, Murphey, Frazier, McGrath Ltd.

Eff. 12-13-2022; rev. 1-18-2023

FINANCIAL SECTION

Independent Auditors' Report

To the Honorable President and Members of the Board of Commissioners of
Lake County Forest Preserve District

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 Lake County Forest Preserve District (the District), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the District'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 District as of December 31, 2022 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*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 District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. The financial statements of the Preservation Foundation of the Lake County Forest Preserve were not audited in accordance with *Government Auditing Standards*.

Emphasis of Matter

As discussed in Note O, the District adopted the provisions of GASB Statement No. 87, *Leases*, effective January 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 District'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 District'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 District'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 District's basic financial statements. The accompanying 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 and statistical sections 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 June 27, 2023 on our consideration of the District'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 District'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 District's internal control over financial reporting and compliance.

The image shows a handwritten signature in black ink that reads "Baker Tilly US, LLP". The signature is written in a cursive, flowing style.

Oak Brook, Illinois
June 27, 2023



**Lake County Forest Preserve District
MANAGEMENT'S DISCUSSION AND ANALYSIS
UNAUDITED**

December 31, 2022

The Lake County Forest Preserve District (“*District*”) management’s discussion and analysis (MD&A) provides a narrative introduction, overview, and analysis of the basic financial statements. Since the management’s discussion and analysis focuses on the current period’s activities, resulting changes, and currently known facts, it should be read in conjunction with the transmittal letter (*beginning on page i*) and the District’s financial statements (*beginning on page 19*).

FINANCIAL HIGHLIGHTS

- The District’s net position (see Table 1) increased by \$12,510,098 during the fiscal period ending December 31, 2022. Governmental net position increased \$11,984,729 and business-type net position increased \$525,369.
- The District’s total assets and deferred outflow of resources exceeded liabilities and deferred inflow of resources by \$626.5 million for the period ending December 31, 2022.
- The District’s total revenues, as reported on the Statement of Activities, fell by \$7,816,177 while expenses increased by \$7,085,378. Governmental activities revenue fell by \$7.8 million while expenses increased \$6.2 million. Enterprise revenue increased by \$25,446 while expenses grew by \$827,583.
- The District reported a decrease in combined fund balance in the governmental funds of \$63,431 for a total of \$58.6 million at the end of the period.

USING THE FINANCIAL STATEMENT SECTION

The financial statements’ focus is on both the District 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 District’s accountability. The District’s basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report contains other supplementary information in addition to the basic financial statements.

Government-Wide Financial Statements

The *government-wide financial statements* are designed to provide readers with a broad overview of the District in a manner similar to the private-sector business.

The *Statement of Net Position* (page 19) reports the assets, deferred outflows, liabilities, and deferred inflows of the District with the difference reported as net position. This statement combines and consolidates

governmental funds' current financial resources (short-term resources) with capital assets and long-term obligations using the accrual basis of accounting and economic resources management focus.

The *Statement of Activities* (page 20) 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. Unlike the operating statement of a private-sector business enterprise, the government-wide statement of activities presents expenses before revenues. This order emphasizes that in the public sector, revenues are generated for the express purpose of providing services. That is, governments do not seek to maximize revenues as such; instead, they identify the service needs of citizens and then raise the resources needed to meet those needs.

Both of the government-wide financial statements distinguish functions of the District that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the District include general government, educational, natural resources, recreation, public safety, and maintenance and development. The business-type activities of the District include the operations of three golf courses.

The District has one component unit that, according to Generally Accepted Accounting Principles (GAAP), is included in the Statement of Net Position and Statement of Activities. The Preservation Foundation of the Lake County Forest Preserves, a 501(c) (3) corporation, has been discretely presented in the FY 2022 statements in accordance with Governmental Accounting Standards Board (GASB) Statements Number 14 and 39. The Preservation Foundation provides funds that help the District accomplish its mission, helping to acquire and restore its lands for the citizens of Lake County.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus is on major funds, rather than fund types. All funds of the District can be divided into two categories: *governmental* funds and *proprietary* funds.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal period. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions.

The District maintains twelve individual governmental funds. Information is presented separately in the governmental fund balance sheet (page 21) and in the governmental funds statement of revenues, expenditures, and changes in fund balances (page 22) for the General Fund, the Land Development Fund, and the Debt Service Fund, which are considered to be major funds. Data from the remaining nine governmental funds are combined into a single, aggregated presentation. Detail of the non-major funds is presented in the Supplementary Information beginning on page 87.

Proprietary funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The District uses enterprise funds to account for golf operations and internal service funds used to centralize the provision of heavy equipment, vehicles, and computer equipment. Basic proprietary fund financial statements can be found on pages 24-26 of this report.

The *notes to the financial statements* provide additional information that is essential for a full understanding of the data provided in the governmental-wide and fund financial statements. The notes to the financial statements can be found on pages 30-77 of this report.

GOVERNMENT-WIDE STATEMENTS

Statement of Net Position

Net position may serve over time as a useful indicator of a government's financial position. The District's assets and deferred outflows of resources exceeded liabilities and deferred inflow of resources by \$626,508,707 at December 31, 2022. This was an increase of \$12,510,098 from last period's net position.

The largest portion of the District's net position, \$567,571,184, is the net investment in capital assets. Although the District's investment in its capital assets is reported net of related debt and deferred outflows of resources, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the District's net position, \$14,853,674, represent resources that are subject to external restrictions on how they may be used, i.e. audit and insurance costs or land acquisition and development. The remaining portion is unrestricted net position of \$44,083,849 which may be used to meet the District's ongoing operations and responsibilities to the residents.

Table 1
Lake County Forest Preserve District
Statement of Net Position as of December 31, 2022 & 2021

	Governmental Activities		Business-type Activities		Total District	
	2022	2021	2022	2021	2022	2021
Current and other assets	\$119,936,679	\$117,441,665	\$4,492,236	\$3,480,921	\$124,428,915	\$120,922,586
Noncurrent assets:					-	-
Net pension asset	-	9,474,916	-	790,760	-	10,265,676
Capital assets net of depreciation	727,045,329	731,353,411	16,578,773	16,897,300	743,624,102	748,250,711
Right to use leased assets net of amortization	62,898	-	890,491	-	953,389	-
Total assets	\$847,044,906	\$858,269,992	\$21,961,500	\$21,168,981	\$869,006,406	\$879,438,973
Deferred loss on refundings	1,043,248	1,305,225	-	-	1,043,248	1,305,225
Pension actuarial adjustments	8,470,157	1,501,905	920,066	205,035	9,390,223	1,706,940
OPEB valuation	277,026	99,538	27,662	9,101	304,688	108,639
Total Deferred Outflow Of Resources	9,790,431	2,906,668	947,728	214,136	10,738,159	3,120,804
Long-term liabilities outstanding	174,917,839	183,101,515	2,077,371	253,590	176,995,210	183,355,105
Other liabilities	22,039,375	20,999,745	589,235	278,938	22,628,610	21,278,683
Total liabilities	196,957,214	204,101,260	2,666,606	532,528	199,623,820	204,633,788
Taxes levied for a future period	50,210,526	49,463,016	-	-	50,210,526	49,463,016
Deferred inflows related to leases	1,136,986	-	-	-	1,136,986	-
Pension deferrals	161,092	11,124,687	11,091	1,149,658	172,183	12,274,345
OPEB valuation	94,576	44,560	9,767	4,536	104,343	49,096
Deferred gain on refunding	1,988,000	2,140,923	-	-	1,988,000	2,140,923
Total Deferred Inflow Of Resources	53,591,180	62,773,186	20,858	1,154,194	53,612,038	63,927,380
Net position:						
Net invested in capital assets	550,998,023	538,227,314	16,573,161	16,897,300	567,571,184	555,124,614
Restricted	14,853,674	25,478,873	-	790,760	14,853,674	26,269,633
Unrestricted	40,435,246	30,596,027	3,648,603	2,008,335	44,083,849	32,604,362
Total net position	\$606,286,943	\$594,302,214	\$20,221,764	\$19,696,395	\$626,508,707	\$613,998,609

The District's combined net position increased by \$12,510,098 during the fiscal period. Governmental activities net position increased by \$11,984,729 and business type activities increased by \$525,369. This was a decrease of \$14,099,418 from the increase last year (2021). The reduction was due to several factors including lower capital contributions, higher pension costs, higher depreciation expense and market value losses from investments. These reductions were offset by an increase in personal property replacement tax distributions from the State of Illinois which were \$1.8 million higher than last year. Other operating revenues and expenses were fairly consistent with last year other than the items mentioned above. Impacts on operating expenses of inflation during the year were offset somewhat by increases in operating revenues as non-tax revenues rose to levels that were near pre-pandemic levels.

The District received two large fixed asset contributions during 2021 that it did not receive in 2022. Last year the District received \$4.6 million in contributions from a project completed with the U.S. Army Corps of Engineers for the restoration of coastal habitats of Lake Michigan at the Ft. Sheridan preserve. In addition, the District also received a capital contribution from the State of Illinois Department of Transportation utilizing a Transportation Alternative Program Federal grant for construction of an underpass beneath U.S. Route 45 at the Ethel's Woods Preserve. This capital contribution totaled \$3 million. The District also incurred an increase in depreciation of \$1.8 million over last year as these and other capital projects began depreciating.

The District's pension plan (Illinois Municipal Retirement Fund) saw very unfavorable returns on their investments during 2022. The District ended FY2021 with an actuarial net pension asset of \$10.3 million but due in large part to the investment losses during 2022 by the fund, the District ended FY2022 with a \$10.7 million net pension liability. This resulted in additional pension expenses of \$1.2 million in 2022 as compared to a reduction in pension related expenses of \$5.1 million in 2021.

As inflation and increases in the key U.S. Federal Reserve overnight lending rate of interest occurred during 2022, the market value of municipal bond investments held by the District fell sharply. The District recognized a negative market value adjustment of \$1.8 million during 2022. The District will hold these bonds until they mature, therefore none of the market value adjustment will be realized.

The business-type activities net position increase of \$525,369 during 2022, was the result of the continued higher than pre-pandemic number of golf rounds played during the season and higher levels of pro shop and food and beverage revenues. Revenue from rounds of golf played were down about 2% from 2021, while revenue from pro shop and food and beverage concessions were 11.5% higher than last year. During the pandemic golf play was one of the few activities that was allowed during the lock down. Rounds of play increased dramatically during this time period. The revenue from golf rounds in 2022 was still about 47% higher than pre-pandemic revenues. Operating expenses increased by 21% over last year due to increased pension expenses, an increase in personnel wages and the impact of inflation on operating supplies.

The following table compares the revenue and expenses for the current period and previous fiscal period:

Table 2
Lake County Forest Preserve District
Changes in Net Position for the Fiscal Periods Ended December 31, 2022 & 2021

	Governmental Activities		Business-type Activities		Total District	
	2022	2021	2022	2021	2022	2021
Revenues:						
Program revenues:						
Charges for services	\$3,562,716	\$3,354,211	\$ 5,243,638	\$ 5,268,235	\$ 8,806,354	\$ 8,622,446
Operating grants and contributions	528,094	391,484	-	-	528,094	391,484
Capital grants and contributions	469,301	8,229,597	-	-	469,301	8,229,597
General revenues:						
Property and replacement taxes	52,606,200	51,760,540	-	-	52,606,200	51,760,540
Other (loss)	(387,868)	444,525	25,175	(24,868)	(362,693)	419,657
Total revenues	\$56,778,443	64,180,357	5,268,813	5,243,367	62,047,256	69,423,724
Expenses:						
General government	13,554,189	10,734,380	-	-	13,554,189	10,734,380
Educational	3,010,939	3,327,664	-	-	3,010,939	3,327,664
Public safety	3,847,527	2,683,543	-	-	3,847,527	2,683,543
Maintenance and development	10,086,446	9,417,226	-	-	10,086,446	9,417,226
Recreation	1,999,371	1,662,141	-	-	1,999,371	1,662,141
Natural resources	7,523,931	4,344,743	-	-	7,523,931	4,344,743
Interest	4,771,311	5,926,513	-	-	4,771,311	5,926,513
Golf courses	-	-	4,743,444	3,915,861	4,743,444	3,915,861
Total expenses	44,793,714	38,096,210	4,743,444	3,915,861	49,537,158	42,012,071
Change in net position	11,984,729	26,084,147	525,369	1,327,506	12,510,098	27,411,653
Beginning Net Position	594,302,214	568,218,067	19,696,395	18,368,889	613,998,609	586,586,956
Ending Net Position	\$606,286,943	\$594,302,214	\$ 20,221,764	\$ 19,696,395	\$626,508,707	\$613,998,609

NORMAL IMPACTS TO REVENUES AND EXPENSES

Revenues:

- *Economic Condition* – The General Corporate Fund and the Land Development Fund are very close to their tax rate limits. When funds reach their tax rate limit, the amount of the levy may be limited to the maximum tax rate times the assessed valuation depending on what is occurring with the assessed valuation. Tax levy increases are generally limited in times of increasing property values by the Property Tax Extension Limitation law (PTEL). The annual increase will be limited to the change in the Consumer Price Index (CPI) or 5% whichever is lower. The CPI increased by 1.9% for the 2019 tax levy, 2.3% for the 2020 and 1.4% for the 2021 levy. Equalized assessed valuation of the county increased in 2021 by 1.23%. The total 2021 tax levy which was collected in 2022 fell by 0.4%. While the Districts 2021 operating tax levy grew by 1.9% and was increased by \$309,913 for the new recapture tax added by the State, the tax levy for debt service fell by 4.3% from the result of two bond refinancings done in 2021. Property values for the 2022 tax levy, collected in 2023 increased by 4.6%.

In addition to the assessed valuation impact on revenues, concessionaire, permits, program admissions, charges for service/sales and golf revenues are impacted by economic conditions including inflation and the pandemic.

- *District Approved Rates* – while certain property tax rates are set by statute, the District Board has authority to set rates for permits, rents, fines, and all business-type activities.
- *Grant Revenue* – nonrecurring grants are less predictable and often distort year-to-year comparisons.
- *Market Impacts on Investment Income* – the District’s investment income will fluctuate based on market conditions, rates, and investable balances.

Expenses:

- *Programs* – individual programs may be added or deleted to meet changing community needs.
- *Authorized Personnel* – changes in service demand and budget restrictions may cause the District to increase/decrease authorized staffing. Staffing costs (salary and related benefits) represent 69% of the District’s operating costs and 31% of total expenditures.
- *Salary and wages* – the ability to attract and retain human and intellectual resources requires the District to maintain competitive salary ranges in the marketplace. This may be a challenge when the District is experiencing budget constraints or a downturn in property values or the economy.
- *Inflation* – the District is a major consumer of certain commodities such as gasoline, utilities, and operating supplies. Some functions may experience unusual commodity-specific increases.

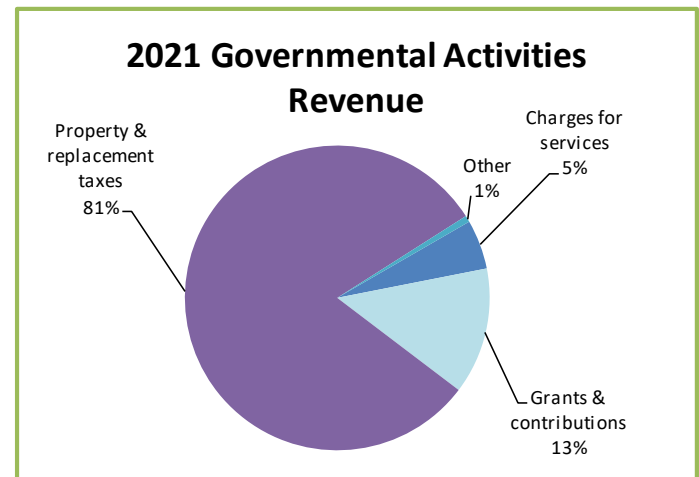
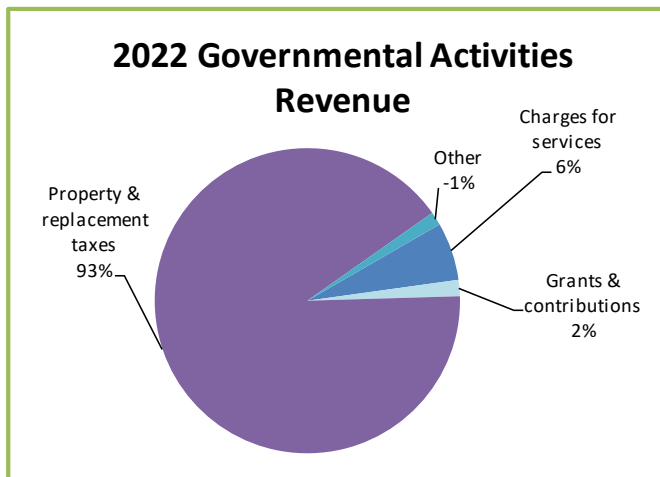
CURRENT PERIOD IMPACTS

GOVERNMENTAL ACTIVITIES

Revenues:

For the fiscal period ended December 31, 2022, total revenues from governmental activities were \$56,778,443 which represents a decrease of \$7,401,914 (11.5%) from the previous fiscal period.

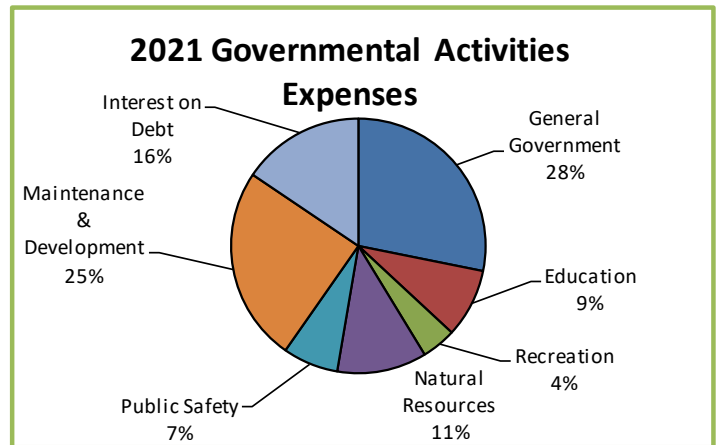
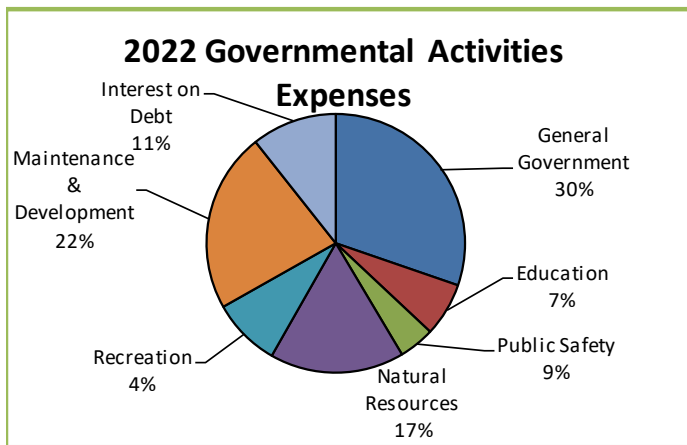
- In FY 2022 property tax revenue collected decreased by \$933,011 or 1.9%. Total property taxes collected were \$48,898,294. The decrease for FY 2022 was budgeted to go down by 1.0%. The planned decrease of 1.0% over the previous year was the result of a bond refinancing that took place during 2021 which reduced the debt service portion of the tax levy. Property tax revenues were impacted by a timing of revenue recognition also. It was caused by a delay in collections from Lake County for tax year 2021. The final installment payments from the County for the 2021 tax levy (collected in 2022) totaled \$537,706 and were not received until early march of 2022, thus they could not be recognized during FY 2022 and were reported as revenue in 2023.
- Personal property replacements taxes (PPRT) for the year were \$3,707,906 or 6.6% of overall revenues. The PPRT for the year increased \$1,778,671 or 92.2% over the prior year due to higher than expected collections as the result of improving economic conditions and by legislative changes by the State of Illinois.
- Charges for services were \$3,562,716 and represent 6.3% of total revenue. This was an increase of 6.2% over the previous fiscal period. These charges include permits, concessionaire, easements, licenses, charges for service\sales and miscellaneous revenues. Revenues increased \$208,505 from the previous period as social restrictions imposed for COVID19 were eased and economic conditions improved. During the lockdowns in 2020 the District lost revenue on most of its permits, land and building rentals and concessionaire activities.
- Grants and contributions decreased \$7,623,686 and represent 1.8% of the revenue. Revenue reported for the year was \$997,395. This was a decrease of 88.4% over the previous fiscal period. The District recognized two large capital contributions during 2021 from the State and Federal government totaling \$7.6 million.
- Other revenues decreased \$832,393 and represents -1% of revenue. The loss reported for the year was \$387,868. A majority of the decrease was from market value adjustments on investments. Market value adjustments on municipal bonds held by the District total -\$1.8 million and offset interest earnings of \$1.2 million. This was offset by \$91,736 in insurance revenue and \$108,639 in gains on the disposal of fixed assets.



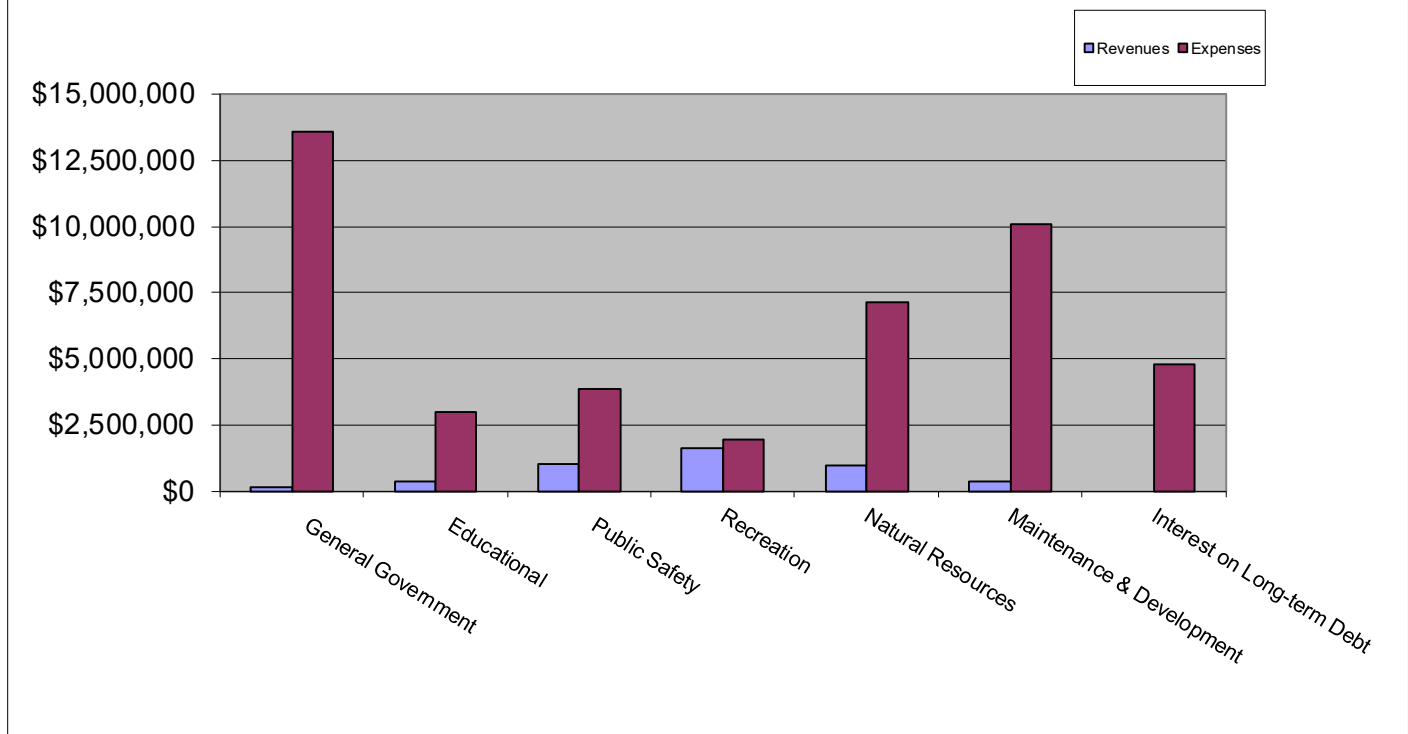
Expenses:

Total governmental activity expenses were \$44,793,714 for fiscal period 2022, an increase of 17.6% or \$6,697,504. Operating expenditures were up in nearly all expenditure functions. The District’s pension fund (IMRF) recorded higher than expected losses on investments for the year, which resulted in additional retirement expenses and deferrals of \$1.2 million. Last year the fund had higher than expected returns and the effect on retirement expenses was a reduction in expense of \$4.6 million. That is a \$5.8 million swing. The district also incurred \$1.9 million more in depreciation expense than it did last year. Normal operating expenses began to return to pre-pandemic levels and higher inflation during the year also increased operational costs. This was offset by a slight reduction in expenses for personnel outside of the pension adjustment. Turnover and position vacancies were the cause for this.

General Government activities represent 31% of expenses; and Maintenance and Development expenses represent 23%. Other functions of the District include Education (7%), Public Safety (9%), Natural Resources (16%), Recreation (4%) and interest and fiscal charges on long-term debt (11%).



Expenses and Program Revenues - Governmental Activities



BUSINESS-TYPE ACTIVITIES

Revenue:

Total operating revenues from golf course activities decreased \$24,598 or 0.5% from last year. Greens fees decreased 6.6% (\$58,961) compared to 2021, golf cart rentals were down by 1.9% (\$58,970). Pro shop and food and beverage sales were up 12.1% (\$86,086) and driving range revenue was up by 3.2% (\$7,229). During the pandemic golf was one of the few sporting activities that were allowed to continue with some restrictions. As a result of that, there was a large increase in the number of rounds played during 2020 and 2021. That trend continued into 2022 and as restrictions were lifted the revenues for food and beverage service and pro-shop sales recovered quickly and has continued to grow.

Expenses:

Operating expenses for golf increased by \$827,583 (21.1%) over last year. This was due mostly to unfavorable actuarial adjustments for the Districts net pension liability and associated deferrals. In 2021, golf operations benefited from a reduction of \$477,231 to personnel services as a result of favorable investment earnings. In 2022, due to investment losses in the IMRF plan, the net pension liability and associated deferrals resulted in an addition to personnel expenses of \$50,188. The difference between the two years was \$527,419 and accounted for most of the change between years. Spending on commodities changed very little year over year while spending on contractual services appeared down \$74,793 (10.2%) from 2021. However, if you factor in the changes in accounting for leases as required by GASB 87, contractual expenses would have been up by approximately \$163,400. Most of this increase was from unemployment costs, which had been largely covered by the State of Illinois during 2021 as part of Covid relief. Unemployment costs for 2022 totaled \$149,865 while they were only \$30,558 for 2021. This was a difference of \$119,307.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

Governmental Funds

The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal period.

As of December 31, 2022, the District's governmental funds reported combined ending fund balances of \$58,614,196 (page 21), a decrease of \$63,431 from December 31, 2021. The decrease was largely due to spending on capital projects in the non-major governmental funds. Planned capital spending in the non-major funds totaled \$2,283,986 and the fund balance declined \$1,822,316 in 2022. The Land Development fund balance also declined by \$306,029 due mostly to planned capital spending which totaled \$2,198,140. The Debt Service fund balance also declined by \$1,010,444 as a result of a transfer of excess tax revenue and interest earnings totaling \$1,354,329 to the Land Development Fund and the non-major funds. The General Fund saw an increase in fund balance of \$3,075,358 during 2022. Fund balance is categorized as follows: \$640,028 as non-spendable for inventory and prepaid expenses; \$20,722,476 is subject to externally enforceable legal restrictions and therefore categorized as restricted; \$259,419 is categorized as committed for special projects; \$26,540,527 is constrained by limitations the District has imposed and is categorized as assigned; and \$10,451,746 constitutes unassigned fund balance of the Governmental Funds.

The *General Fund* is the chief operating fund of the District. As of December 31, 2022, the total fund balance of the General Fund was \$32,982,443, of which \$10,451,746 was unassigned, this compares to \$29,907,085 and \$9,919,874, respectively, at the end of 2021. The unassigned fund balance provides for cash flow and emergency needs that may arise. During the period the fund had an excess of revenues over expenditures and other sources and uses of funds of \$3,075,358 and the unassigned fund balance increased by \$534,269. The District budgets a 10 year Capital Improvement Program (CIP) and has assigned funds to provide for infrastructure replacement in the CIP for the next 10 years. Funds restricted for CIP were increased by \$2,451,830 million in the last budget cycle. Revenues increased by \$2,413,9112 (11%) during 2022. Property taxes increased by \$523,985 or 3.1%. Investment income decreased by \$432,709 (718%) from market value adjustments on the District's investment in municipal bonds. Replacement taxes increased by \$1,778,671 (92.2%) from changes made by the State of Illinois, charges for services and sales increased \$305,974 (27.7%), permits decreased \$78,906 (7.4%) and land and building rentals and programs and admissions increased a combined \$198,825 or 51.9%. Other revenues increased by \$135,052 or 79.4%. Grants and contributions fell by \$9,545 or 8.9%. During 2020 the pandemic and the restrictions on in person gatherings caused in person programs to be cancelled, picnic shelter permits were not allowed and the districts rental facilities and museum had to be closed. As restrictions were lifted in 2021, non-tax revenues began to recover, some better than others. During 2022, land and building rentals and program admission continued to recover to pre-pandemic levels. Expenditures increased by \$1,029,379 or 5.1% from the previous period. Capital outlays increased \$403,966 or 51.4% from the previous period. Salaries and benefits made up 65.5% of the General Fund operating expenses for the year. This was down slightly from last year. The District experienced a large amount of staff turnover during the year, similar to 2021. As restrictions from the pandemic were lifted during 2021, operating activities for 2022 of the District started to return to normal with planned increases in spending in some areas. Most of the summer seasonal staff was hired, in person programs began again and shelter permits and rental facilities began

operating again. Spending on items like gasoline, operating and maintenance supplies were impacted by inflation and supply issues. This led to higher than expected costs in those areas. Spending for general government was up by 0.2%, education was up by 1.1%, public safety was up by 4.6%, recreation was up by 15% and maintenance and development was up 3.9%.

The *Land Development Fund* pays for restoration, improvement, and development of existing preserves. As of December 31, 2022, the total fund balance was \$9,449,602, all of which is restricted for development purposes. This fund provides partial funding for the District's Capital Improvement Plan. During the period the fund had an excess of expenditures over revenues of \$1,518,741. The fund also received a transfer of \$1,200,000 from excess debt service funds and issued a lease obligation of \$12,712 making the final change in net position to be a reduction of \$306,029 for 2022. The District spent \$2,198,140 on capital outlays for the capital improvement plan budget of \$7,172,273. Tax revenues in the fund were up from the prior period by \$67,350 (1.0%) and investment income was down \$289,709 as market value adjustments impacted fund investments. Grants and donations revenue were also up by \$211,487 (154.5%). Operating expenses for the period decreased by \$144,102 (2.4%) from the previous year. Salaries and benefits decreased by \$183,467 (4.5%) and commodities and contractual spending increased a combined \$39,364 (2.0%) over the previous year. Spending on capital outlays increased by \$854,148 (63.6%) over last year.

The *Debt Service Fund* has a total fund balance of \$1,167,930, all of which is restricted for the payment of debt service. The fund balance decreased \$1,010,444 from 2021. During the year the Board approved a transfer of \$1,354,329 from the fund balance. Of that total, \$1.2 million was transferred to the Land Development fund and \$154,329 was transferred to the Easements and Special Projects fund. Both will be used for future capital projects. The excess funds came from two sources. The District had several outstanding bond issues that had been paid in full and over the life of those bonds excess property tax funds had accumulated. The property taxes for debt service on outstanding bonds are increased 1% by the county over what is needed to pay annual principal and interest payments. They do this to account for uncollectable tax payments. This accounted for the majority of the funds transferred.

Proprietary Funds

The District's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The change in net position for the enterprise and internal service funds was an increase of \$691,275.

Operating revenues for the proprietary funds increased by 0.1% or \$6,712 over the prior period. This increase is attributable to an increase in equipment replacement fees. Equipment replacement fees in the internal service funds increased by \$31,310 or 2.9% and enterprise fund revenues fell by \$24,598 or 0.4%.

Operating expenses for the proprietary funds increased by \$844,348 or 17.4% when compared to the last period. The majority of this increase was from unfavorable adjustments related to the net pension liability and deferrals.

GENERAL FUND BUDGETARY HIGHLIGHTS

General Fund revenues were over budget by \$2,447,447 for FY2022. Property tax revenues came in at 100.1% of budget and \$319,809 (2.1%) higher than last year. Replacement taxes totaled \$3.7 million for the year, which was 412% higher than budgeted. This was \$1.8 million higher than last year. Interest income was impacted by the high inflation that happened during the year and the rapid increase in the Fed Funds rate imposed by the

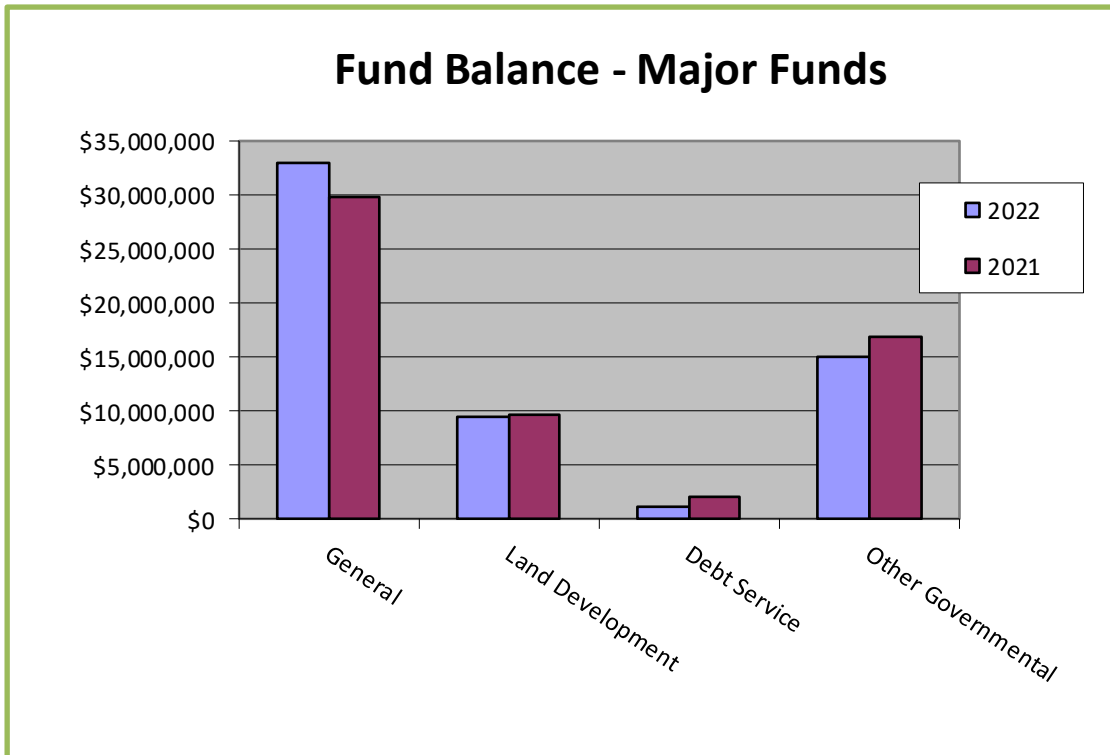
Federal Reserve. This had a negative impact on the price of municipal bonds, which make up a significant portion of the Districts investment holdings. Cash wise the District earned \$471,008 in interest income. However, the price of the District bond holdings fell by \$843,476. This resulted in a paper loss of \$372,468 for the year. The District will be able to hold these bonds to maturity which will erase the paper loss. Permit revenues ended the year at 115% of budget but were 7.5% below last years total. Dog permits, both daily and annual were a combined \$109,970 down from last year. Program and admission revenues finished at 99.9% of budget and \$60,754 (39.4%) higher than last year. Education programs and admissions to the museum drove the increase as the impacts of covid faded. Land and building revenue, driven by increased activity at Greenbelt and IG finished at 95.7% of budget and were \$160,572 (77.7%) higher than the previous year. Concessionaire revenue also recovered from the pandemic. It was still only at 93% of budget for the year but \$168,597 (61.7%) higher than 2021. Charges for sales and services revenues are up \$115,889 or 13.6% over last year and finished at 120.5% of budget. Merchandise sales, marina slips, Lake County fuel reimbursements and revenues from the Marvelosity traveling exhibit are all up from last year. Other revenue is \$185,163 (126.2%) higher than last year. This increase was largely driven by ranger fee associated with increased facility rentals.

The District spent \$21,153,516 or 79.8% of its \$26,514,797 final budget. General government is under budget \$752,963 due to salaries (\$438,185), health insurance (\$206,969), commodities (\$95,377) and contractals (\$307,679) coming in under budget. Education was under budget \$310,288 due to vacant positions and staff turnover (\$184,357), lower than expected advertising (\$56,381), printing (\$15,213) and utilities (\$43,366). The Public Safety function was under budget by \$64,912 due to commodities (\$13,980) and contractals (\$31,321) coming in under budget. Recreation was \$182,497 below budget due to vacant positions (\$89,265), utilities (\$30,400) and repairs and maintenance on buildings and equipment (\$39,822) being lower than anticipated during the period. The Maintenance and Development function was under budget \$171,538 as a result of vacant positions during the period (\$223,418), utilities (\$57,620) and repairs and maintenance on buildings and grounds (\$41,802) being less than expected. This was offset by higher than expected costs for gasoline (\$106,305) and equipment and maintenance supplies (\$95,208). Capital outlay was under budget by \$3,956,888. Several projects were delayed and are currently underway.

GOVERNMENTAL FUND BALANCES

Total governmental fund balances decreased by \$63,431. The decrease was mostly a result of planned spending on capital projects.

- The General Fund balance increased by \$3,075,358 due to lower than expected spending on capital projects. Project delays reduced anticipated spending.
- The Land Development Fund's fund balance decreased by \$306,029 due mostly to spending on capital projects. The District had planned for a reduction to the Land Development fund balance in the amount of \$3,301,201 for the revised budget due to \$7,172,273 in capital project spending. Delays on projects occurred during the period.
- The Debt Service fund balance decreased by \$1,010,444 due to a transfer of \$1,354,329 transfer of excess tax revenues on fully retired bond issues to other funds for capital projects.
- Non-major funds decreased by \$1,822,316 due to due to planned spending on capital projects.



CAPITAL ASSET AND DEBT MANAGEMENT

At the end of fiscal period 2022 the District has invested \$857.4 million in a variety of capital assets as reflected on the following schedule. This investment in capital assets includes land, buildings, improvements other than buildings, machinery and equipment, artifacts and collectibles, and construction in progress. The total increase in the District’s investment in capital assets for the current fiscal period was \$3.1 million before the effects of depreciation. The majority of that change was an addition (\$2.9 million) to construction in progress as the District began construction of a new education facility at the E.L. Ryerson preserve. The building when completed is expected to cost \$5.9 million. The building will also be a net zero energy building, which means it will produce as much energy as it consumes annually. The District plans to construct additional net zero buildings in the coming years. In addition to the education facility, the District added \$1.04 million in equipment and vehicle replacements during the year.

Table 3
Lake County Forest Preserve District
Capital Assets as of December 31, 2022 & 2021

	Governmental Activities		Business-type Activities		Total District	
	2022	2021	2022	2021	2022	2021
Land and land rights	\$ 574,845,909	\$ 574,840,574	\$ 6,818,464	\$ 6,818,464	\$581,664,373	\$ 581,659,038
Land/course improvements	73,929,931	70,365,285	7,447,373	7,447,373	81,377,304	77,812,658
Buildings	70,542,794	71,252,648	7,686,058	7,686,058	78,228,852	78,938,706
Other improvements	16,722,648	16,612,011	-	-	16,722,648	16,612,011
Vehicles, machinery, and eqpmt	14,178,621	13,503,894	4,065,687	3,987,917	18,244,308	17,491,811
Furniture and fixtures	781,094	781,094	61,093	61,093	842,187	842,187
Roads, trails, and bridges	72,167,098	69,886,783	1,566,152	1,566,152	73,733,250	71,452,935
Museum artifacts and collectibles	1,486,679	1,486,679	-	-	1,486,679	1,486,679
Construction in progress	5,146,467	8,059,255	-	-	5,146,467	8,059,255
Right to use leased assets	77,629	-	1,113,113	-	1,190,742	-
Total capital assets	829,878,870	826,788,223	28,757,940	27,567,057	858,636,810	854,355,280
Less accumulated depreciation/amortization	102,770,643	95,434,812	11,288,676	10,669,757	114,059,319	106,104,569
Capital and right to use leased assets net of depreciation/amortization	<u>\$ 727,108,227</u>	<u>\$ 731,353,411</u>	<u>\$ 17,469,264</u>	<u>\$ 16,897,300</u>	<u>\$744,577,491</u>	<u>\$ 748,250,711</u>

More detailed information on capital asset activity can be found in the notes to the financial statements on pages 44-46.

Debt Outstanding

At the end of the current fiscal period, the District has \$166.06 million of general obligation bonds outstanding.

Table 4
Lake County Forest Preserve District
Outstanding Debt as of December 31, 2022 & 2021

	Governmental Activities		Total District	
	2022	2021	2022	2021
General Obligation Bonds	<u>\$166,060,000</u>	<u>\$181,865,000</u>	<u>\$166,060,000</u>	<u>\$181,865,000</u>

The District is currently exploring the possibility of seeking a referendum to issue land acquisition and development bonds in 2024. No final amount for the referendum has been set at this time. In 2021 refunding bonds issued by the District received the highest rating of Aaa from Moody's and AAA from Standard and Poor's. These ratings are a result of the District's solid tax base growth and strong financial operations. The ratings also credit the Forest Preserve District's diversified and expanding economic base, high wealth and income levels, sound financial management, high level of reserves, and moderate debt burden.

The legal debt limit for the District is 2.30% of assessed valuation. The current debt limitation is \$662.2 million which significantly exceeds the District's current outstanding general obligation debt of \$166.06 million. Additional information on the District's long-term debt can be found in Note H, pages 51-52.

ECONOMIC FACTORS

Lake County has rebounded quite well from the effects of the COVID-19 pandemic, but still faces challenges from labor shortages, supply chain issues and high inflation. The District saw increased user fee revenue recover to near pre-pandemic levels during the past year as the State of Illinois lifted pandemic restrictions. The District will continue to monitor the economic recovery from the pandemic and inflation and revise its 10-year operating forecasts accordingly. Real estate values had begun to stabilize from the 2008 Great Recession. The 2019 Equalized Assessed Valuation (EAV) increased 2.5% following an increase in 2018 of 2.22% and 4.43% in 2017. The EAV for 2020 declined by 0.21% however the EAV for 2021 increased by 1.22% and by 4.6% in 2022. Lake County has a market valuation of \$86.4 billion in property values.

The county has a varied manufacturing and industrial base that adds to the relative stability of the county. Business activity within the county is diverse, including the home of the only Navy basic training base in the United States, an amusement park, and numerous varied manufacturing firms, real estate developers, retail stores and service providers. The county's sustainability in the current economy is primarily due to its location, with Lake Michigan to the east, Wisconsin to the north and the City of Chicago to the south. The county's communities include picturesque rural communities, highly developed urban centers, wealthy suburbs, and tourist communities.

Requests for Information

This financial report is designed to provide our citizens, customers, investors, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. Questions concerning this report or requests for additional financial information should be directed to Director of Finance, Lake County Forest Preserve District, 1899 West Winchester Road, Libertyville, Illinois 60048.

BASIC FINANCIAL STATEMENTS

Lake County Forest Preserve District
(A component unit of Lake County, Illinois)
Statement of Net Position
As of December 31, 2022

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Current assets:				
Cash and investments	\$ 66,046,780	\$ 4,387,245	\$ 70,434,025	\$ 9,411,181
Property taxes receivable, net	50,713,076	-	50,713,076	-
Interest receivable	235,620	4,298	239,918	-
Grant receivable	983,432	-	983,432	-
Lease receivable	1,154,971	-	1,154,971	-
Other receivable	122,181	20,038	142,219	612,241
Inventory	331,949	67,723	399,672	-
Other Assets	348,670	12,932	361,602	-
Total current assets	<u>119,936,679</u>	<u>4,492,236</u>	<u>124,428,915</u>	<u>10,023,422</u>
Noncurrent assets:				
Capital assets (not being depreciated)	655,408,986	14,265,837	669,674,823	-
Capital assets (net of accumulated depreciation)	71,636,343	2,312,936	73,949,279	-
Right to use leased assets (net of accumulated amortization)	62,898	890,491	953,389	-
Total noncurrent assets	<u>727,108,227</u>	<u>17,469,264</u>	<u>744,577,491</u>	<u>-</u>
Total assets	<u>847,044,906</u>	<u>21,961,500</u>	<u>869,006,406</u>	<u>10,023,422</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred loss on refundings	1,043,248	-	1,043,248	-
Pension actuarial adjustments	8,470,157	920,066	9,390,223	-
OPEB valuation	277,026	27,662	304,688	-
Total deferred outflows of resources	<u>9,790,431</u>	<u>947,728</u>	<u>10,738,159</u>	<u>-</u>
LIABILITIES				
Current liabilities:				
Accounts payable	1,219,935	14,159	1,234,094	-
Accrued payroll and payroll taxes	618,044	36,879	654,923	-
Other unearned revenue	89,231	193,792	283,023	-
Accrued interest payable	229,396	-	229,396	-
Other liabilities	1,678,930	116,823	1,795,753	-
Due within one year	18,203,839	227,582	18,431,421	-
Total current liabilities	<u>22,039,375</u>	<u>589,235</u>	<u>22,628,610</u>	<u>-</u>
Noncurrent liabilities:				
Net pension liability	9,634,864	1,113,026	10,747,890	-
Total OPEB liability	628,370	86,527	714,897	-
Due in more than one year	164,654,605	877,818	165,532,423	-
Total noncurrent liabilities	<u>174,917,839</u>	<u>2,077,371</u>	<u>176,995,210</u>	<u>-</u>
Total liabilities	<u>196,957,214</u>	<u>2,666,606</u>	<u>199,623,820</u>	<u>-</u>
DEFERRED INFLOW OF RESOURCES				
Property taxes levied for a future period	50,210,526	-	50,210,526	-
Deferred inflows related to leases	1,136,986	-	1,136,986	-
Pension actuarial adjustments	161,092	11,091	172,183	-
OPEB valuation	94,576	9,767	104,343	-
Deferred gain on refunding	1,988,000	-	1,988,000	-
Total deferred inflows of resources	<u>53,591,180</u>	<u>20,858</u>	<u>53,612,038</u>	<u>-</u>
NET POSITION				
Net investment in capital assets	550,998,023	16,573,161	567,571,184	-
Restricted for:				
Enabling legislation-Audit and insurance	2,781,669	-	2,781,669	-
Enabling legislation-FICA and Illinois Municipal Retirement	1,502,745	-	1,502,745	-
Tree Replacement	297,127	-	297,127	-
Debt Service	923,490	-	923,490	-
Land and development	9,348,643	-	9,348,643	-
With donor restrictions	-	-	-	9,577,725
Unrestricted	40,435,246	3,648,603	44,083,849	445,697
Total net position	<u>\$ 606,286,943</u>	<u>\$ 20,221,764</u>	<u>\$ 626,508,707</u>	<u>\$ 10,023,422</u>

Lake County Forest Preserve District
(A component unit of Lake County, Illinois)
Statement of Activities
For the Year Ended December 31, 2022

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			Component Unit
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Primary Government Business-type Activities	Total	
Primary government:								
Governmental activities:								
General government	\$ 13,554,189	\$ 68,219	\$ 43,000	\$ 56,164	(13,386,806)	\$ -	\$ (13,386,806)	\$ -
Maintenance & development	10,086,446	248,015	135,179	-	(9,703,252)	-	(9,703,252)	-
Public safety	3,847,527	1,038,235	-	-	(2,809,292)	-	(2,809,292)	-
Recreation	1,999,371	1,593,952	6,500	-	(398,919)	-	(398,919)	-
Natural resources	7,523,931	337,990	294,241	350,897	(6,540,803)	-	(6,540,803)	-
Education	3,010,939	276,305	49,174	62,240	(2,623,220)	-	(2,623,220)	-
Interest	4,771,311	-	-	-	(4,771,311)	-	(4,771,311)	-
Total governmental activities	<u>44,793,714</u>	<u>3,562,716</u>	<u>528,094</u>	<u>469,301</u>	<u>(40,233,603)</u>	<u>-</u>	<u>(40,233,603)</u>	<u>-</u>
Business-type activities:								
Enterprise golf courses	4,743,444	5,243,638	-	-	-	500,194	500,194	-
Total primary government	<u>\$ 49,537,158</u>	<u>\$ 8,806,354</u>	<u>\$ 528,094</u>	<u>\$ 469,301</u>	<u>\$ (40,233,603)</u>	<u>\$ 500,194</u>	<u>\$ (39,733,409)</u>	<u>\$ -</u>
Component units:								
Preservation Foundation	<u>\$ 963,436</u>	<u>\$ -</u>	<u>\$ 4,863,695</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>3,900,259</u>
General revenues:								
Property and replacement taxes					52,606,200	-	52,606,200	-
Investment (loss) income					(603,659)	11,512	(592,147)	(130,692)
Insurance claim					91,736	-	91,736	-
Gain (Loss) on disposal of capital assets					108,639	9,163	117,802	-
Other					19,916	-	19,916	-
Transfer					(4,500)	4,500	-	-
Total general revenues					<u>52,218,332</u>	<u>25,175</u>	<u>52,243,507</u>	<u>(130,692)</u>
Change in net position					11,984,729	525,369	12,510,098	3,769,567
Net position - beginning					594,302,214	19,696,395	613,998,609	6,253,855
Net position - ending					<u>\$ 606,286,943</u>	<u>\$ 20,221,764</u>	<u>\$ 626,508,707</u>	<u>\$ 10,023,422</u>

The notes to financial statements are an integral part of this statement.

Lake County Forest Preserve District
(A component unit of Lake County, Illinois)
Balance Sheet
Governmental Funds
As of December 31, 2022

	General Fund	Land Development Fund	Debt Service Fund	Total Nonmajor Funds	Total Governmental Funds
ASSETS					
Cash and investments	\$ 33,166,759	\$ 10,132,697	\$ 1,167,079	\$ 16,173,593	\$ 60,640,128
Property taxes receivable, net	18,698,023	7,256,047	22,542,602	2,216,403	50,713,075
Grant receivable	-	-	-	983,432	983,432
Interest receivable	135,266	45,028	851	32,384	213,529
Lease receivable	702,711	-	-	452,260	1,154,971
Inventory	331,949	-	-	-	331,949
Other receivable	76,212	4,160	-	41,809	122,181
Other assets	279,106	28,973	-	-	308,079
Due from other funds	215,558	-	-	-	215,558
Total assets	\$ 53,605,584	\$ 17,466,905	\$ 23,710,532	\$ 19,899,881	\$ 114,682,902
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 394,877	\$ 354,497	\$ -	\$ 387,514	\$ 1,136,888
Accrued payroll & payroll tax	447,479	127,067	-	43,499	618,045
Other liabilities	807,605	279,692	-	590,746	1,678,043
Other unearned revenue	87,899	-	-	1,331	89,230
Due to other funds	-	-	-	215,558	215,558
Total liabilities	1,737,860	761,256	-	1,238,648	3,737,764
Deferred inflows of resources:					
Unavailable property tax revenue	18,195,473	7,256,047	22,542,602	2,216,403	50,210,525
Deferred lease revenue	689,808	-	-	447,177	1,136,985
Unavailable grant revenue	-	-	-	983,432	983,432
Total deferred inflow of resources	18,885,281	7,256,047	22,542,602	3,647,012	52,330,942
Total liabilities and deferred inflows of resources	20,623,141	8,017,303	22,542,602	4,885,660	56,068,706
Fund balances(deficit):					
Nonspendable	611,055	28,973	-	-	640,028
Restricted	2,781,669	9,420,629	1,167,930	7,352,248	20,722,476
Committed	259,419	-	-	-	259,419
Assigned	18,878,554	-	-	7,661,973	26,540,527
Unassigned	10,451,746	-	-	-	10,451,746
Total fund balances	32,982,443	9,449,602	1,167,930	15,014,221	58,614,196
Total liabilities, deferred inflow of resources and fund balances	\$ 53,605,584	\$ 17,466,905	\$ 23,710,532	\$ 19,899,881	\$ 114,682,902

Amounts reported for governmental activities in the statement of net position are different because:
capital and leased assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.

	722,882,144
Pension related items are reported in the government-wide statements but not in the Governmental fund financial statements.	(1,325,799)
Revenues in the Statement of Activities that do not provide current financial resources are deferred inflows of resources in the funds.	983,432
Long-term liabilities, including bonds payable and related interest, are not due and payable in the current period and, therefore, are not reported in the governmental funds.	(183,087,840)
OPEB related liabilities, are not due and payable in the current period and, therefore, are not reported in the governmental funds.	(445,920)
Deferred losses on refundings of debt are not considered to represent a financial resource and, therefore, are not required in the funds.	1,043,248
Deferred gains on refundings of debt are not considered to represent a financial resource and, therefore, are not required in the funds.	(1,988,000)
The net position of the internal service funds are included in the governmental activities in the statement of net position.	9,611,482
Net position of governmental activities	\$ 606,286,943

Lake County Forest Preserve District
(A component unit of Lake County, Illinois)
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2022

	General Fund	Land Development Fund	Debt Service Fund	Total Nonmajor Funds	Total Governmental Funds
Revenues					
Property taxes	\$ 17,580,899	\$ 6,534,482	\$ 22,201,040	\$ 2,581,873	\$ 48,898,294
Replacement taxes	3,707,907	-	-	-	3,707,907
Investment income (loss)	(372,468)	(285,608)	168,557	(11,423)	(500,942)
Grants & contributions	98,208	348,414	-	158,542	605,164
Land and building rentals	367,201	-	-	267,950	635,151
Charges for services and sales	1,411,650	207	-	-	1,411,857
Permits	976,912	-	-	-	976,912
Easements and licenses	29,742	-	-	22,478	52,220
Programs and admissions	214,959	-	-	-	214,959
Other revenue	305,038	11,738	-	69,641	386,417
Total revenues	24,320,047	6,609,233	22,369,597	3,089,061	56,387,938
Expenditures					
Current:					
General government	7,036,581	-	-	2,410,834	9,447,415
Education	2,259,944	-	-	2,100	2,262,044
Public safety	3,263,398	-	-	-	3,263,398
Recreation	971,672	-	-	-	971,672
Maintenance & development	6,354,822	3,947,285	-	50,541	10,352,648
Natural resources	-	1,980,127	-	518,245	2,498,372
Debt service:					
Principal	12,051	2,258	15,805,000	-	15,819,309
Interest and fiscal charges	838	164	6,220,712	-	6,221,714
Capital outlay:					
Capital outlay	1,189,294	2,185,428	-	2,283,986	5,658,708
Lease outlay	64,917	12,712	-	-	77,629
Total expenditures	21,153,517	8,127,974	22,025,712	5,265,706	56,572,909
Excess (deficiency) of revenues over (under) expenditures	3,166,531	(1,518,741)	343,885	(2,176,645)	(184,970)
Other financing sources (uses)					
Sale of capital assets	48,410	-	-	-	48,410
Issuance of debt - lease value	64,917	12,712	-	-	77,629
Transfers in	-	1,200,000	-	354,329	1,554,329
Transfers out	(204,500)	-	(1,354,329)	-	(1,558,829)
Total other financing sources (uses)	(91,173)	1,212,712	(1,354,329)	354,329	121,539
Net change in fund balances	3,075,358	(306,029)	(1,010,444)	(1,822,316)	(63,431)
Fund balances, beginning of year	29,907,085	9,755,631	2,178,374	16,836,537	58,677,627
Fund balances, ending of year	\$ 32,982,443	\$ 9,449,602	\$ 1,167,930	\$ 15,014,221	\$ 58,614,196

The notes to financial statements are an integral part of this statement.

LAKE COUNTY FOREST PRESERVE DISTRICT
 (A component unit of Lake County, Illinois)
 Reconciliation of the Statement of Revenues, Expenditures, and
 Changes in Fund Balances of Governmental Funds
 to the Statement of Activities
For the Year Ended December 31, 2021

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds.	\$	(63,431)
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Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense exceeded capital outlay in the current period.		(4,446,479)
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Pension liabilities and related deferred inflows and outflows of resources are not due and payable in the current period and therefore are not reported in the fund financial statements.		
Increase in net pension liability		(19,109,780)
Deferred outflows related to pension		6,968,252
Deferred inflows related to pension		10,963,595

Revenues in the Statement of Activities that do not provide current financial resources are deferred inflows of resources in the funds. This is the amount by which deferred inflows of resources in the prior year exceeded deferred inflow of resources in the current year.		336,067
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The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred outflow of resources or liabilities and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		17,269,711
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Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		(99,112)
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Internal service funds are reported separately in the fund financial statements.		165,906
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Change in net position of governmental activities.	\$	11,984,729
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The notes to the financial statements are an integral part of this statement.

Lake County Forest Preserve District
(A component unit of Lake County, Illinois)
Statement of Net Position
Proprietary Funds
As of December 31, 2022

	Business-type Activities	Governmental Activities
	Enterprise Golf Courses	Internal Service Funds
ASSETS		
Current assets:		
Cash and investments	\$ 4,387,245	\$ 5,406,652
Interest receivable	4,298	22,089
Other receivable	20,039	-
Prepaid expenses	12,932	40,591
Inventory	67,723	-
Total current assets	4,492,236	5,469,332
Noncurrent assets:		
Land	6,818,464	-
Land and course improvements	7,447,373	-
Buildings and improvements	7,686,058	-
Vehicles, machinery, & equipment	4,065,687	9,873,457
Furnitures and fixtures	61,093	-
Roads, trails and bridges	1,566,152	-
Less accumulated depreciation	(11,066,054)	-
Right to use leased assets	1,113,113	-
Less accumulated lease amortization	(222,622)	(5,647,374)
Total noncurrent assets	17,469,264	4,226,083
Total assets	21,961,500	9,695,415
DEFERRED OUTFLOWS OF RESOURCES		
Pension actuarial adjustments	920,066	-
OPEB valuation	27,662	-
Total deferred outflows of resources	947,728	-
LIABILITIES		
Current liabilities:		
Accounts payable	14,159	83,047
Accrued payroll & payroll tax	36,879	-
Compensated absences payable	8,667	-
Lease Liability- Current	218,915	-
Other liabilities	64,651	886
Insurance Premium Liability	52,170	-
Other unearned revenue	193,793	-
Total current liabilities	589,235	83,933
Noncurrent liabilities:		
Lease liability due in more than one year	677,190	-
Net pension Liability	1,113,026	-
Compensated absences payable	200,628	-
Total OPEB liability	86,527	-
Total noncurrent liabilities	2,077,371	-
Total liabilities	2,666,606	83,933
DEFERRED INFLOW OF RESOURCES		
Pension actuarial adjustments	11,091	-
OPEB valuation	9,767	-
Total deferred inflows of resources	20,858	-
NET POSITION		
Net investment in capital assets	16,573,161	4,226,083
Unrestricted	3,648,603	5,385,399
Total net position	\$ 20,221,764	\$ 9,611,482

The notes to financial statements are an integral part of this statement.

Lake County Forest Preserve District
(A component unit of Lake County, Illinois)
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2022

	Business-type Activities	Governmental Activities
	Enterprise Golf Courses	Internal Service Funds
OPERATING REVENUES		
Season passes	\$ 15,000	\$ -
Green fees	3,067,851	-
Equipment replacement charges		1,096,690
Gas cart rental	1,091,250	-
Hand cart rental	6,970	-
Club rental	-	-
Practice range	231,703	-
Pro shop	175,721	-
Food & beverage concessions	624,257	-
Land and building rentals	4,500	-
Other revenue	26,385	-
Total operating revenues	<u>5,243,637</u>	<u>1,096,690</u>
OPERATING EXPENSES		
Personal services	2,467,269	-
Commodities	668,472	34,856
Contractuals	659,762	114,379
Food & beverage concessions	175,071	-
Merchandise	103,846	-
Total operating expenses	<u>4,074,421</u>	<u>149,235</u>
Operating income (loss) before depreciation	<u>1,169,217</u>	<u>947,455</u>
Depreciation	430,878	792,076
Amortization	222,623	-
Total depreciation and amortization	<u>653,501</u>	<u>792,076</u>
Operating income(loss)	<u>515,716</u>	<u>155,379</u>
NONOPERATING REVENUES (EXPENSES)		
Gain (loss) on sale of capital assets	9,163	57,082
Interest expense - lease	15,523	-
Investment income (loss)	11,512	(102,719)
Total nonoperating revenues (expenses)	<u>5,152</u>	<u>(45,637)</u>
Income (loss) before contributions and transfers	520,868	109,742
Capital contributions	-	56,164
Transfers	4,500	-
Change in net position	<u>525,369</u>	<u>165,906</u>
Total net position - beginning	<u>19,696,395</u>	<u>9,445,576</u>
Total net position - ending	<u>\$ 20,221,764</u>	<u>\$ 9,611,482</u>

The notes to financial statements are an integral part of this statement.

Lake County Forest Preserve District
(A component unit of Lake County, Illinois)
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2022

	Business-type Activities	Governmental Activities
	Enterprise Golf Courses	Internal Service Funds
Cash flows from operating activities		
Receipts from customers and users	\$ 5,249,930	\$ -
Receipts from interfund services provided	4,500	1,096,690
Payments for interfund services provided	(23,700)	-
Payments to employees	(2,393,457)	-
Payments to suppliers of goods and services	(1,543,474)	(147,780)
Net cash provided by operating activities	1,293,799	948,910
Cash flows from capital and related financing activities		
Acquisition of capital assets	(112,352)	(811,207)
Proceeds from sale of capital assets	9,163	57,320
Interest Expense - Principle payment	(217,010)	-
Interest Expense - Lease	(14,380)	-
Net cash used by capital and related financing activities	(334,579)	(753,887)
Cash flows from investing activities		
Interest received	15,639	110,644
Purchase of investments	(3,395,440)	(562,000)
Proceeds from the sales of investments	2,537,160	647,153
Net cash provided/(used) by investing activities	(842,641)	195,797
Net increase/(decrease) in cash and cash equivalents	116,579	390,820
Cash and cash equivalents at beginning of period	10,402	16,844
Cash and cash equivalents at end of the period	\$ 126,981	\$ 407,664
Cash and cash equivalents per cash flow statements	\$ 126,981	\$ 407,664
Investments	4,260,264	4,998,988
Cash and investments per statement of net position	\$ 4,387,245	\$ 5,406,652
Reconciliation of operating income (loss) to net cash provided by operating activities:		
Operating Income (loss)	\$ 515,716	\$ 155,379
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:		
Depreciation/amortization	653,501	792,076
Changes in assets, deferred outflows, liabilities and deferred inflows:		
Accounts payable	(1,030)	659
Other liabilities	36,732	886
Insurance liability	52,170	-
Other unearned revenue	122	-
Compensated absences	24,472	-
Pension actuarial adjustments - deferred outflows	(715,031)	-
Pension actuarial adjustments - deferred inflows	(1,138,567)	-
Pension liability	1,903,786	-
OPEB actuarial adjustments - deferred outflows	(18,561)	-
OPEB actuarial adjustments - deferred inflows	5,231	-
OPEB liability	10,856	-
Other receivables	1,738	-
Prepaid expense	(11,995)	(90)
Inventories	(26,967)	-
Accrued payroll and payroll taxes	1,627	-
Net cash provided by operating activities	\$ 1,293,799	\$ 948,910
Noncash investing, capital, and financing activities		
Contribution of capital assets from other funds	\$ -	\$ 56,164
Loss on early retirement of capital asset	\$ (9,163)	\$ (89,585)
Increase (decrease) in fair value of investments	\$ (35,181)	\$ (212,707)

The notes to financial statements are an integral part of this statement.

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)

INDEX FOR THE NOTES TO THE FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2022

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LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)

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As of and for the Year Ended December 31, 2022

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LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)

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As of and for the Year Ended December 31, 2022

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LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
As of and For the Year Ended December 31, 2022

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Lake County Forest Preserve District (the District) was created by referendum on November 4, 1958, and is governed by the Downstate Forest Preserve District Act, Illinois Compiled Statutes, Chapter 701. The boundaries of the District are co-terminus with the boundaries of Lake County. The District exists for the purpose of acquiring, developing and maintaining land in its natural state; to protect and preserve the flora, fauna, and scenic beauty; for the education, pleasure, and recreation of the public; for flood control and water management; and for other purposes as conferred by statute.

The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The more significant of the District's accounting policies are described below.

1. **Reporting Entity**

This report includes all the funds of the District. The reporting entity for the District consists of (a) the primary government, and (b) 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. A legally separate organization should be reported as a component unit if the elected officials of the primary government are financially accountable for the organization. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to or burdens on the primary government. The primary government is also financially accountable if an 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 regardless of whether the organization has (1) a separately elected governing board, (2) a governing board appointed by a higher level of government, or (3) a jointly appointed board. Financial benefit or financial burden is created if any one of the following relationships exists: 1) The primary government is legally entitled to or has access to the component unit's resources; 2) The primary government is legally required or has assumed the obligation to finance the deficits or, provide support to, the component unit; 3) The primary government is obligated in some manner for the other component unit's debt.

A legally separate, tax exempt organization should be reported as a component unit of a reporting entity 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 is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization, (3) the economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government. Blended component units, although legally separate entities, are, in substance, part of the government's operations and are reported with similar funds of the primary government.

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
As of and For the Year Ended December 31, 2022

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

1. Reporting Entity (Continued)

The financial statements include the Preservation Foundation of the Lake County Forest Preserve (Preservation Foundation) as a component unit. The Preservation Foundation is a legally separate organization. The Board of the Foundation is different than the Board of the District but includes two appointed members from the District Board and also includes the Districts Executive Director as an Ex-Officio. There is a financial benefit or burden relationship between the Preservation Foundation and the District, and management has an operational responsibility for the Preservation Foundation. The financial resources held by the Preservation Foundation are significant to the District and are held almost entirely for the direct benefit of the District. As a result, the Preservation Foundation's financial statements have been presented as a discretely presented column in the financial statements. Separately issued financial statements of the Preservation Foundation may be obtained from the Preservation Foundation's office at 1899 W. Winchester Road, Libertyville, IL 60048.

The District is a municipal corporation governed by a 21 member board. The accompanying financial statements present the District and its component unit. The District is considered a discretely presented component unit of Lake County, Illinois, since the County Board is also the Board of Commissioners for the District.

2. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all activities of the District. Eliminations have been made to minimize the double-counting of internal activities. However, interfund services provided and used are not eliminated in the process of consolidation. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The Statement of Net Position presents the District's assets, deferred outflows of resources, liabilities and deferred inflows of resources with the difference reported in three categories:

Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by outstanding balances for bonds and other debt that are attributable to the acquisition, construction or improvement of those assets. Deferred outflows of resources that are attributable to capital asset acquisition or the related debt are also included.

Restricted net position results when constraints placed on net position use are either externally imposed by creditors, grantors, contributors, and the like, or imposed by law through constitutional provisions or enabling legislation. When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

Unrestricted net position consists of net position that does not meet the criteria of the two preceding categories.

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
As of and For the Year Ended December 31, 2022

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2. Government-wide and Fund Financial Statements (Continued)

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. 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 properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. The fund financial statements, governmental funds report up to five components of fund balance: nonspendable, restricted, committed, assigned and unassigned, which are explained in further detail in Note A-11.

3. Fund Accounting

The District uses funds to report on its financial position and the results of its operations. A fund is a separate accounting entity with a self-balancing set of accounts. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain District functions or activities.

Funds of the District are classified into the following categories: governmental and proprietary.

Governmental funds are used to account for all or most of the District's general activities, including the collection and disbursement of earmarked monies (special revenue funds), the acquisition or construction of capital assets (capital projects funds), and the servicing of general long-term debt (debt service funds). The general fund is used to account for all activities of the District not accounted for in some other fund.

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the District (internal service funds).

4. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
As of and For the Year Ended December 31, 2022

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting for its budgetary basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures and expenditures related to compensated absences, claims, and judgments are recorded only when payment is due.

Property taxes, licenses, charges for services, and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Property taxes are considered available if they are collected within 60 days of the end of the current fiscal period.

The District reports the following major governmental funds:

The *general fund* is the District's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

The *land development fund* is a special revenue fund which accounts for the costs incurred for maintaining and developing the land owned by the District. Resources are provided by a special tax levy restricted to this purpose, and federal and local grants for improvements and restoration.

The *debt service fund* accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

The District reports the following major proprietary funds:

The *golf courses fund* accounts for the operation of the Countryside, Brae Loch, and ThunderHawk golf courses. All activities necessary to provide the service are accounted for in this fund including, but not limited to, administration, operations, maintenance, and depreciation.

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
As of and For the Year Ended December 31, 2022

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Additionally, the government reports the following fund type:

The *internal service funds* account for the use of motor vehicles, computers, and equipment. The internal service funds consist of the Vehicle Replacement, Information Technology Replacement, and Equipment Replacement funds.

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

Amounts reported as program revenues include 1) charges to customers for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. All taxes are reported as general revenues.

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 golf courses fund, and of the District's internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service 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.

The District reports unearned revenue and deferred inflows of resources on its financial statements. Deferred inflows of resources arise when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Unearned revenue arises when resources are received by the District before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when revenue recognition criteria are met, or when the District has a legal claim to the resources, the liability for unearned revenue and deferred inflows of resources are removed from the financial statements and revenue is recognized.

5. Cash Equivalents

For purposes of the statement of cash flows, the District's proprietary fund types consider all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
As of and For the Year Ended December 31, 2022

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

6. Investments

Investments are stated at fair value.

7. Inventories

Inventories held for resale are valued at the lower of cost or market and inventories of supplies are valued at cost. Inventories of governmental funds, if any, are recorded as expenditures when consumed rather than when purchased.

8. Capital Assets/Right to Use Leased Assets

Capital assets, which include property, plant, and equipment, collections, and infrastructure assets (e.g. roads, trails, bridges, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded using the acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	25 - 50
Other improvements	10 - 25
Vehicles	5 - 12
Machinery and equipment	5 - 20
Furniture and fixtures	10
Roads, trails, and bridges	10

A right to use leased asset is the lessee's right to use an asset over the life of a lease and are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Right to use leased assets are defined by the government as leased assets with an individual net present value of the lease payments that exceed \$5,000 and have a lease term of more than one year.

The right to use leased asset value is initially recorded using the net present value of the lease payments discounted by the borrowing rate of the government. Right to use leased asset are amortized using the straight-line method over the length of the lease term:

<u>Lease Asset</u>	<u>Years</u>
Vehicles	5
Machinery and Equipment	5

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
As of and For the Year Ended December 31, 2022

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

9. Compensated Absences

It is the District's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. All vested pay, in the event of termination in accordance with the District's policy, is accrued when incurred in the government-wide and proprietary fund financial statements.

10. Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts, as well as deferred amounts on refundings, if material, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium, discount, and deferred amount on refunding. Bond issuance costs are expensed in the period incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

11. Fund Equity

The District implemented GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, during fiscal year 2009. In the fund financial statements, governmental funds report up to five components of fund balance: nonspendable, restricted, committed, assigned and unassigned. Nonspendable fund balance cannot be spent because of its form. Restricted fund balance has limitations imposed by enabling legislation or an outside party. Committed fund balance is a limitation imposed by the Board of Commissioners by a majority vote of a resolution or ordinance which are considered equally binding and require a majority vote by Board of Commissioners to rescind. Assigned fund balance has limitations imposed by the purchasing ordinance which require board approval for amounts over \$25,000 and president or director approval for amounts under \$25,000. Unassigned fund balance in the General Fund is the net resources in excess of what can properly be classified in one of the above four categories described.

The District considers restricted amounts to have been spent first when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, followed by committed amounts then assigned amounts. Unassigned amounts are used only after the other categories of fund balance have been fully utilized.

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
As of and For the Year Ended December 31, 2022

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

12. Interfund Transactions

Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions are reported as transfers.

13. Leases

The District is a lessor because it leases capital assets to other entities. As a lessor, the District reports a lease receivable and corresponding deferred inflow of resources in both the fund financial statements and government-wide financial statements. The District continues to report and depreciate the capital assets being leased as capital assets of the primary government. The District is a lessee because it leases capital assets from other entities. As a lessee, the District reports a lease liability and an intangible right-to-use capital asset (known as the lease asset) on the government-wide financial statements and proprietary fund statements. In the governmental fund financial statements, the District recognizes lease proceeds and capital outlay at initiation of the lease, and the outflow of resources for the lease liability as a debt service payment.

14. Use of Estimates

In preparing financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE B - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

1. Explanation of certain differences between the governmental funds balance sheet and the government-wide statement of net position

One element of that reconciliation explains that "Long-term liabilities, including bonds and leases payable and related interest, are not due and payable in the current period and, therefore, are not reported in the governmental funds." The details of this difference are as follows:

Bonds payable	\$	(166,060,000)
Add: Discount/Premium on bond issues (to be amortized as interest expense)		(14,589,707)
Lease Payable		(63,320)
Accrued interest payable		(229,396)
Compensated absences		<u>(2,145,417)</u>
Net adjustment to reduce fund balance - total governmental funds to arrive at net position - governmental activities	\$	<u>(183,087,840)</u>

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
As of and For the Year Ended December 31, 2022

NOTE B - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS
(Continued)

1. Explanation of certain differences between the governmental funds balance sheet and the government-wide statement of net position (Continued)

Capital assets and right to use leased assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.

Governmental capital assets net of depreciation, excluding internal service funds	\$ <u>722,822,144</u>
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Pension related items are reported in the government-wide statements but not in the Governmental fund financial statements. The details of this difference are as follows:

Net pension liability	\$ (9,634,864)
Deferred outflow related to pension expense	8,470,157
Deferred inflows related to pension expense	<u>(161,092)</u>

Net adjustment to reduce fund balance - total governmental funds to arrive at net position - governmental activities	\$ <u>(1,325,799)</u>
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Revenues in the Statement of Activities that do not provide current financial resources are deferred inflows of resources in the funds.

Unavailable grant revenue	\$ <u>983,432</u>
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Net adjustment to reduce fund balance - total governmental funds to arrive at net position - governmental activities	\$ <u>983,432</u>
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OPEB related items, are not due and payable in the current period and, therefore, are not reported in the governmental funds.

Total OPEB liability	\$ (628,370)
Deferred outflow related to OPEB expense	277,026
Deferred inflows related to OPEB expense	<u>(94,576)</u>

Net adjustment to reduce fund balance - total governmental funds to arrive at net position - governmental activities	\$ <u>(445,920)</u>
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Deferred losses on refundings of debt are not considered to represent a financial resource and, therefore, are not required in the funds.

Deferred loss on refundings	\$ <u>1,043,248</u>
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Deferred gains on refundings of debt are not considered to represent a financial resource and, therefore, are not required in the funds.

Deferred gain on refundings	\$ <u>(1,988,000)</u>
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LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
As of and For the Year Ended December 31, 2022

NOTE B - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS
(Continued)

2. Explanation of certain differences between the governmental funds statement of revenues, expenditures and changes in fund balances and the government-wide statement of activities

One element of that reconciliation explains that "Governmental funds report capital/lease outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation/amortization expense." The details of this difference are as follows:

Capital outlay	\$	3,514,069
Loss on disposal of capital assets		(439,708)
Depreciation expense		(7,506,109)
Amortization expense net of lease payments		<u>(14,731)</u>
Net adjustment to reduce net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	\$	<u><u>(4,446,479)</u></u>

Another element of that reconciliation states that "The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities." The details of this difference are as follows:

Principal repayments on general obligation debt	\$	15,805,000
Principal repayments on lease debt		14,309
Accrued interest lease liability		(30)
Amortization of issuance premium/discount		1,528,893
Amortization of deferred charges on refunding and bond accounting gain/loss(net)		(109,055)
Accrued interest		<u>30,594</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities.	\$	<u><u>17,269,711</u></u>

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
As of and For the Year Ended December 31, 2022

NOTE B - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS
(Continued)

2. Explanation of certain differences between the governmental funds statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities (Continued)

Another element of that reconciliation states that "Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds." The details of this difference are as follows:

Compensated absences (net)	\$	(122,777)
Total OPEB liability		(103,807)
Deferred outflow related to OPEB		177,488
Deferred inflows related to OPEB		<u>(50,016)</u>
Net adjustment to reduce net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities.	\$	<u>(99,112)</u>

Another element of that reconciliation states that "District pension contributions are reported as expenditures in the government fund when made. However, they are reported as deferred outflows of resources in the Statement of Net Position because the reported net pension liability/asset is measured a year before the District's report date. Pension expense, which is the change in the net pension liability adjusted for changes in deferred outflows and inflows of resources related to pensions is reported in the Statement of Activities. The details of this difference are as follows:

Net pension liability/asset	\$	(19,109,780)
Deferred outflow related to pension expense		6,968,252
Deferred inflows related to pension expense		<u>10,963,595</u>
Net adjustment to reduce net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities.	\$	<u>(1,177,933)</u>

Another element of that reconciliation states that "Some revenues reported in the statement of activities are deferred and not reported as revenues in governmental funds." The details of this difference are as follows:

Unavailable grants and contributions	\$	<u>(336,067)</u>
Net adjustment to reduce net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities.	\$	<u>(336,067)</u>

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
As of and For the Year Ended December 31, 2022

NOTE C - DEPOSITS AND INVESTMENTS

The District maintains a cash and investment pool that is available for use by most funds. Each fund type's portion of this pool is displayed on the combined balance sheet as "cash and investments." In addition, investments are separately held by several of the District's funds. The District's investment policy, which is more restrictive than state statute, allows the District to invest in the following:

- Securities issued or guaranteed by the United States.
- Interest-bearing accounts of banks
- Insured accounts of an Illinois credit union chartered under United States or Illinois law.
- Money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreements to repurchase these same types of obligations.
- Funds authorized by the Public Funds Investment Act.

As of December 31, 2022, the District's cash and investments consisted of the following:

	Government - Wide
Cash and investments	\$ <u>70,434,025</u>

For disclosure purposes, this amount is segregated into three components: 1) cash on hand; 2) deposits with financial institutions, money markets, certificates of deposit and public checking account; and 3) other investments, which consist of investments in municipal bonds, the Illinois Metropolitan Investment Funds and government agencies securities as follows:

	Total	Risks
Cash on hand	\$ 15,205	n/a
Deposits with financial institutions	5,491,181	Custodial, credit
Mutual funds - bonds held at NAV	7,781,644	Credit, interest rate
Institutional government money market	21,069,638	Credit
Investments	<u>36,076,357</u>	Credit, interest rate
	<u>\$ 70,434,025</u>	and concentration of credit

As of December 31, 2022, the District had the following investments and maturities:

<u>Investment Type</u>	<u>Investment Maturities (In Years)</u>		
	<u>Fair Value</u>	<u>Less than 1</u>	<u>1-5</u>
Negotiable certificates of deposit	\$ 1,085,132	\$ 1,085,132	\$ -
IMET 1-3yr Fund	878	-	878
Municipal bonds	<u>34,990,347</u>	<u>9,416,331</u>	<u>25,574,016</u>
Total investments	<u>\$ 36,076,357</u>	<u>\$ 10,501,463</u>	<u>\$ 25,574,894</u>

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
As of and For the Year Ended December 31, 2022

NOTE C - DEPOSITS AND INVESTMENTS (Continued)

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The District has the following as of 12/31/2022:

Investments Measured at Fair Value

	12/31/2022	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value				
Debt securities				
Negotiable certificates of deposit	1,085,132	-	1,085,132	-
IMET 1-3 yr fund	878	-	878	-
Municipal bonds	34,990,347	-	34,990,347	-
Total debt securities	<u>\$ 36,076,357</u>	<u>\$ -</u>	<u>\$ 36,076,357</u>	<u>\$ -</u>

Debt securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt securities and participating investment contracts classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique; Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

The Illinois Metropolitan Investment Fund (IMET) was developed in July 1996 as a cooperative endeavor to assist Illinois municipalities with the investment of their intermediate-term dollars. IMET was established as a not-for-profit investment fund under the Illinois Municipal Code. IMET maintains the Convenience fund at amortized cost (2a7 like pool) through daily adjustments in interest earnings. The fair value of the District's investments in the funds is the same as the value of the pool shares. The pool is audited annually by an outside independent auditor and copies of the report are available to participants. All funds deposited in the pool are classified as investments even though some could be withdrawn on a day's notice. Although not subject to direct regulatory oversight, the fund is administered in accordance with the provision of the Illinois Public Investment Act, 30ILCS 235.

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
As of and For the Year Ended December 31, 2022

NOTE C - DEPOSITS AND INVESTMENTS (Continued)

Interest Rate Risk. The District's investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The objective is to maintain a core portfolio with maturities in the one-to-three year range.

Credit Risk. State law limits investments in commercial paper, corporate bonds and mutual bonds funds to the top two ratings, and municipal bonds with the top four ratings issued by nationally recognized statistical rating organizations. The District's investment policy does not impose further limits on investment choices. As of December 31, 2022, Illinois Metropolitan Investment 1-3 Year Fund was rated AAA by Moodys; Illinois Public Reserves Investment Management Trust (IPRIME) was rated AAAM Standard and Poor's; Federated Government Obligations Fund was rated AAA/V1+ by Fitch and First American Government Obligations Fund is not rated. The District's investment in Municipal Bonds were rated AAA (\$1,824,006), AA (\$26,517,965), A (\$6,648,376) by Standard and Poor's and Moody's Investor Services. Investments in negotiable certificates of deposit are not rated.

Custodial Credit Risk. In the case of deposits, this is the risk that, in the event of a bank failure, the District's deposits may not be returned. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The District's investment policy states that the investments should have a collateralization ratio of 110%. As of December 31, 2022, the District was not exposed to custodial credit risk.

Concentration of Credit Risk. It is the policy of the District to diversify its investment portfolio. Investments shall be diversified to eliminate the risk of loss resulting in overconcentration in a security, maturity, issuer, or class of securities. Disclosure is required when an investment with a single issuer exceeds 5% of investments. As of December 31, 2022, the district did not own any investment instruments that exceeded 5%.

NOTE D - RECEIVABLES - TAXES

The District's property tax is levied each calendar year on all taxable real property located in the District. The District must file its tax levy ordinance by the last Tuesday in December of each year. Taxes levied in one calendar year become due and payable in two installments in June and September during the following calendar year. The levy becomes an enforceable lien against the property as of January 1 of the levy year.

Based on prior history, an allowance for uncollectable property tax levy revenues of \$206,376 is included in property taxes receivable, net for the end of the year.

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2022

NOTE E - CAPITAL ASSETS

Capital asset activity for the period ended December 31, 2022 was as follows:

1. Governmental activities	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets not being depreciated				
Land and land rights	\$ 574,840,574	\$ 5,402	67	\$ 574,845,909
Land improvements	70,365,285	3,564,646	-	73,929,931
Museum artifacts and collectibles	1,486,679	-	-	1,486,679
Construction in progress	<u>8,059,255</u>	<u>3,703,770</u>	<u>6,616,558</u>	<u>5,146,467</u>
Total capital assets not being depreciated	<u>654,751,793</u>	<u>7,273,818</u>	<u>6,616,625</u>	<u>655,408,986</u>
Capital assets being depreciated				
Buildings and improvements	71,252,648	74,760	784,614	70,542,794
Other improvements	16,612,011	343,114	232,477	16,722,648
Vehicles, machinery, and equipment	13,503,894	1,074,601	399,874	14,178,621
Furniture and fixtures	781,094	-	-	781,094
Roads, trails, bridges and tunnels	<u>69,886,783</u>	<u>2,350,317</u>	<u>70,002</u>	<u>72,167,098</u>
Total capital assets being depreciated	<u>172,036,430</u>	<u>3,842,792</u>	<u>1,486,967</u>	<u>174,392,255</u>
Less accumulated depreciation for:				
Buildings and improvements	25,396,723	1,787,642	345,636	26,838,729
Other improvements	9,747,447	758,205	232,477	10,273,175
Vehicles, machinery, and equipment	8,950,847	886,461	399,211	9,438,097
Furniture and fixtures	690,174	13,938	-	704,112
Roads, trails, and bridges	<u>50,649,621</u>	<u>4,852,178</u>	<u>-</u>	<u>55,501,799</u>
Total accumulated depreciation	<u>95,434,812</u>	<u>8,298,424</u>	<u>977,324</u>	<u>102,755,912</u>
Total capital assets being depreciated, net	<u>76,601,618</u>	<u>(4,455,632)</u>	<u>509,643</u>	<u>71,636,343</u>
Governmental activities capital assets, net	<u>\$ 731,353,411</u>	<u>\$ 2,818,186</u>	<u>\$ 7,126,268</u>	<u>\$ 727,045,329</u>

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
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NOTE E - CAPITAL ASSETS (Continued)

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
2. Business-type activities				
Capital assets not being depreciated				
Land and land rights	\$ 6,818,464	\$ -	\$ -	\$ 6,818,464
Land improvements	<u>7,447,373</u>	<u>-</u>	<u>-</u>	<u>7,447,373</u>
Total capital assets not being depreciated	<u>14,265,837</u>	<u>-</u>	<u>-</u>	<u>14,265,837</u>
Capital assets being depreciated				
Buildings and improvements	7,686,058	-	-	7,686,058
Vehicles, machinery, and equipment	3,987,917	112,351	34,581	4,065,687
Furniture and fixtures	61,093	-	-	61,093
Roads, trails, and bridges	<u>1,566,152</u>	<u>-</u>	<u>-</u>	<u>1,566,152</u>
Total capital assets being depreciated	<u>13,301,220</u>	<u>112,351</u>	<u>34,581</u>	<u>13,378,990</u>
Less accumulated depreciation for:				
Buildings and improvements	6,328,683	119,929	-	6,448,612
Vehicles, machinery, and equipment	3,243,518	233,832	34,581	3,442,769
Furniture and fixtures	45,927	1,611	-	47,538
Roads, trails, and bridges	<u>1,051,629</u>	<u>75,506</u>	<u>-</u>	<u>1,127,135</u>
Total accumulated depreciation	<u>10,669,757</u>	<u>430,878</u>	<u>34,581</u>	<u>11,066,054</u>
Total capital assets being depreciated, net	<u>2,631,463</u>	<u>(318,527)</u>	<u>-</u>	<u>2,312,936</u>
Business-type activities capital assets, net	<u>\$ 16,897,300</u>	<u>\$ (318,527)</u>	<u>\$ -</u>	<u>\$ 16,578,773</u>

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2022

NOTE E - CAPITAL ASSETS (Continued)

3. Depreciation Expense

Depreciation expense was charged to functions/programs of the District as follows:

Governmental activities		
General government	\$	4,643,189
Education		512,824
Recreation		850,841
Maintenance and development		502,908
Natural Resources		996,348
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets		792,314
Total depreciation expense - governmental activities	\$	8,298,424
Business-type activities		
Golf courses	\$	430,878

NOTE F - TRANSFERS

The following transfers were made during fiscal year 2022:

To Fund:	From Fund:	Amount
Nonmajor Governmental Funds (Capital Facilities Improvement)	General Fund	\$ 200,000
<i>Reason: Transfer of funds towards future infrastructure improvements</i>		
Development Levy Fund	Debt Service	1,200,000
Nonmajor Governmental Funds (Easements and Special Projects Fund)	Debt Service	154,329
<i>Reason: Transfer of excess funds from closure of 2007A, 2010A, 2010B and 2013 series bonds</i>		
Enterprise Golf Courses	General Fund	4,500
<i>Reason: Transfer of funds for shared purchase of furniture</i>		
Total transfers to governmental funds		\$ 1,554,329
Total transfer to enterprise funds		4,500
Total transfers from governmental funds		\$ 1,558,829

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2022

NOTE G - LEASES AND CONTRACTS

Right to use leased asset activity for the period ended December 31, 2022 was as follows:

1. Governmental activities	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Right to use leased assets being amortized				
Golf cars	\$ -	\$ 29,946	\$ -	\$ 29,946
Copy machines	-	47,683	-	47,683
Total capital assets being amortized	<u>-</u>	<u>77,629</u>	<u>-</u>	<u>77,629</u>
Less accumulated amortization for:				
Golf cars	-	5,989	-	5,989
Copy machines	-	8,742	-	8,742
Total accumulated amortization	<u>-</u>	<u>14,731</u>	<u>-</u>	<u>14,731</u>
Governmental activities right to use assets, net	<u>\$ -</u>	<u>\$ 62,898</u>	<u>\$ -</u>	<u>\$ 62,898</u>

2. Business-type activities	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Right to use leased assets being amortized				
Golf cars	\$ -	\$ 1,113,113	\$ -	\$ 1,113,113
Total capital assets being amortized	<u>-</u>	<u>1,113,113</u>	<u>-</u>	<u>1,113,113</u>
Less accumulated amortization for:				
Golf cars	-	222,622	-	222,622
Total accumulated amortization	<u>-</u>	<u>222,622</u>	<u>-</u>	<u>222,622</u>
Business-type activities right to use assets, net	<u>\$ -</u>	<u>\$ 890,491</u>	<u>\$ -</u>	<u>\$ 890,491</u>

3. Amortization Expense

Amortization expense was charged to functions/programs of the District as follows:

Governmental activities	
General government	\$ 6,412
Recreation	5,989
Maintenance and development	1,165
Natural Resources	<u>1,165</u>
Total amortization expense - governmental activities	<u>\$ 14,731</u>
Business-type activities	
Golf courses	<u>\$ 222,622</u>

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
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NOTE G - LEASES AND CONTRACTS (Continued)

4. Right to Use Leased Asset Detail

The golf courses and Independence Grove lease their golf carts under a capital lease according to GASB 87. Details for the current year and future minimum lease payments are:

Governmental Activity

<u>Term</u>	<u>Original Date of Issuance</u>	<u>End of Lease Period</u>	<u>Total Lease Payments</u>	<u>Present Value of Lease Pmts</u>	<u>Discount Rate</u>
60 months	1/1/2022	12/31/2026	\$ 31,125	\$ 29,946	1.53%
				Amortization of right to use leased asset	Outstanding Lease Liability
<u>Fiscal Year</u>	<u>Payments</u>	<u>Principal</u>	<u>Interest</u>		
2022	\$ 6,225	\$ 5,838	\$ 387	\$ 5,989	\$ 24,108
2023	6,225	5,889	336	5,989	18,218
2024	6,225	5,980	245	5,989	12,238
2025	6,225	6,072	153	5,989	6,166
2026	6,225	6,166	59	5,989	-
	<u>\$ 31,125</u>	<u>\$ 29,946</u>	<u>\$ 1,179</u>	<u>\$ 29,946</u>	

Business Type - Golf

<u>Term</u>	<u>Original Date of Issuance</u>	<u>End of Lease Period</u>	<u>Total Lease Payments</u>	<u>Present Value of Lease Pmts</u>	<u>Discount Rate</u>
60 months	1/1/2022	12/31/2026	\$ 1,156,950	\$ 1,113,113	1.53%
				Amortization of right to use leased asset	Outstanding Lease Liability
<u>Fiscal Year</u>	<u>Payments</u>	<u>Principal</u>	<u>Interest</u>		
2022	\$ 231,390	\$ 217,010	\$ 14,380	\$ 222,623	\$ 896,103
2023	231,390	218,914	12,476	222,623	677,189
2024	231,390	222,287	9,103	222,623	454,902
2025	231,390	225,712	5,678	222,623	229,190
2026	231,390	229,190	2,200	222,623	-
	<u>\$ 1,156,950</u>	<u>\$ 1,113,113</u>	<u>\$ 43,837</u>	<u>\$ 1,113,113</u>	

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2022

NOTE G - LEASES AND CONTRACTS - (Continued)

The District leases their copiers under a capital lease according to GASB 87. Details for the current year and future minimum lease payments are:

<u>Term</u>	<u>Original Date of Issuance</u>	<u>End of Lease Period</u>	<u>Total Lease Payments</u>	<u>Present Value of Lease Pmts</u>	<u>Discount Rate</u>
60 months	2/1/2022	1/31/2027	\$ 49,560	\$ 47,683	1.53%
				Amortization of right to use leased asset	Outstanding Lease Liability
<u>Fiscal Year</u>	<u>Payments</u>	<u>Principal</u>	<u>Interest</u>		
2022	\$ 9,086	\$ 8,471	\$ 615	\$ 8,742	\$ 39,211
2023	9,912	9,378	534	9,537	29,834
2024	9,912	9,522	390	9,537	20,312
2025	9,912	9,669	243	9,537	10,643
2026-2027	10,738	10,643	95	10,331	-
	\$ 49,560	\$ 47,683	\$ 1,877	\$ 47,683	

Lease receivable activity for the period ended December 31, 2022 was as follows:

Governmental activities	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
District owned property leased to others				
Farm land	-	506,409	204,883	301,526
Cell tower		163,629	12,894	150,735
Brushwood facility	-	718,550	15,840	702,711
Government activities total lease receivable	-	1,388,588	233,617	1,154,971

The District implemented GASB 87 on January 1, 2022.

The District has numerous agreements for the leasing of District land for farming. The leases terminate after 3 years and the are openly bid out to the public. Details for the current year and future minimum lease revenue payments based on GASB

<u>Term</u>	<u>GASB 87 Inception</u>	<u>Total Lease Payments</u>	<u>Present Value of Lease Pmts</u>	<u>Original date of lease</u>
24 to 36 months	1/1/2022	\$ 520,201	\$ 506,409	1/1/20 - 1/1/22
				Deferred lease inflow recognized
<u>Fiscal Year</u>	<u>Payments</u>	<u>Principal</u>	<u>Interest</u>	
2022	\$ 212,632	\$ 204,883	\$ 7,748	\$ 207,152
2023	212,632	208,018	4,613	207,152
2024	94,938	93,508	1,431	92,106
	\$ 520,201	\$ 506,409	\$ 13,792	\$ 506,409

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2022

NOTE G - LEASES AND CONTRACTS - (Continued)

The District assumed a cellular tower lease agreement on April 16, 2014, with the purchase of the Larsen-Schwanbeck property. The lease agreement ends in 2032. Details for the current year and future minimum lease revenue payments based on GASB 87 are:

<u>Term</u>	<u>GASB 87 Inception</u>	<u>Total Lease Payments</u>	<u>Present Value of Lease Pmts</u>	<u>Original date of lease</u>
125 months	1/1/2022	\$ 177,456	\$ 163,629	4/16/2014
				Deferred lease inflow
<u>Fiscal Year</u>	<u>Payments</u>	<u>Principal</u>	<u>Interest</u>	<u>recognized</u>
2022	\$ 15,101	\$ 12,894	\$ 2,207	\$ 15,708
2023	15,969	13,759	2,210	15,708
2024	15,969	13,971	1,998	15,708
2025	15,969	14,186	1,783	15,708
2026	15,969	14,405	1,564	15,708
2027	17,367	16,030	1,337	15,708
2028-2032	81,111	78,383	2,728	69,378
	\$ 177,456	\$ 163,629	\$ 13,827	\$ 163,629

The District entered into a lease agreement to lease out its Brushwood Facility located in Ryerson Forest Preserve on January 1, 2017. The lease agreement ends in 2046. Details for the current year and future minimum lease revenue payments based on GASB 87 are:

<u>Term</u>	<u>GASB 87 Inception</u>	<u>Total Lease Payments</u>	<u>Present Value of Lease Pmts</u>	<u>Original date of lease</u>
300 months	1/1/2022	\$ 881,148	\$ 718,550	1/1/2017
				Deferred lease inflow
<u>Fiscal Year</u>	<u>Payments</u>	<u>Principal</u>	<u>Interest</u>	<u>recognized</u>
2022	\$ 25,800	\$ 15,840	\$ 9,960	\$ 28,742
2023	26,448	15,807	10,641	28,742
2024	27,108	16,715	10,393	28,742
2025	27,780	17,650	10,130	28,742
2026	28,476	18,622	9,854	28,742
2027	29,184	19,622	9,562	28,742
2028-2032	157,224	114,358	42,866	143,710
2033-2037	177,888	144,888	33,000	143,710
2038-2042	201,300	180,695	20,605	143,710
2043-2046	179,940	174,354	5,586	114,968
	\$ 881,148	\$ 718,550	\$ 162,598	\$ 718,550

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2022

NOTE H - LONG-TERM DEBT

1. Changes in Long-Term Liabilities

Long-term liability activity for the period ended December 31, 2022 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities					
General obligation bonds	\$ 181,865,000	\$ -	15,805,000	\$ 166,060,000	\$ 16,540,000
Add unamortized amounts:					
Premium	16,118,600	-	1,528,893	14,589,707	1,528,893
Total bonds payable	<u>197,983,601</u>	<u>-</u>	<u>17,333,893</u>	<u>180,649,707</u>	<u>18,068,893</u>
Lease Liability	-	77,629	14,309	63,320	15,267
Compensated absences	2,022,640	122,777	-	2,145,417	119,679
Total OPEB Liability	524,563	103,807	-	628,370	-
Net pension liability	-	9,634,864	-	9,634,864	-
Governmental activity long-term liabilities	<u>\$ 200,530,803</u>	<u>\$ 9,939,077</u>	<u>\$ 17,348,202</u>	<u>\$ 193,121,678</u>	<u>\$ 18,203,839</u>

Lease liability, compensated absences, total OPEB and net pension liability included in the governmental activities are liquidated by the General and Development Levy funds.

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Business-type activities					
Lease Liability	\$ -	\$ 1,113,113	\$ 217,009	\$ 896,104	\$ 218,915
Compensated absences	184,823	24,472	-	209,295	8,667
Total OPEB Liability	75,671	10,856	-	86,527	-
Net pension liability	-	1,113,026	-	1,113,026	-
Business-type activity long-term liabilities	<u>\$ 260,494</u>	<u>\$ 2,261,467</u>	<u>\$ 217,009</u>	<u>\$ 2,304,953</u>	<u>\$ 227,582</u>

Lease liability, compensated absences, total OPEB and net pension liability included in the business-type activities are liquidated by the Golf Course Fund.

The lease liability is the result of implementation of GASB 87.

The Internal Service Funds predominantly serve the governmental funds. Accordingly, their long-term liabilities are included as part of the above totals for governmental activities.

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2022

NOTE H - LONG-TERM DEBT (Continued)

2. General Obligation Bonds

Debt outstanding as of December 31, 2022 consisted of the following:

	Interest Rate (%)	Final Maturity Date	Amounts	
			Issued	Outstanding
General obligation bonds:				
Series 2014A	2.00 - 3.00	2026	\$ 28,920,000	\$ 9,645,000
Series 2015	3.00 - 3.75	2033	25,010,000	20,390,000
Series 2016A	2.00 - 5.00	2028	43,915,000	32,410,000
Series 2016B	2.00 - 5.00	2028	24,200,000	18,605,000
Series 2019	2.625 - 5.00	2035	22,060,000	19,925,000
Series 2021	2.00 - 5.00	2034	58,820,000	51,090,000
Series 2021A	2.00 - 5.00	2033	14,925,000	13,995,000
				<u>\$166,060,000</u>

The annual requirements to amortize general obligation debt outstanding as of December 31, 2022, including interest payments are as follows:

Fiscal Year Ending December 31,	Governmental Activities	
	Principal	Interest
2023	\$ 16,540,000	\$ 5,504,731
2024	17,275,000	4,779,331
2025	17,860,000	4,209,981
2026	18,470,000	3,619,131
2027	19,045,000	3,045,131
2028-2032	59,825,000	6,951,569
2033-2035	17,045,000	635,719
	<u>\$ 166,060,000</u>	<u>\$ 28,745,593</u>

The schedule of the District's legal debt margin as of December 31, 2022 is as follows:

Assessed valuation 2022	\$ <u>28,793,125,678</u>
Statutory debt limitation (2.3% of assessed valuation)	\$ 662,241,891
Less general obligation bonds	<u>(166,060,000)</u>
Legal debt margin	\$ <u>496,181,891</u>

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2022

NOTE I - FUND BALANCE CLASSIFICATIONS

The District reported the following fund balance restrictions, commitments and assignments at December 31, 2022:

Restricted for:		Fund :
Audit and insurance costs	\$ 2,781,669	General Fund
Land acquisition and development	14,973,005	Land Development and Development Bond Projects
		Debt Service Fund
Debt service	1,167,930	Nonmajor governmental funds (Retirement Fund)
FICA and IMRF costs	1,502,745	Nonmajor governmental funds
Tree Replacement	297,127	
Total restricted	<u>\$ 20,722,476</u>	
Committed for:		Fund :
Ft. Sheridan Cemetery	259,419	General Fund
Total committed	<u>\$ 259,419</u>	
Assigned for:		Fund :
Wetlands	308,598	General Fund
Carry over	475,212	General Fund
Capital spending planned	18,094,744	General Fund
Special projects	3,732,855	Nonmajor governmental funds (Easements & Special Projects)
		Nonmajor governmental funds (Land Preparation & Farmland Management)
Land management and preparation	1,599,775	Nonmajor governmental funds (State Forfeiture)
		Nonmajor governmental funds (Capital Facilities Improvement)
State forfeiture funds	20,428	Nonmajor governmental funds (Grants and Donations Fund)
Building improvements	2,175,782	
Grants and donations	133,133	
Total assigned	<u>\$ 26,540,527</u>	

NOTE J - INTERFUND RECEIVABLES AND 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>
General	Donations and Grant Fund	\$ 215,558
	Less Government wide eliminations	<u>\$ (215,558)</u>
	Total Internal Balances - Government Wide Statement of Net Position	<u>\$ -</u>

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2022

NOTE K - RISK MANAGEMENT

The Lake County Forest Preserve District is exposed to various risks related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and net income losses.

Since 1985, the District has been a member of the Park District Risk Management Agency (PDRMA) Property/Casualty Program. PDRMA is a public entity risk pool consisting of park and forest preserve districts, special recreation associations and certain non-profit organizations serving the needs of public entities formed in accordance with terms of an intergovernmental cooperative agreement among its members. Property, general liability, automobile liability, crime, boiler and machinery, public officials' liability, employment practices liability, and workers' compensation and pollution liability coverage is provided in excess of specified limits for the members, acting as a single insurable unit.

For the period from January 1, 2022 to January 1, 2023, liability losses exceeding the per occurrence self-insured and reinsurance limits would be the responsibility of the Lake County Forest Preserve District. Actual losses have not exceeded the coverage over the past three years.

As a member of PDRMA's Property/Casualty Program, the District is represented on the Property/Casualty Program Council and the Membership Assembly and is entitled to one vote on each. The relationship between the District and PDRMA is governed by a contract and by-laws that have been adopted by resolution of the District's governing body. The District is contractually obligated to make all annual and supplementary contributions to PDRMA; to report claims on a timely basis, cooperate with PDRMA, its claims administrator, and attorneys in claims investigation and settlement; and to follow risk management procedures as outlined by PDRMA. Members have a contractual obligation to fund any deficit of PDRMA attributable to a membership year during which they were a member.

PDRMA is responsible for administering the self-insurance program and purchasing excess insurance according to the direction of the Program Council. PDRMA also provides its members with risk management services, including the defense of and settlement of claims, and establishes reasonable and necessary loss reduction and prevention procedures to be followed by the members.

The following represents a summary of PDRMA's balance sheet at December 31, 2022, and the statement of revenues and expenses for the period ended December 31, 2022. The District's portion of the overall equity of the pool is 3.886%, or \$1,708,312.

Assets	\$	66,570,393
Deferred Outflow of Resources - Pension		787,406
Liabilities		20,949,149
Deferred Inflow of Resources - Pension		2,223,803
Net Position		44,184,847
Operating Revenues		17,464,224
Nonoperating Revenues		-6,820,223
Expenditures		23,554,952

Since 97.22% of PDRMA's liabilities are reserves for losses and loss adjustment expenses, which are based on an actuarial estimate of the ultimate losses incurred, the Net Position is impacted annually as more recent loss information becomes available.

A complete financial statement for the agency can be obtained from the PDRMA's administrative offices at P.O. Box 4320, Wheaton, Illinois 60189-4320.

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2022

NOTE L - CONTINGENT LIABILITIES AND COMMITMENTS

1. Litigation

There are several pending lawsuits in which the District is involved. Management estimates that the potential claims against the District if not covered by insurance resulting from such litigation would not materially affect the financial statements of the District.

2. Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of the expenditures which may be disallowed by the grantor cannot be determined at this time, although the District expects such amounts, if any, to be immaterial.

3. Encumbrances

The District had the following encumbrances outstanding as of December 31, 2022:

General Fund	\$	978,445
Land Development Fund		2,504,454
Development Bond Projects Fund		721,306
Nonmajor Governmental Funds		1,509,634
Grants and Donation Fund		541,540
Enterprise Golf Courses		145,827
Internal Service Funds		520,768

These amounts are reflected in the District's fund balance categories (restricted, committed and assigned).

4. Construction Commitments

The District had certain contracts in its funds for the construction of various projects which were in process at December 31, 2022. The remaining commitments under these contracts approximate:

<u>Function</u>		
Education	\$	2,155,170
Maintenance & development		398,173
	\$	<u>2,553,342</u>

NOTE M - DEFINED BENEFIT PENSION PLANS

1. Plan Description

The District's defined benefit pension plan for Regular and Sheriff's Law Enforcement Personnel (SLEP) employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The District's plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent, multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available report that includes financial statements and required supplementary information. That report may be obtained on-line at www.imrf.org.

LAKE COUNTY FOREST PRESERVE DISTRICT
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NOTE M - DEFINED BENEFIT PENSION PLANS (Continued)

2. Benefits Provided

IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP). The Sheriff's Law Enforcement Personnel (SLEP) plan is for sheriffs, deputy sheriffs, and selected police chiefs. Counties could adopt the Elected County Official (ECO) plan for officials elected prior to August 8, 2011 (the ECO plan was closed to new participants after that date). All three IMRF benefit plans have two tiers. Employees hired *before* January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit 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 consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement. Employees hired *on or after* January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in the amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit 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 on January 1 every year after retirement, upon reaching age 67, by the lesser of:

- * 3% of the original pension amount, or
- * 1/2 of the increase in the Consumer Price Index of the original pension amount.

3. Employees Covered by Benefit Terms

As of December 31, 2022, the following employees were covered by the benefit terms:

	IMRF	SLEP
Retirees and Beneficiaries currently receiving benefits	225	12
Inactive Plan Members entitled to but not yet receiving benefits	231	5
Active Plan Members	197	19
Total	653	36

LAKE COUNTY FOREST PRESERVE DISTRICT
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NOTE M - DEFINED BENEFIT PENSION PLANS (Continued)

4. Contributions

As set by statute, the District's Regular Plan Members are required to contribute 4.5% for IMRF and 7.5% for SLEP of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The District's annual contribution rate for calendar year 2021 was 11.51% for IMRF and 16.52% for SLEP. The District's annual contribution rate for calendar year 2022 was 9.28% for IMRF and 13.18% for SLEP. For the fiscal period ended 2022, the District contributed \$1,227,348 for IMRF and \$241,998 for SLEP to the plan. The District also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

5. Net Pension Liability/Asset

The District's net pension liability was measured as of December 31, 2022. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. For purposes of measuring the net pension liability, deferred outflows of resources, deferred inflows of resources, pension expense and expenditures associated with the District's contribution requirements, information about the fiduciary net position of the plans and additions to/deductions from the plans' fiduciary net position have been determined on the same basis as they are reported within the separately issued plan financial statements. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with terms of the plan. Investments are reported at fair value.

6. Aggregate Totals

The aggregate amount of pension liabilities, pension assets, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense for the IMRF and SLEP pension plans as of December 31, 2022 are as follows:

	IMRF Pension Plan	SLEP Pension Plan	Total
Net Pension Liability	\$ 9,798,283	\$ 949,607	\$ 10,747,890
Deferred Outflows of Resources Related to Pensions	\$ 8,099,599	\$ 1,290,624	\$ 9,390,223
Deferred Inflows of Resources Related to Pensions	\$ 97,638	\$ 74,545	\$ 172,183
Pension Expense	\$ 2,402,625	\$ 294,842	\$ 2,697,467

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NOTES TO THE FINANCIAL STATEMENTS
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NOTE M - DEFINED BENEFIT PENSION PLANS (Continued)

7. Actuarial Assumptions

The following are the methods and assumptions used to determine the total pension liability at December 31, 2022 for both plans (IMFR and SLEP):

- * The **Actuarial Cost Method** used was Entry Age Normal.
- * The **Asset Valuation Method** used was Market Value of Assets.
- * The **Inflation Rate** was assumed to be 2.25%.
- * **Salary Increases** were expected to be 2.85% to 13.75%, including inflation.
- * The **Investment Rate of Return** was assumed to be 7.25%.

- * **Projected Retirement Age** was from the Experience-base table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study from years 2017 to 2019.

- * **Mortality** for non-disabled 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.
- * **Mortality** 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.
- * **Mortality** 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.

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

<u>Asset Class</u>	<u>Portfolio Target Percentage</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	35.5%	6.50%
International Equity	18%	7.60%
Fixed Income	25.5%	4.90%
Real Estate	10.5%	6.20%
Alternative Investments	9.5%	6.25-9.90%
Cash Equivalents	1%	4.00%
Total	100%	

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
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NOTE M - DEFINED BENEFIT PENSION PLANS (Continued)

8. Single Discount Rate

A Single Discount Rate of 7.25% for IMRF and 7.25% for SLEP was used to measure the total pension liability. The projections of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

1. The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and
2. The tax-exempt municipal bond rate based on an index of 20 year general obligation bonds with an average of AA credit rating (which is published by the Bond Buyer) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.25%, the municipal bond rate is 4.05%, and the resulting single discount rate is 7.25%.

9. Changes in Net Pension Liability/(Asset)

<u>IMRF</u>	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension (Asset) (A) - (B)
Balances at December 31, 2021	\$ 89,220,506	\$ 97,985,850	(8,765,344)
Changes for the year:			
Service Cost	1,202,557	-	1,202,557
Interest on the Total Pension Liability	6,360,188	-	6,360,188
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual	395,344	-	395,344
Changes of Assumptions	-	-	-
Contributions - Employer	-	1,227,348	(1,227,348)
Contributions - Employees	-	592,157	(592,157)
Net Investment Income	-	(11,984,891)	11,984,891
Benefit Payments, including Refunds of Employee Contributions	(4,190,106)	(4,190,106)	-
Other (Net Transfer)	-	(440,152)	440,152
Net Changes	<u>3,767,983</u>	<u>(14,795,644)</u>	<u>18,563,627</u>
Balances at December 31, 2022	<u>\$ 92,988,489</u>	<u>\$ 83,190,206</u>	<u>\$ 9,798,283</u>

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
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NOTE M - DEFINED BENEFIT PENSION PLANS (Continued)

<u>SLEP</u>	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (Asset) (A) - (B)
Balances at December 31, 2021	\$ 11,820,185	\$ 13,320,517	(1,500,332)
Changes for the year:			
Service Cost	317,835	-	317,835
Interest on the Total Pension Liability	859,163	-	859,163
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	265,836	-	265,836
Changes of Assumptions	-	-	-
Contributions - Employer	-	241,998	(241,998)
Contributions - Employees	-	188,053	(188,053)
Net Investment Income	-	(1,425,624)	1,425,624
Benefit Payments, including Refunds of Employee Contributions	(257,152)	(257,152)	-
Other (Net Transfer)	-	(11,532)	11,532
Net Changes	1,185,682	(1,264,257)	2,449,939
Balances at December 31, 2022	\$ 13,005,867	\$ 12,056,260	\$ 949,607

10. Sensitivity of the Net Pension Liability/(Asset) to Changes in the Discount Rate

The following presents the plan's net pension liability/(Asset), calculated using a Single Discount Rate of 7.25% for IMRF and 7.25% for SLEP, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

<u>IMRF</u>	Current Single Discount Rate Assumption		
	1% Lower 6.25%	7.25%	1% Higher 8.25%
Net Pension Liability	\$ 103,753,562	\$ 92,988,489	\$ 84,331,864
Plan Fiduciary Net Pension	83,190,205	83,190,206	83,190,205
Net Pension Liability/(Asset)	<u>\$ 20,563,357</u>	<u>\$ 9,798,283</u>	<u>\$ 1,141,659</u>

<u>SLEP</u>	Current Single Discount Rate Assumption		
	1% Lower 6.25%	7.25%	1% Higher 8.25%
Net Pension Liability	\$ 14,733,885	\$ 13,005,867	\$ 11,584,246
Plan Fiduciary Net Pension	12,056,260	12,056,260	12,056,260
Net Pension Liability/(Asset)	<u>\$ 2,677,625</u>	<u>\$ 949,607</u>	<u>\$ (472,014)</u>

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2022

NOTE M - DEFINED BENEFIT PENSION PLANS (Continued)

11. Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

For the period ended December 31, 2022 the District recognized pension expense of \$2,697,467, for IMRF \$2,402,625 and \$294,842 for SLEP. At December 31, 2022 the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>IMRF</u>	Deferred Outflows of Resources	Deferred Inflow of Resources
Deferred Amounts to be Recognized in Pension Expense in Future Periods		
Differences between expected and actual experience	\$ 999,548	\$ 42,478
Changes of assumptions	-	55,160
Net difference between projected and actual earnings on pension plan investments.	7,100,051	-
Total Deferred Amounts Related to Pensions	\$ 8,099,599	\$ 97,638

<u>SLEP</u>	Deferred Outflows of Resources	Deferred Inflow of Resources
Deferred Amounts to be Recognized in Pension Expense in Future Periods		
Differences between expected and actual experience	\$ 326,193	\$ 42,879
Changes of Assumptions	30,949	31,666
Net difference between projected and pension plan investments.	933,482	-
Total Deferred Amounts Related to Pensions	\$ 1,290,624	\$ 74,545

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2022

NOTE M - DEFINED BENEFIT PENSION PLANS (Continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

<u>IMRF</u>	Net Deferred Outflows of Resources
<u>Year Ending December 31,</u>	<u>Resources</u>
2023	\$ 488,209
2024	1,438,052
2025	2,278,305
2026	3,797,395
2027	-
Thereafter	-
Total	<u>\$ 8,001,961</u>

<u>SLEP</u>	Net Deferred Outflows of Resources
<u>Year Ending December 31,</u>	<u>Resources</u>
2023	\$ 126,995
2024	254,348
2025	355,293
2026	479,443
2027	-
Thereafter	-
Total	<u>\$ 1,216,079</u>

12. Changes of assumption or other inputs that affected measurement of the total pension liability since the prior measurement date

	<u>2022</u>	<u>2021</u>
Investment rate of return - IMRF	7.25%	7.25%
Investment rate of return - SLEP	7.25%	7.25%
Municipal bond rate	4.05%	1.84%
Adjustment factor for market value - IMRF	0.003865352	0.001267315
Adjustment factor for market value - SLEP	0.003865352	0.001267315

LAKE COUNTY FOREST PRESERVE DISTRICT
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NOTES TO THE FINANCIAL STATEMENTS
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NOTE N - OTHER POSTEMPLOYMENT BENEFITS (OPEB)

1. Plan Description

The District's Health Insurance Plan (the Plan) is a single-employer defined benefit health care plan administered by the District. The Plan provides limited health care coverage at 100% of the active premium rate. The state of Illinois requires IMRF employers who offer health insurance to their active employees to offer the same health insurance to disabled members, retirees, and surviving spouses at the same premium rate for active employees. Therefore, an implicit rate subsidy exists for retirees (that is, the difference between the premium rate charged to retirees for the benefit and the estimated rate that would be applicable to those retirees if that benefit were acquired for them as a separate group) resulting from the participation in postemployment healthcare plans that cover both active employees and retirees. The plan operates on a pay-as-you-go funding basis. No assets are accumulated or dedicated to funding the retiree health insurance benefits.

2. Funding Policy

The contribution requirements for retired plan members and the District are established and may be amended by the Finance and Administration Committee. The required contribution is based on projected pay-as-you-go funding requirements. For fiscal period 2022, the District's contribution, which was 100% implicit, was \$95,721.

3. Employees Covered by Benefit Terms

At January 1, 2022, the actuarial valuation date, the following employees were covered by the benefit terms:

Active employees	190
Inactive Employees Entitled But Not Yet Receiving Benefits	-
Inactive Employees Currently Receiving Benefits	33
	223

4. Total OPEB Liability

The District's total OPEB liability of \$714,898 was measured as of 12/31/2022, and was determined by an actuarial valuation as of 1/1/2022.

Inflation	3.00%	
Health Care Trend Rates		
Initial Health Care Cost Trend Rate		
- Medical Plans	5.50%	
Ultimate Health Care Cost Trend Rate		
- Medical Plans	4.50%	
Election at Retirement	5.00%	Employees with less than one year of coverage from the conversion of unused sick time
	10.00%	Employees having between one year and three years of coverage from the conversion of unused sick time
	70.00%	Employees with three or more years of coverage from the conversion of unused sick time
Discount Rate	4.31%	

Since the District funds the plan on a pay-as-you-go basis, the discount rate is based on the S&P Municipal Bond 20-Year High Grade Rate Index as of December 31, 2022.

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NOTE N - OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

Rates of Mortality, Retirement and Disability were from those found in the December 31, 2021 IMRF Actuarial Valuation Report.

5. Changes in Total OPEB Liability

Changes in the District's total OPEB liability for the period ended December 31, 2022 was as follows:

	Total OPEB Liability
Balance at December 31, 2021	\$ 600,234
Service Cost	23,139
Interest	12,428
Difference Between Expected & Actual Experience	5,177
Changes in Assumptions and Other Inputs	169,640
Benefit Payments	<u>(95,721)</u>
 Net Changes	 <u>114,663</u>
 Balance at December 31, 2022	 <u>\$ 714,897</u>

6. Sensitivity of the Total OPEB Liability to Changes in the Discount Rate and Health Care Trend

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.31%) or 1-percentage-point higher (5.31%) than the current discount rate:

Discount Rate	1% Increase	Current Discount Rate	1% Decrease
Total OPEB Liability	\$ <u>684,663</u>	\$ <u>714,897</u>	\$ <u>747,249</u>

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using health care trend rates that were 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

Healthcare Trend	1% Increase	Current Healthcare Trend	1% Decrease
Total OPEB Liability	\$ <u>757,251</u>	\$ <u>714,897</u>	\$ <u>677,062</u>

LAKE COUNTY FOREST PRESERVE DISTRICT
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NOTE N - OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

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

For the period ended December 31, 2022, the District recognized an increase of OPEB expense of \$32,315. The District reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ 4,459	\$ 24,365
Changes in assumptions	300,229	79,978
	<u>\$ 304,688</u>	<u>\$ 104,343</u>

The amounts reported as deferred outflows and inflows of resources related to OPEB (\$304,688 and \$104,343) will be recognized in OPEB expense as follows:

Fiscal Year	Outflows	Inflows	Net Amount
2023	\$ 55,753	\$ 21,738	\$ (34,015)
2024	55,753	21,738	(34,015)
2025	53,859	19,587	(34,272)
2026	50,058	15,270	(34,788)
2027	46,883	12,388	(34,495)
Thereafter	42,382	13,622	(28,760)
Total	<u>\$ 304,688</u>	<u>\$ 104,343</u>	<u>\$ (200,345)</u>

NOTE O - IMPLEMENTATION OF GASB 87

In June 2017, The GASB issued statement No. 87 - Leases. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring 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. It 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 this 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, thereby enhancing the relevance and consistency of information about governments' leasing activities.

LAKE COUNTY FOREST PRESERVE DISTRICT
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NOTES TO THE FINANCIAL STATEMENTS
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NOTE P - NEW ACCOUNTING PRONOUNCEMENTS

The following is a description of GASB authoritative pronouncements which have been issued but not yet adopted by the District.

GASB Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements, will be effective for the District beginning with its year ending December 31, 2023. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements.

GASB Statement No. 96, Subscription-Based Information Technology Arrangements, will be effective for the District beginning with its year ending December 31, 2023. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended.

LAKE COUNTY FOREST PRESERVE DISTRICT
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NOTE P - NEW ACCOUNTING PRONOUNCEMENTS (Continued)

GASB Statement No. 99, Omnibus 2022 has provisions that will impact the District beginning with its year ending December 31, 2023 and others that will impact its year ending December 31, 2024. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements and accounting and financial reporting for financial guarantees.

GASB Statement No. 100, Accounting Changes and Error Corrections, will be effective for the District beginning with its year ending December 31, 2024. The objective of the statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent and comparable information for making decisions or assessing accountability.

GASB Statement No. 101, Compensated Absences, will be effective for the District beginning with its year ending December 31, 2024. The objective of the statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences.

Management of the District is still in the process of determining what effect, if any, the above Statements will have on the basic financial statements and related disclosures.

LAKE COUNTY FOREST PRESERVE DISTRICT

(A component unit of Lake County, Illinois)

NOTES TO THE FINANCIAL STATEMENTS

As of and for the Year Ended December 31, 2022

NOTE Q – COMPONENT UNIT

1. Nature of Activities and Summary of Significant Accounting Policies

Organization and Nature of Activities

The Preservation Foundation of the Lake County Forest Preserves (the Foundation) was established on February 20, 2007 as an Illinois not-for-profit corporation to provide financial assistance to benefit the Lake County Forest Preserve District's (the District) mission. The Foundation raises funds for a variety of purposes, including land acquisition, habitat restoration, development of trails or other amenities and educational programs. The Foundation is a component unit of the District.

The Foundation follows accounting standards established by the Financial Accounting Standards Board (FASB) to ensure consistent reporting of financial condition, results of activities and cash flows. References to Generally Accepted Accounting Principles (GAAP) in these footnotes are to the *FASB Accounting Standards Codification*, sometimes referred to as the Codification or ASC.

A summary of the Foundation's significant accounting policies follows:

Basis of Accounting

The financial statements of the Foundation are prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America for nonprofit organizations.

Net Assets

The Foundation's net assets, revenues, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Foundation and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions - Net assets that are not subject to donor-imposed stipulations.

Net Assets With Donor Restrictions - Net assets subject to donor-imposed stipulations. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources must be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource restricted has been fulfilled, or both.

Cash and Cash Equivalents

The Foundation considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents. The Foundation maintains its cash in bank deposit accounts which at times, may exceed federally insured limits. The Foundation has not experienced any losses in such accounts. The Foundation believes it is not exposed to any significant credit risk on cash and cash equivalents.

Certificates of Deposit

Certificates of deposit are reported at cost plus accrued interest. At December 31, 2022, the Foundation had two certificates of deposit that mature during 2023, with interest rates of between 0.05% and 0.50%. Terms of the certificates of deposit include penalties for early withdrawal.

LAKE COUNTY FOREST PRESERVE DISTRICT

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NOTES TO THE FINANCIAL STATEMENTS

As of and for the Year Ended December 31, 2022

NOTE Q – COMPONENT UNIT (Continued)

Investments

In accordance with the standards relating to accounting for certain investments held by not-for-profit organizations, the Foundation records investments at their fair or appraised values and both realized and unrealized gains and losses are reflected in the statement of activities.

Land Held for Resale

In fiscal year 2014, the Foundation received a donation of land for which it intended to sell. Land held for resale was recorded at the lower of cost or fair value less costs to sell. At December 31, 2021, the Foundation recorded this land at \$456,000, which was determined through independent evaluations of the current market value. During 2022, the land was sold for \$450,000.

Pledges Receivable

Pledges receivable, which includes unconditional promises to give, are reported at net realizable value and discounted to present value if not expected to be collected within one year. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contributions revenue in the statement of activities. The allowance for uncollectible pledges is based on management's estimate of the collectability of identified receivables. Management believes all pledges receivable are collectible and, therefore, no allowance is necessary as of December 31, 2022 and 2021.

Contributions

The Organization recognizes contributions when cash, securities or other assets or an unconditional promise to give is received. Conditional promises to give - that is, those with a measurable performance or other barrier and a right of return - are not recognized until the conditions on which they depend have been met.

In-Kind Contributions

The Foundation records various types of in-kind support including rent, professional services and various supplies. Contributions of tangible assets are recognized at fair market value when received. Contributed rent consists of office space provided to the Foundation by the District at no charge and is based on a square foot market value calculated by the District. Contributed professional services are recognized if the services received either create or enhance long-lived assets, or require specialized skills, are provided by those with the specialized skills and would need to be purchased if not provided by donation. Such values are reflected in the statement of activities as both revenue and expense. The total amount of in-kind contributions received from the District was \$521,087 and \$410,273 for the years ended December 31, 2022 and 2021, respectively. In addition, for the year ended December 31, 2022, the Foundation received \$4,600 in goods from outside donors. There were no amounts of in-kind contributions received from sources other than the District for the year ended December 31, 2021.

The in-kind contributions for the year ended December 31, 2022 consisted of \$510,604 for services from District personnel and \$10,483 for the use of space at the District. The in-kind contributions for the year ended December 31, 2021 consisted of \$400,193 for services from District personnel and \$10,080 for the use of space at the District. The contributed services relate to the employees of the District that provide services to the Foundation and are valued based on the compensation paid by the District. The contributed use of facilities is for the District space used by the employees while providing services to the Foundation and is valued based on the estimated cost per square foot. The \$4,600 of outside in-kind contributions for the year ended December 31, 2022 consisted of

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As of and for the Year Ended December 31, 2022

NOTE Q – COMPONENT UNIT (Continued)

commodities that were valued at the estimated cost to purchase similar items. Unless otherwise noted, contributed nonfinancial assets did not have donor-imposed restrictions.

Income Taxes

The Foundation has received notification that it qualifies as a tax-exempt organization under Section 501(c)(3) of the U.S. Internal Revenue Code and corresponding provisions of State law and, accordingly, is not subject to federal or state income taxes. However, any unrelated business income may be subject to taxation.

The Foundation follows the accounting standards for contingencies in evaluating uncertain tax positions. The guidance prescribes recognition threshold principles for the financial statement recognition of tax positions taken or expected to be taken on a tax return that are not certain to be realized. No liability has been recognized by the Foundation for uncertain tax positions as of December 31, 2022 and 2021. The Foundation's tax returns are subject to review and examination by federal and state authorities.

Estimates

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

New Accounting Pronouncement Adopted

During 2022, the Foundation adopted Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) No. 2020-07, *Not-for-Profit Entities (Topic 958) Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. ASU No. 2020-07 improves financial reporting by providing new presentation and disclosure requirements about contributed nonfinancial assets, including additional disclosure requirements for recognized contributed services. The Foundation has adjusted the disclosures accordingly. ASU No. 2020-07 has been applied retrospectively to all periods presented.

Subsequent Events

The Foundation has evaluated subsequent events for potential recognition and/or disclosure through May 16, 2023, the date the financial statements were approved and available to be issued.

2. Investments and Fair Value

Fair Value Hierarchy

Fair value is defined in the guidance as the exchange price that would be received to sell an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the assets or liabilities in an orderly transaction between market participants at the measurement date. Under this guidance, a three-level hierarchy is used for fair value measurements which is based upon the transparency of information, such as pricing source, used in the valuation of an asset or liability as of the measurement date.

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NOTES TO THE FINANCIAL STATEMENTS

As of and for the Year Ended December 31, 2022

NOTE Q – COMPONENT UNIT (Continued)

Financial instruments measured and reported at fair value are classified and disclosed in one of the following three categories.

Level 1 - Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the reporting entity can access at the measurement date.

Level 2 - Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. This includes quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, or market-corroborated inputs.

Level 3 - Inputs are unobservable for the asset or liability. Unobservable inputs reflect the assumptions that market participants would use in pricing the asset or liability (including assumptions about risk) using the best information available in the circumstances, which may include using the reporting entity's own data.

Valuation Techniques and Inputs

Level 1 assets include investments in stocks and exchange traded funds (ETFs), fixed income securities (U.S. Treasury bills and notes) and mutual funds for which quoted prices are readily available.

Level 2 assets include investments in corporate bonds and certificates of deposit which are not traded on a regular basis.

There have been no changes in the techniques and inputs used as of December 31, 2022 and 2021.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, the level in the fair value hierarchy within which the fair value measurement in its entirety falls has been determined based on the lowest level input that is significant to the fair value measurement in its entirety. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the asset or liability.

While the Foundation believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different estimate of fair value at the reporting date.

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As of and for the Year Ended December 31, 2022

NOTE Q – COMPONENT UNIT (Continued)

The following table presents information about the Foundation's assets measured at fair value on a recurring basis as of December 31, 2022 based upon the three-tier hierarchy:

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Stocks and ETFs	\$ 1,404,576	\$ 1,404,576	\$ -	\$ -
Mutual funds	36,934	36,934	-	-
Certificates of deposit	636,803	-	636,803	-
Fixed income securities	<u>1,400,104</u>	<u>1,303,159</u>	<u>96,945</u>	<u>-</u>
Subtotal	3,478,417	<u>\$ 2,744,669</u>	<u>\$ 733,748</u>	<u>\$ -</u>
Short-term investments	<u>44,962</u>			
Total	<u>\$ 3,523,379</u>			

The following table presents information about the Foundation's assets measured at fair value on a recurring basis as of December 31, 2021 based upon the three-tier hierarchy:

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Stocks and ETFs	\$ 763,999	\$ 763,999	\$ -	\$ -
Mutual funds	<u>57,942</u>	<u>57,942</u>	<u>-</u>	<u>-</u>
Subtotal	821,941	<u>\$ 821,941</u>	<u>\$ -</u>	<u>\$ -</u>
Short-term investments	<u>23,940</u>			
Total	<u>\$ 845,881</u>			

* Certain investments that are measured at cost have not been classified in the fair value hierarchy.

3. Pledges Receivable, Net

Pledges receivable at December 31 consists of the following:

	<u>2022</u>	<u>2021</u>
Gross unconditional promises to give	\$ 645,316	\$ 2,571,083
Less unamortized discount	<u>(33,075)</u>	<u>(12,636)</u>
Net unconditional promises to give	<u>\$ 612,241</u>	<u>\$ 2,558,447</u>
Amounts due in:		
Less than one year	\$ 382,516	\$ 2,318,683
One to five years	<u>262,800</u>	<u>252,400</u>
	<u>\$ 645,316</u>	<u>\$ 2,571,083</u>

Amounts that are expected to be collected after one year have been discounted at 4.99% and are reflected in the financial statements at their net present value.

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NOTES TO THE FINANCIAL STATEMENTS

As of and for the Year Ended December 31, 2022

NOTE Q – COMPONENT UNIT (Continued)

4. Net Assets With Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes or periods at December 31, 2022 and 2021, respectively:

	2022	2021
Subject to expenditure for specified purpose:		
Education	\$ 304,146	\$ 186,450
Natural resources	4,429,955	2,070,362
Facilities	5,000	5,000
Operations and infrastructure	23,052	11,423
Planning and land preservation	(820)	1,152
Fall Golf Classic	53,516	53,516
Fred Fest	36,930	36,930
Gratitude in the Woods	4,663	4,663
	4,856,442	2,369,496
Subject to the passage of time:		
Pledges receivable	100,000	2,215,364
Endowments:		
Subject to appropriations and expenditure when a specified event occurs:		
Restricted by donors for:		
Education programs	10,359	12,248
Middlefork Savanna	1,017,803	12,573
Grassy Lake	289,784	337,303
General operations of Lake County Forest Preserve District	15,950	18,860
Habitat Restoration	1,890,903	835,659
Adopt an acre	3,131	2,889
Adopt a trail	3,051	555
Benches	104,947	81,495
1000 Oaks	20,574	19,500
Legacy gift	526,556	-
Grainer Woods	522,909	-
Trailside benches	50,316	-
Mill Creek WB Sedge Meadow	165,000	-
Total endowments	4,621,283	1,321,082
	\$ 9,577,725	\$ 5,905,942

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors totaling \$333,174 and \$461,544 for the years ended December 31, 2022 and 2021, respectively.

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NOTES TO THE FINANCIAL STATEMENTS

As of and for the Year Ended December 31, 2022

NOTE Q – COMPONENT UNIT (Continued)

5. Functional Allocation of Expenses

Expenses consisted of the following for the year ended December 31, 2022:

	<u>Program</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Grants	\$ 411,435	\$ -	\$ -	\$ 411,435
Bank and credit card fees	-	646	3,234	3,880
Professional services	-	20,005	2,429	22,434
In-kind contribution of:				
Salaries	-	62,966	245,049	308,015
Benefits	-	21,777	60,814	82,591
Commodities	-	6,095	6,095	12,190
Professional services	-	56,204	56,204	112,408
Rent	-	-	10,483	10,483
Total	<u>\$ 411,435</u>	<u>\$ 167,693</u>	<u>\$ 384,308</u>	<u>\$ 963,436</u>

Expenses consisted of the following for the year ended December 31, 2021:

	<u>Program</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Grants	\$ 533,188	\$ -	\$ -	\$ 533,188
Bank and credit card fees	-	613	4,071	4,684
Professional services	-	620	666	1,286
In-kind contribution of:				
Salaries	-	58,836	226,044	284,880
Benefits	-	12,641	25,988	38,629
Commodities	-	1,823	1,823	3,646
Professional services	-	36,519	36,519	73,038
Rent	-	-	10,080	10,080
Total	<u>\$ 533,188</u>	<u>\$ 111,052</u>	<u>\$ 305,191</u>	<u>\$ 949,431</u>

The financial statements report certain categories of expenses that are attributable to one or more program or supporting functions. Therefore, expenses require allocation on a reasonable basis that is consistently applied. Rent expense and other occupancy costs are allocated based on occupied space. Costs of categories such as salaries, benefits, commodities and professional services are allocated based on estimates of time and effort.

The Foundation and the District are organizations affiliated through common members of their respective Boards. The Foundation provides grants to the District for supporting projects such as the museum exhibits and restoration projects. The total amounts provided to the District during the years ended December 31, 2022 and 2021 was \$385,435 and \$281,188, respectively, and included in grants in the above tables.

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NOTES TO THE FINANCIAL STATEMENTS

As of and for the Year Ended December 31, 2022

NOTE Q – COMPONENT UNIT (Continued)

6. Endowment

The Foundation's endowment (the Endowment) consists of thirteen separate donor restricted endowment funds. The purposes of the endowment funds are 1) to supports education programs each year, 2) to support the Middlefork Savanna, 3) to be used toward the general operations of the Lake County Forest Preserve District, 4) to support Grassy Lake, 5) to be used for habitat restoration, 6) to be used for the adopt an acre program, 7) to be used for the adopt a trail program, 8) to be used for benches, 9) to be used for 1000 Oaks, 10) to be used for legacy gift, 11) to support Grainer Woods, 12) to be used for trailside benches and 13) to support the Mill Creek WB Sedge Meadow.

The Foundation's Board of Directors have interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) enacted in the State of Illinois as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. At December 31, 2022 and 2021, there were no such donor stipulations. As a result of this interpretation, we retain in perpetuity (a) the original value of initial and subsequent gifts amounts (including promises to give net of discount and allowance for doubtful accounts) donated to the endowment and (b) any accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

Donor-restricted amount not retained in perpetuity are subject to appropriations for expenditure by us in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. The duration and preservation of the fund
2. The purposes of the Foundation and the donor-restricted endowment fund
3. General economic conditions
4. The possible effect of inflation and deflation
5. The expected total return from income and the appreciation of investments
6. Other resources of the Foundation
7. The investment policies of the Foundation

As of December 31, 2022 and 2021, endowment net asset composition by type of fund consisted of the following:

	December 31, 2022		
	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds:			
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	\$ -	\$ 4,146,565	\$ 4,146,565
Earnings in excess of appropriations	-	474,718	474,718
	\$ -	\$ 4,621,283	\$ 4,621,283

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As of and for the Year Ended December 31, 2022

NOTE Q – COMPONENT UNIT (Continued)

	December 31, 2021		
	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds:			
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	\$ -	\$ 1,180,384	\$ 1,180,384
Earnings in excess of appropriations	-	140,698	140,698
	\$ -	\$ 1,321,082	\$ 1,321,082

Changes in endowment net assets for the years ended December 31, 2022 and 2021 are as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment, net assets December 31, 2021	\$ -	\$ 1,321,082	\$ 1,321,082
Contributions	-	2,966,181	2,966,181
Investment income	-	334,020	334,020
Endowment, net assets December 31, 2022	\$ -	\$ 4,621,283	\$ 4,621,283
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment, net assets December 31, 2020	\$ -	\$ 1,074,953	\$ 1,074,953
Contributions	-	153,050	153,050
Investment income	-	93,079	93,079
Endowment, net assets December 31, 2021	\$ -	\$ 1,321,082	\$ 1,321,082

Investment and Spending Policies

The Foundation has adopted investment and spending policies for the Endowment that attempt to provide a predictable stream of funding for operations while seeking to maintain the purchasing power of the endowment assets. Over time, long-term rates of return should be equal to an amount sufficient to maintain the purchasing power of the Endowment assets, to provide the necessary capital to fund the spending policy and to cover the costs of managing the Endowment investments. The target minimum rate of return is 5% annually over a five-year market cycle. Actual returns in any given year may vary from this amount. To satisfy this long-term rate-of-return objective, the investment portfolio is structured on a total-return approach through which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends).

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NOTES TO THE FINANCIAL STATEMENTS

As of and for the Year Ended December 31, 2022

NOTE Q – COMPONENT UNIT (Continued)

The Foundation adopted a spending policy in February 2019 that allows for annual distributions from the Endowment of up to 4% of the average total market value of the Endowment principal over the previous 12 quarters. There were no appropriations from the endowment for the years ended December 31, 2022 and 2021.

7. Liquidity and Funds Available

The Foundation's financial assets available for general expenditure as of December 31, 2022 and 2021, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

	<u>2022</u>	<u>2021</u>
Cash and cash equivalents	\$ 5,137,389	\$ 2,393,527
Certificates of deposit	750,413	-
Investments	3,523,379	845,881
Pledges receivable, net	<u>612,241</u>	<u>2,558,447</u>
Total financial assets	10,023,422	5,797,855
Less donor restricted amounts not available within one year	<u>(9,517,725)</u>	<u>(3,274,577)</u>
Total financial assets available for general expenditures within one year	<u>\$ 505,697</u>	<u>\$ 2,523,278</u>

The Foundation has a policy of using cash and investments in marketable securities to meet cash needs for grants and general expenditures as needed.

REQUIRED SUPPLEMENTARY INFORMATION

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)

Schedule of Pension Contributions
Illinois Municipal Retirement Fund/Sheriff's Law Enforcement Plan
REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended December 31, 2022

IMRF Plan					
Fiscal Year Ending December 31,	Actuarial Determined Contribution	Actual Contribution	Unfunded Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll
2013	\$ 1,466,946	\$ 1,466,946	\$ -	\$ 11,725,454	12.51%
2014	\$ 1,297,055	\$ 1,348,256	\$ (51,201)	\$ 11,268,938	11.96%
2015	\$ 1,413,407	\$ 1,425,772	\$ (12,365)	\$ 11,967,886	11.91%
2016	\$ 1,433,385	\$ 1,433,385	\$ -	\$ 11,559,556	12.40%
2017	\$ 1,466,007	\$ 1,482,330	\$ (16,323)	\$ 11,728,058	12.64%
2018	\$ 1,445,705	\$ 1,445,705	\$ -	\$ 12,067,658	11.98%
2019	\$ 1,258,324	\$ 1,258,323	\$ 1	\$ 12,633,771	9.96%
2020	\$ 1,512,047	\$ 1,512,046	\$ 1	\$ 12,901,425	11.72%
2021	\$ 1,510,558	\$ 1,524,222	\$ (13,664)	\$ 13,238,894	11.51%
2022	\$ 1,211,014	\$ 1,227,348	\$ (16,334)	\$ 13,049,725	9.41%

Notes to Schedule: Estimated based on contribution rate of 9.28% and covered valuation of payroll of 13,049,725.

*Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2022 Contributions Rate**

Methods and Assumptions Used to Determine 2022 Contribution Rates:

Actuarial Cost Method:	Aggregate entry age normal
Amortization Method:	Level percentage of payroll, closed
Remaining Amortization Period:	21-year closed period
Asset Valuation Method:	5-year smoothed market; 20% corridor
Wage Growth:	2.75%
Price Inflation:	2.25%, approximate; No explicit price inflation assumption is used in this valuation
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; last updated for the 2020 valuation pursuant to an experience study of the period 2017 to 2019.
Mortality:	For non-disabled 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-202. 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.

Other Information:

Notes: There were no benefit changes during the year

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Schedule of Pension Contributions
Illinois Municipal Retirement Fund/Sheriff's Law Enforcement Plan
REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended December 31, 2022

Sheriff's Law Enforcement Personnel Plan					
Fiscal Year Ending December 31,	Actuarial Determined Contribution	Actual Contribution	Unfunded Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll
2013	\$ 305,717	\$ 305,717	\$ -	\$ 1,429,152	21.39%
2014	\$ 243,924	\$ 243,924	\$ -	\$ 1,349,139	18.08%
2015	\$ 269,724	\$ 269,725	\$ (1)	\$ 1,523,005	17.71%
2016	\$ 232,580	\$ 232,838	\$ (258)	\$ 1,481,399	15.72%
2017	\$ 242,545	\$ 244,211	\$ (1,666)	\$ 1,542,909	15.83%
2018	\$ 236,488	\$ 236,488	\$ -	\$ 1,580,801	14.96%
2019	\$ 219,965	\$ 219,965	\$ -	\$ 1,611,466	13.65%
2020	\$ 262,685	\$ 262,685	\$ -	\$ 1,681,721	15.62%
2021	\$ 287,509	\$ 287,384	\$ 125	\$ 1,739,317	16.52%
2022	\$ 241,997	\$ 241,998	\$ (1)	\$ 1,836,095	13.18%

Notes to Schedule: Estimated based on contribution rate of 13.18% and covered valuation of payroll of 1.836.095.

*Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2022 Contributions Rate**

Methods and Assumptions Used to Determine 2022 Contribution Rates:

Actuarial Cost Method:	Aggregate entry age normal
Amortization Method:	Level percentage of payroll, closed
Remaining Amortization Period:	21-year closed period
Asset Valuation Method:	5-year smoothed market; 20% corridor
Wage Growth:	2.75%
Price Inflation:	2.25%, approximate; No explicit price inflation assumption is used in this valuation
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; last updated for the 2020 valuation pursuant to an experience study of the period 2017 to 2019.
Mortality:	For non-disabled 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-202. 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.

Other Information:

Notes: There were no benefit changes during the year

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Schedule of Changes in Net Pension Liability and Related Ratios
Illinois Municipal Retirement Fund/Sheriff's Law Enforcement Plan
REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended December 31, 2022

IMRF Plan									
	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability									
Service Cost	\$ 1,202,557	\$ 1,213,289	\$ 1,315,073	\$ 1,261,738	\$ 1,142,908	\$ 1,260,324	\$ 1,291,502	\$ 1,239,731	\$ 1,325,778
Interest on the Total Pension Liability	6,360,188	5,976,888	5,784,867	5,504,652	5,225,419	5,107,129	4,950,228	4,606,110	4,157,410
Difference between Expected and Actual Assumption Changes	395,344	2,038,875	(419,833)	193,186	608,597	18,085	(1,775,155)	908,311	685,889
Benefit Payments and Refunds	(4,190,106)	(3,683,477)	(3,187,482)	(3,054,913)	(2,880,233)	(2,477,640)	(2,247,711)	(2,114,789)	(1,739,464)
Net Changes in Total Pension Liability	3,767,983	5,545,575	2,947,451	3,904,663	6,281,904	1,837,204	1,957,495	4,811,890	6,295,345
Total Pension Liability-beginning	89,220,506	83,674,931	80,727,480	76,822,817	70,540,913	68,703,709	66,746,214	61,934,324	55,638,979
Total Pension Liability-ending (a)	\$ 92,988,489	\$ 89,220,506	\$ 83,674,931	\$ 80,727,480	\$ 76,822,817	\$ 70,540,913	\$ 68,703,709	\$ 66,746,214	\$ 61,934,324
Plan Fiduciary Net Pension									
Employer Contributions	\$ 1,227,348	\$ 1,524,222	\$ 1,512,046	\$ 1,258,323	\$ 1,445,705	\$ 1,482,330	\$ 1,433,385	\$ 1,425,772	\$ 1,348,256
Employee Contributions	592,157	650,398	602,594	602,412	549,061	566,969	523,115	571,942	524,758
Pension Plan Net Investment Income	(11,984,892)	13,837,940	10,535,658	11,823,094	(3,283,594)	9,990,419	3,860,273	279,649	3,212,918
Benefit Payments and Refunds	(4,190,106)	(3,683,477)	(3,187,482)	(3,054,913)	(2,880,233)	(2,477,640)	(2,247,711)	(2,114,789)	(1,739,464)
Other	(440,152)	468,676	210,615	76,044	1,023,684	(656,097)	(88,016)	(582,838)	37,835
Net Change in Plan Fiduciary Net Pension	(14,795,645)	12,797,759	9,673,431	10,704,960	(3,145,377)	8,905,981	3,481,046	(420,264)	3,384,303
Plan Fiduciary Net Pension-beginning	97,985,850	85,188,091	75,514,660	64,809,700	67,955,077	59,049,096	55,568,050	55,988,314	52,604,011
Plan Fiduciary Net Pension-ending (b)	\$ 83,190,205	\$ 97,985,850	\$ 85,188,091	\$ 75,514,660	\$ 64,809,700	\$ 67,955,077	\$ 59,049,096	\$ 55,568,050	\$ 55,988,314
Net Pension Liability/(Asset)-ending (a)-(b)	9,798,284	(8,765,344)	(1,513,160)	5,212,820	12,013,117	2,585,836	9,654,613	11,178,164	5,946,010
Plan Fiduciary Net Pension as a Percentage of Total Pension Liability	89.46%	109.82%	101.81%	93.54%	84.36%	96.33%	85.95%	83.25%	90.40%
Covered Payroll	\$ 13,049,725	\$ 13,238,894	\$ 12,901,425	\$ 12,633,771	\$ 12,067,658	\$ 11,728,058	\$ 11,559,556	\$ 11,967,886	\$ 11,268,938
Net Pension Liability as a Percentage of Covered Payroll	75.08%	-66.21%	-11.73%	41.26%	99.55%	22.05%	83.52%	93.40%	52.76%

Notes to Schedule:

This Schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

The following are changes of assumption or other inputs that affected measurement of the total pension liability since the prior measurement date:

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Investment rate of return - IMRF	7.25%	7.25%	7.25%	7.25%	7.25%	7.50%	7.50%	7.50%	7.50%
Adjustment factor for market value - IMRF	0.0038653520	0.0012673150	0.0032114350	0.0006568629	0.0027705476	0.0000820765	0.002057409	0.000163582	0.00739151

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)

Schedule of Changes in Net Pension Liability and Related Ratios
Illinois Municipal Retirement Fund/Sheriff's Law Enforcement Plan
REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended December 31, 2022

Sheriff's Law Enforcement Personnel Plan (SLEP)									
	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability									
Service Cost	\$ 317,835	\$ 305,790	\$ 320,940	\$ 307,627	\$ 294,697	\$ 303,110	\$ 301,447	\$ 279,680	\$ 258,894
Interest on the Total Pension Liability	859,163	787,665	745,442	674,931	628,922	597,637	565,718	509,679	478,256
Difference between Expected and Actual Assumption Changes	265,836	184,869	(85,461)	212,408	(109,266)	(246,294)	(251,481)	96,246	(257,596)
Benefit Payments and Refunds	(257,152)	(339,176)	(256,684)	(201,421)	(167,604)	(220,368)	(160,492)	(138,327)	(148,924)
Net Changes in Total Pension Liability	1,185,682	939,148	631,208	993,545	934,203	394,958	444,617	757,459	403,283
Total Pension Liability-beginning	<u>11,820,185</u>	<u>10,881,037</u>	<u>10,249,829</u>	<u>9,256,284</u>	<u>8,322,081</u>	<u>7,927,123</u>	<u>7,482,506</u>	<u>6,725,047</u>	<u>6,321,764</u>
Total Pension Liability-ending (a)	<u>\$ 13,005,867</u>	<u>\$ 11,820,185</u>	<u>\$ 10,881,037</u>	<u>\$ 10,249,829</u>	<u>\$ 9,256,284</u>	<u>\$ 8,322,081</u>	<u>\$ 7,927,123</u>	<u>\$ 7,482,506</u>	<u>\$ 6,725,047</u>
Plan Fiduciary Net Pension									
Employer Contributions	\$ 241,998	\$ 287,384	\$ 262,685	\$ 219,965	\$ 236,488	\$ 244,211	\$ 232,838	\$ 269,725	\$ 243,924
Employee Contributions	188,053	137,058	126,129	120,860	118,560	116,458	111,214	127,394	101,186
Pension Plan Net Investment Income	(1,425,624)	1,793,729	1,342,350	1,398,623	(314,702)	1,163,948	458,218	32,483	360,257
Benefit Payments and Refunds	(257,152)	(339,176)	(256,684)	(201,421)	(167,604)	(220,368)	(160,492)	(138,327)	(148,924)
Other	(11,532)	60,134	27,136	59,296	68,890	(114,393)	9,611	(158,994)	3,085
Net Change in Plan Fiduciary Net Pension	(1,264,257)	1,939,129	1,501,616	1,597,323	(58,368)	1,189,856	651,389	132,281	559,528
Plan Fiduciary Net Pension-beginning	<u>13,320,517</u>	<u>11,381,388</u>	<u>9,879,772</u>	<u>8,282,449</u>	<u>8,340,817</u>	<u>7,150,961</u>	<u>6,499,572</u>	<u>6,367,291</u>	<u>5,807,763</u>
Plan Fiduciary Net Pension-ending (b)	<u>\$ 12,056,260</u>	<u>\$ 13,320,517</u>	<u>\$ 11,381,388</u>	<u>\$ 9,879,772</u>	<u>\$ 8,282,449</u>	<u>\$ 8,340,817</u>	<u>\$ 7,150,961</u>	<u>\$ 6,499,572</u>	<u>\$ 6,367,291</u>
Net Pension Liability/(Asset)-ending (a)-(b)	949,607	(1,500,332)	(500,351)	370,057	973,835	(18,736)	776,162	982,934	357,756
Plan Fiduciary Net Pension as a Percentage of Total Pension Liability	92.70%	112.69%	104.60%	96.39%	89.48%	100.23%	90.21%	86.86%	94.68%
Covered Payroll	\$ 1,836,095	\$ 1,739,317	\$ 1,681,721	\$ 1,611,466	\$ 1,580,801	\$ 1,542,909	\$ 1,481,399	\$ 1,523,005	\$ 1,348,139
Net Pension Liability as a Percentage of Covered Payroll	51.72%	-86.26%	-29.75%	22.96%	61.60%	-1.21%	52.39%	64.54%	26.52%

Notes to Schedule:

This Schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

The following are changes of assumption or other inputs that affected measurement of the total pension liability since the prior measurement date:

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Investment rate of return - SLEP	7.25%	7.25%	7.25%	7.25%	7.25%	7.50%	7.50%	7.50%	7.50%
Adjustment factor for market value - SLEP	0.0038653520	0.0012673150	0.0032114350	0.0006568629	0.0027705476	0.0000820765	0.002057409	0.000163582	0.00739151

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
Schedule of Changes in Total OPEB Liability and Related Ratios
For the Year Ended December 31, 2022

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB liability					
Service cost	\$ 23,139	\$ 15,392	\$ 13,258	\$ 20,844	\$ 16,531
Interest	12,428	12,091	18,536	27,832	19,939
Changes of benefit terms	-	-	-	-	-
Differences between expected and actual experience	5,177	-	(5,899)	-	(58,645)
Changes of assumptions	169,640	(6,006)	81,732	(6,886)	4,697
Benefit payments, including refunds of member contributions	(95,721)	(95,469)	(49,951)	(61,840)	(80,643)
Other changes	-	-	22,987	(788)	45,177
Net change in total OPEB liability	<u>114,663</u>	<u>(73,992)</u>	<u>80,663</u>	<u>(20,838)</u>	<u>(52,944)</u>
Total OPEB liability - beginning	<u>600,234</u>	<u>674,226</u>	<u>593,563</u>	<u>614,401</u>	<u>667,345</u>
Total OPEB liability - ending (a)	<u>\$ 714,897</u>	<u>\$ 600,234</u>	<u>\$ 674,226</u>	<u>\$ 593,563</u>	<u>\$ 614,401</u>
Plan fiduciary net position					
Employer contributions	\$ -	\$ -	\$ -	\$ -	\$ -
Employee contributions	-	-	-	-	-
Net investment income	-	-	-	-	-
Benefit payments, including refunds of member contributions	-	-	-	-	-
Administration	-	-	-	-	-
Other (net transfer)	-	-	-	-	-
Net change in plan fiduciary net position	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Plan fiduciary net position - beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Plan fiduciary net position - ending (b)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's total OPEB liability - ending (a) - (b)	<u>\$ 714,897</u>	<u>\$ 600,234</u>	<u>\$ 674,226</u>	<u>\$ 593,563</u>	<u>\$ 614,401</u>
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%	0.00%	0.00%
Covered-employee payroll	\$ 15,319,848	\$ 14,968,429	\$ 14,391,917	\$ 13,733,632	\$ 12,946,486
District's total OPEB liability as a percentage of covered-payroll	4.67%	4.01%	4.68%	4.32%	4.75%

Notes to Schedule:

The District implemented GASB Statement No. 75 in fiscal year 2018. Information prior to fiscal year 2018 is not available.

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
Schedule of Employer OPEB Contributions
For the Year Ended December 31, 2022

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Actuarially determined contribution	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions in relation to the actuarially determined contribution	-	-	-	-	-
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 15,319,848	\$ 14,968,429	\$ 14,391,917	\$ 13,733,632	\$ 12,946,486
Contributions as a percentage of covered-payroll	0.00%	0.00%	0.00%	0.00%	0.00%

Notes to Schedule:

The District implemented GASB Statement No. 75 in fiscal year 2018. Information prior to fiscal year 2018 is not available.

There are no assets accumulated in a trust that meets the criteria of GASB codification P22.101 or P52.101 to pay related benefits for the OPEB plan.

Valuation date:

Actuary valuations are as of December 31 of the fiscal year prior to the fiscal year in which the net OPEB liability is reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal	
Amortization method	Straight line	
Remaining amortization period	7.21 years	
Asset valuation method	Market value	
Election at retirement	5.00%	Actives less than 1 year
Election at retirement	10.00%	Actives between 1-3 years
Election at retirement	70.00%	Actives 3 or more years
Salary increases	4.00%	
Discount rate	4.31%	
Healthcare cost trend rate - initial	5.50%	
Healthcare cost trend rate - ultimate	4.50%	
Mortality - Active Employees	PubG.H-2010(B) Mortality Table General with future mortality improvement using Scale MP-2020	
Mortality - Retirees	PubG.H-2010(B) Mortality Table General, Male adjusted 106% and Female adjusted 105% tables, with future mortality improvement using Scale MP-2020	

Other information:

There were no benefit changes during the year.

Lake County Forest Preserve District
(A component unit of Lake County, Illinois)
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
General Fund
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Property taxes	\$ 17,555,750	\$ 17,555,750	\$ 17,580,899	\$ 25,149
Replacement taxes	900,000	900,000	3,707,907	2,807,907
Investment income (loss)	431,600	431,600	(372,468)	(804,068)
Grants & contributions	34,000	74,000	98,208	24,208
Land and building rentals	383,880	383,880	367,201	(16,679)
Charges for services and sales	1,279,700	1,279,700	1,411,650	131,950
Permits	849,100	849,100	976,912	127,812
Easements and licenses	27,800	27,800	29,742	1,942
Programs and admissions	215,650	215,650	214,959	(691)
Other revenue	155,120	155,120	305,038	149,918
Total revenues	<u>21,832,600</u>	<u>21,872,600</u>	<u>24,320,047</u>	<u>2,447,447</u>
Expenditures				
Current:				
General government	7,629,880	7,789,544	7,036,581	(752,963)
Education	2,519,390	2,570,232	2,259,944	(310,288)
Public safety	3,328,310	3,328,310	3,263,398	(64,912)
Recreation	1,120,990	1,154,169	971,672	(182,497)
Maintenance & development	6,526,360	6,526,360	6,354,822	(171,538)
Capital outlay	1,896,616	5,146,182	1,189,294	(3,956,888)
Lease outlay	-	-	64,916	64,916
Lease Principal Payment	-	-	12,051	12,051
Lease interest	-	-	838	838
Total expenditures	<u>23,021,546</u>	<u>26,514,797</u>	<u>21,153,516</u>	<u>(5,361,281)</u>
Excess (deficiency) of revenues over expenditures	<u>(1,188,946)</u>	<u>(4,642,197)</u>	<u>3,166,531</u>	<u>7,808,728</u>
Other financing sources (uses)				
Sale of capital assets	6,000	6,000	48,410	42,410
Lease value	-	-	64,916	64,916
Transfers out	(200,000)	(200,000)	(204,500)	(4,500)
Total other financing sources (uses)	<u>(194,000)</u>	<u>(194,000)</u>	<u>(91,174)</u>	<u>102,826</u>
Net change in fund balance	<u>(1,382,946)</u>	<u>(4,836,197)</u>	3,075,358	<u>7,911,555</u>
Fund balances, beginning of year			<u>29,907,085</u>	
Fund balances, end of year			<u>\$ 32,982,443</u>	

See independent auditors' report and notes to required supplementary information.

Lake County Forest Preserve District
(A component unit of Lake County, Illinois)
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
Land Development Fund
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Property taxes	\$ 6,550,000	\$ 6,550,000	\$ 6,534,482	\$ (15,518)
Investment income (loss)	130,000	130,000	(285,608)	(415,608)
Charges for services and sales	-	-		-
Grants & contributions	352,650	4,257,181	348,414	(3,908,767)
Other revenue	1,000	1,000	11,945	10,945
Total revenues	<u>7,033,650</u>	<u>10,938,181</u>	<u>6,609,233</u>	<u>(4,328,948)</u>
Expenditures				
Current:				
Maintenance & development	4,529,160	4,579,771	3,947,285	(632,486)
Natural resources	2,269,140	2,487,338	1,980,127	(507,211)
Capital outlay	1,263,000	7,172,273	2,198,140	(4,974,133)
Principal Payment Lease	-	-	2,258	2,258
Interese Expense Lease	-	-	164	164
Total expenditures	<u>8,061,300</u>	<u>14,239,382</u>	<u>8,127,975</u>	<u>(6,111,407)</u>
Other financing sources (uses)				
Lease value	-	-	12,712	12,712
Transfers in	-	-	1,200,000	1,200,000
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>1,212,712</u>	<u>1,212,712</u>
Net change in fund balance	<u>\$ (1,027,650)</u>	<u>\$ (3,301,201)</u>	(306,029)	<u>\$ 2,995,172</u>
Fund balances, beginning of period			9,755,631	
Fund balances, end of period			<u>\$ 9,449,602</u>	

See independent auditors' report and notes to required supplementary information.

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended December 31, 2022

NOTE A - LEGAL COMPLIANCE AND ACCOUNTABILITY

Budgets

The District uses the modified accrual basis of accounting adjusted for encumbrances for its budgetary basis of accounting. Annual appropriated budgets are adopted for all funds. All appropriations lapse at fiscal year-end.

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

- a. In October, the Finance Committee, after reviewing the recommendations of the two Standing Committees, submits to the President and Board a proposed capital and operating budget for the fiscal year commencing January 1. The budget includes proposed expenditures and the means of financing them. The Board adopts the budget at its regular October meeting.
- b. The budget is legally enacted through the passage of the Annual Appropriation Ordinance, pursuant to statute and the District's Rules of Order and Operational Procedures, prior to the last day of the first quarter of the fiscal year. This Ordinance includes additional available funds for contingencies that may arise during the fiscal year and all bond proceeds.
- c. After adoption of the Annual Appropriation Ordinance, no further appropriations may be made, except by a two-thirds majority vote of the Board. The Board may make appropriations in excess of those authorized by the Appropriations Ordinance in order to meet an immediate emergency. The legal level of control is at the individual fund level. Total expenditures may not exceed total appropriations. Unencumbered appropriations lapse at fiscal year-end for all fund types.
- d. Annual appropriated budgets are adopted for the General Fund, Special Revenue Funds, Debt Service Fund, Capital Projects Funds, and Enterprise Funds.
- e. As of December 31, 2022, there was a budget amendment for \$22,190,649 to reflect carryover projects budgeted but not completed in fiscal year 2021. There were several budget amendments totaling \$326,160 for grants and donations awarded to the District during the year. In addition, there were budget amendments totaling \$266,370 for increased capital spending and operating activities approved by the Board.
- f. Encumbrance accounting is employed in the governmental funds to reserve that portion of the applicable appropriation for the future expenditure of resources under purchase orders, contracts, and other commitments. Encumbrances outstanding at year-end are reported as restricted or assigned fund balances and do not constitute expenditures or liabilities.

SUPPLEMENTARY INFORMATION

Lake County Forest Preserve District
(A component unit of Lake County, Illinois)
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
Debt Service Fund
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Property taxes	\$ 22,378,890	\$ 22,378,890	\$ 22,201,040	\$ (177,850)
Investment income	5,700	5,700	168,557	162,857
Total revenues	<u>22,384,590</u>	<u>22,384,590</u>	<u>22,369,597</u>	<u>(14,993)</u>
Expenditures				
Current:				
Debt service:				
Principal	16,095,000	16,095,000	15,805,000	(290,000)
Interest and fiscal charges	6,065,690	6,065,690	6,220,712	155,022
Total expenditures	<u>22,160,690</u>	<u>22,160,690</u>	<u>22,025,712</u>	<u>(134,978)</u>
Excess(deficiency) of revenues under expenditures	<u>223,900</u>	<u>223,900</u>	<u>343,885</u>	<u>119,985</u>
Other financing sources (uses)				
Transfers out	-	-	(1,354,329)	(1,354,329)
Total other financing sources (uses)	-	-	(1,354,329)	(1,354,329)
Net change in fund balance	<u>\$ 223,900</u>	<u>\$ 223,900</u>	<u>(1,010,444)</u>	<u>\$ (1,234,344)</u>
Fund balances, beginning of period			<u>2,178,374</u>	
Fund balances, end of period			<u>\$ 1,167,930</u>	

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for revenues that are restricted, committed or assigned to expenditures for particular purposes.

Retirement Fund

To account for employer contributions to the Illinois Municipal Retirement Fund, the Sheriff's Law Enforcement Retirement Plan, and Federal Insurance Compensation Act.

State Forfeiture Fund

To account for forfeiture funds received from the State.

Easements and Special Projects Fund

To account for easements and special projects.

Land Preparation Fund

To account for the funds used for projects or improvements on newly acquired sites.

Farmland Management Fund

To account for money used to restore and manage lands that are farmed or have been removed from or impacted by farming.

Tree Replacement Fund

To account for the money received from the collection of fees paid to the District for trees removed as part of easement agreements.

Donations and Grants Fund

To account for money received from nonenterprise fund sources and held by a governmental unit in the capacity of trustee for individuals, governmental entities, and nonpublic organizations.

CAPITAL PROJECTS FUND

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

Development Bond Projects Fund

To account for bond funds to be used for the purpose of constructing, acquiring, and improving major capital facilities in the District.

Capital Facilities Improvement Fund

To account for financial resources to be used for the purpose of constructing, acquiring, and improving major capital facilities in the District.

Lake County Forest Preserve District
(A component unit of Lake County, Illinois)
Combining Balance Sheet
Nonmajor Governmental Funds
As of December 31, 2022

	Special Revenue					
	Retirement Fund	State Forfeiture Fund	Easements & Special Projects Fund	Land Preparation Fund	Farmland Management Fund	Tree Replacement Fund
ASSETS						
Cash and investments	\$ 1,657,371	\$ 20,428	\$ 4,122,497	\$ 1,176,792	\$ 451,020	\$ 297,127
Property taxes receivable, net	2,216,403	-	-	-	-	-
Interest receivable	-	-	17,626	3,997	10	-
Grants receivable	-	-	-	-	-	-
Lease receivable	-	-	-	150,734	301,526	-
Other receivable	-	-	-	-	36,769	-
Total assets	<u>\$ 3,873,774</u>	<u>\$ 20,428</u>	<u>\$ 4,140,123</u>	<u>\$ 1,331,523</u>	<u>\$ 789,325</u>	<u>\$ 297,127</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities						
Accounts payable	\$ -	\$ -	\$ 275,706	\$ 20,946	\$ 36,686	\$ -
Accrued payroll & payroll tax	43,499	-	-	-	-	-
Other liabilities	111,127	-	131,562	7,953	6,980	-
Due to other fund	-	-	-	-	-	-
Other unearned revenue	-	-	-	1,331	-	-
Total liabilities	<u>154,626</u>	<u>-</u>	<u>407,268</u>	<u>30,230</u>	<u>43,666</u>	<u>-</u>
Deferred inflows of resources						
Unavailable property tax revenue	2,216,403	-	-	-	-	-
Deferred lease revenue	-	-	-	147,920	299,257	-
Unavailable grant revenue	-	-	-	-	-	-
Total deferred inflows of resources	<u>2,216,403</u>	<u>-</u>	<u>-</u>	<u>147,920</u>	<u>299,257</u>	<u>-</u>
Total liabilities and deferred inflows of resources	<u>2,371,029</u>	<u>-</u>	<u>407,268</u>	<u>178,150</u>	<u>342,923</u>	<u>-</u>
Fund balances(deficits)						
Restricted	1,502,745	-	-	-	-	297,127
Assigned	-	20,428	3,732,855	1,153,373	446,402	-
Total fund balances(deficits)	<u>1,502,745</u>	<u>20,428</u>	<u>3,732,855</u>	<u>1,153,373</u>	<u>446,402</u>	<u>297,127</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 3,873,774</u>	<u>\$ 20,428</u>	<u>\$ 4,140,123</u>	<u>\$ 1,331,523</u>	<u>\$ 789,325</u>	<u>\$ 297,127</u>

Lake County Forest Preserve District
(A component unit of Lake County, Illinois)
Combining Balance Sheet
Nonmajor Governmental Funds
As of December 31, 2022

Special Revenue		Capital Projects				
Donations and Grant Fund	Total	Development Bond Project Fund	Capital Facilities Improvement Fund	Total	Total Nonmajor Governmental Funds	
\$ 390,863	\$ 8,116,098	\$ 5,775,631	\$ 2,281,864	\$ 8,057,495	\$ 16,173,593	
-	2,216,403	-	-	-	2,216,403	
233	21,866	-	10,518	10,518	32,384	
542,083	542,083	441,349	-	441,349	983,432	
-	452,260	-	-	-	452,260	
240	37,009	4,800	-	4,800	41,809	
<u>\$ 933,419</u>	<u>\$ 11,385,719</u>	<u>\$ 6,221,780</u>	<u>\$ 2,292,382</u>	<u>\$ 8,514,162</u>	<u>\$ 19,899,881</u>	
\$ 26,116	359,454	\$ 12,288	\$ 15,772	28,060	\$ 387,514	
-	43,499	-	-	-	43,499	
16,529	274,151	215,767	100,828	316,595	590,746	
215,558	215,558	-	-	-	215,558	
-	1,331	-	-	-	1,331	
<u>258,203</u>	<u>893,993</u>	<u>228,055</u>	<u>116,600</u>	<u>344,655</u>	<u>1,238,648</u>	
-	2,216,403	-	-	-	2,216,403	
-	447,177	-	-	-	447,177	
542,083	542,083	441,349	-	441,349	983,432	
<u>542,083</u>	<u>3,205,663</u>	<u>441,349</u>	<u>-</u>	<u>441,349</u>	<u>3,647,012</u>	
<u>800,286</u>	<u>4,099,656</u>	<u>669,404</u>	<u>116,600</u>	<u>786,004</u>	<u>4,885,660</u>	
-	1,799,872	5,552,376	-	5,552,376	7,352,248	
133,133	5,486,191	-	2,175,782	2,175,782	7,661,973	
<u>133,133</u>	<u>7,286,063</u>	<u>5,552,376</u>	<u>2,175,782</u>	<u>7,728,158</u>	<u>15,014,221</u>	
<u>\$ 933,419</u>	<u>\$ 11,385,719</u>	<u>\$ 6,221,780</u>	<u>\$ 2,292,382</u>	<u>\$ 8,514,162</u>	<u>\$ 19,899,881</u>	

Lake County Forest Preserve District
(A component unit of Lake County, Illinois)
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2022

	Special Revenue					
	Retirement Fund	State Forfeiture Fund	Easements & Special Projects Fund	Land Preparation Fund	Farmland Management Fund	Tree Replacement Fund
Revenues						
Property taxes	\$ 2,581,873	\$ -	\$ -	\$ -	\$ -	\$ -
Investment income(loss)	22,300	297	(49,884)	(38,726)	3,118	2,948
Grants & contributions	-	-	-	-	-	-
Lease land and building rentals	-	-	-	-	267,950	-
Easements, licenses and leases	-	-	6,770	15,708	-	-
Other revenue	-	506	-	2,207	45,949	20,910
Total revenues	<u>\$ 2,604,173</u>	<u>\$ 803</u>	<u>\$ (43,114)</u>	<u>\$ (20,811)</u>	<u>\$ 317,017</u>	<u>\$ 23,858</u>
Expenditures						
Current:						
General government	2,403,809	-	7,025	-	-	-
Education	-	-	-	-	-	-
Maintenance & development	-	-	-	50,541	-	-
Natural resources	-	-	-	-	372,864	-
Capital outlay	-	-	911,521	-	-	-
Total expenditures	<u>2,403,809</u>	<u>-</u>	<u>918,546</u>	<u>50,541</u>	<u>372,864</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>200,364</u>	<u>803</u>	<u>(961,660)</u>	<u>(71,352)</u>	<u>(55,847)</u>	<u>23,858</u>
Other financing sources (uses)						
Transfers in	-	-	154,329	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>154,329</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	200,364	803	(807,331)	(71,352)	(55,847)	23,858
Fund balances(deficits) - beginning	1,302,381	19,625	4,540,186	1,224,725	502,249	273,269
Fund balances(deficits) - ending	<u>\$ 1,502,745</u>	<u>\$ 20,428</u>	<u>\$ 3,732,855</u>	<u>\$ 1,153,373</u>	<u>\$ 446,402</u>	<u>\$ 297,127</u>

Lake County Forest Preserve District
(A component unit of Lake County, Illinois)
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2022

Special Revenue		Capital Projects			Total Nonmajor Governmental Funds
Donations and Grant Fund	Total	Development Bond Project Fund	Capital Facilities Improvement Fund	Total	
\$ -	\$ 2,581,873	\$ -	\$ -	\$ -	\$ 2,581,873
1,972	(57,975)	70,687	(24,135)	46,552	(11,423)
158,542	158,542	-	-	-	158,542
-	267,950	-	-	-	267,950
-	22,478	-	-	-	22,478
69	69,641	-	-	-	69,641
<u>\$ 160,583</u>	<u>\$ 3,042,509</u>	<u>\$ 70,687</u>	<u>\$ (24,135)</u>	<u>\$ 46,552</u>	<u>\$ 3,089,061</u>
-	2,410,834	-	-	-	2,410,834
2,100	2,100	-	-	-	2,100
-	50,541	-	-	-	50,541
145,381	518,245	-	-	-	518,245
501,636	1,413,157	76,077	794,752	870,829	2,283,986
649,117	4,394,877	76,077	794,752	870,829	5,265,706
<u>(488,534)</u>	<u>(1,352,368)</u>	<u>(5,390)</u>	<u>(818,887)</u>	<u>(824,277)</u>	<u>(2,176,645)</u>
-	154,329	-	200,000	200,000	354,329
-	154,329	-	200,000	200,000	354,329
<u>(488,534)</u>	<u>(1,198,039)</u>	<u>(5,390)</u>	<u>(618,887)</u>	<u>(624,277)</u>	<u>(1,822,316)</u>
621,667	8,484,102	5,557,766	2,794,669	8,352,435	16,836,537
<u>\$ 133,133</u>	<u>\$ 7,286,063</u>	<u>\$ 5,552,376</u>	<u>\$ 2,175,782</u>	<u>\$ 7,728,158</u>	<u>\$ 15,014,221</u>

Lake County Forest Preserve District
(A component unit of Lake County, Illinois)
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
Retirement Fund
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Property taxes	\$ 2,581,370	\$ 2,581,370	\$ 2,581,873	\$ 503
Investment income	1,700	1,700	22,301	20,601
Total revenues	<u>2,583,070</u>	<u>2,583,070</u>	<u>2,604,174</u>	<u>21,104</u>
Expenditures				
Current:				
General government	<u>2,602,900</u>	<u>2,602,900</u>	<u>2,403,809</u>	<u>(199,091)</u>
Net change in fund balance	<u>\$ (19,830)</u>	<u>\$ (19,830)</u>	200,364	<u>\$ 220,194</u>
Fund balances, beginning of period			<u>1,302,381</u>	
Fund balances, end of period			<u>\$ 1,502,745</u>	

Lake County Forest Preserve District
(A component unit of Lake County, Illinois)
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
State Forfeiture Fund
For the Year Ended December 31, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Investment income	\$ 100	\$ 100	\$ 297	\$ 197
Other income	-	-	506	506
Total revenues	<u>100</u>	<u>100</u>	<u>803</u>	<u>703</u>
Expenditures				
Capital outlay	-	13,000	-	(13,000)
Net change in fund balance	<u>\$ 100</u>	<u>\$ (12,900)</u>	803	<u>\$ 13,703</u>
Fund balances, beginning of period			<u>19,625</u>	
Fund balances, end of period			<u>\$ 20,428</u>	

Lake County Forest Preserve District
(A component unit of Lake County, Illinois)
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
Easements & Special Projects Fund
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Investment income (loss)	\$ 60,000	\$ 60,000	\$ (49,885)	\$ (109,885)
Easements and licenses	-	-	6,770	6,770
Total revenues	<u>60,000</u>	<u>60,000</u>	<u>(43,115)</u>	<u>(103,115)</u>
Expenditures				
Current:				
General government	10,000	10,000	7,026	(2,975)
Capital outlay	-	4,077,391	911,521	(3,165,870)
Total expenditures	<u>10,000</u>	<u>4,087,391</u>	<u>918,546</u>	<u>(3,168,845)</u>
Excess(deficiency) of revenues under expenditures	<u>50,000</u>	<u>(4,027,391)</u>	<u>(961,661)</u>	<u>3,065,730</u>
Other financing sources (uses)				
Transfers in	-	-	154,329	154,329
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>154,329</u>	<u>154,329</u>
Net change in fund balance	<u>\$ 50,000</u>	<u>\$ (4,027,391)</u>	<u>(807,331)</u>	<u>3,220,060</u>
Fund balances, beginning of period			<u>4,540,186</u>	
Fund balances, end of period			<u>\$ 3,732,855</u>	

Lake County Forest Preserve District
(A component unit of Lake County, Illinois)
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
Land Preparation Fund
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Investment income(loss)	\$ 15,010	\$ 15,010	\$ (38,726)	\$ (53,736)
Easements & Licenses	13,890	13,890	15,708	1,818
Other revenue	-	-	2,207	2,207
Total revenues	<u>28,900</u>	<u>28,900</u>	<u>(20,811)</u>	<u>(49,711)</u>
Expenditures				
Maintenance & development	<u>150,000</u>	<u>150,000</u>	<u>50,541</u>	<u>(99,459)</u>
Net change in fund balance	<u>\$ (121,100)</u>	<u>\$ (121,100)</u>	(71,352)	<u>\$ 49,748</u>
Fund balances, beginning of period			<u>1,224,725</u>	
Fund balances, end of period			<u>\$ 1,153,373</u>	

Lake County Forest Preserve District
(A component unit of Lake County, Illinois)
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
Farmland Management Fund
For the Year Ended December 31, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Investment income	\$ 700	\$ 700	\$ 3,118	\$ 2,418
Lease land and building rentals	343,080	343,080	267,950	(75,130)
Other revenue	22,300	22,300	45,949	23,649
Total revenues	<u>366,080</u>	<u>366,080</u>	<u>317,016</u>	<u>(49,064)</u>
Expenditures				
Natural resources	<u>524,300</u>	<u>537,736</u>	<u>372,864</u>	<u>(164,872)</u>
Net change in fund balance	<u>(158,220)</u>	<u>(171,656)</u>	(55,848)	<u>115,808</u>
Fund balances, beginning of period			<u>502,249</u>	
Fund balances, end of period			<u>\$ 446,402</u>	

Lake County Forest Preserve District
(A component unit of Lake County, Illinois)
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
Tree Replacement Fund
For the Year Ended December 31, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Investment income	\$ 400	\$ 400	\$ 2,948	\$ 2,548
Other revenue	-	-	20,910	\$ 20,910
Total revenues	<u>400</u>	<u>400</u>	<u>23,858</u>	<u>23,458</u>
Expenditures				
Capital outlay	<u>49,984</u>	<u>190,898</u>	-	<u>(190,898)</u>
Net change in fund balance	<u>\$ (49,584)</u>	<u>\$ (190,498)</u>	23,858	<u>\$ 214,356</u>
Fund balances, beginning of period			<u>273,269</u>	
Fund balances, end of periods			<u>\$ 297,127</u>	

Lake County Forest Preserve District
(A component unit of Lake County, Illinois)
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
Donations and Grant Fund
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Investment income	\$ 1,650	\$ 1,650	\$ 1,972	\$ 322
Grants & contributions	300,810	1,560,139	158,542	(1,401,597)
Other revenue	-	-	69	69
Total revenues	<u>302,460</u>	<u>1,561,789</u>	<u>160,583</u>	<u>(1,401,206)</u>
Expenditures				
Current:				
Education	6,000	6,000	2,100	(3,900)
Natural resources	169,810	267,230	145,381	(121,849)
Capital outlay	125,000	1,300,138	501,636	(798,502)
Total expenditures	<u>300,810</u>	<u>1,573,368</u>	<u>649,117</u>	<u>(924,251)</u>
Excess (deficiency) of revenues over expenditures	<u>1,650</u>	<u>(11,579)</u>	<u>(488,534)</u>	<u>(476,955)</u>
Net change in fund balance	<u>\$ 1,650</u>	<u>\$ (11,579)</u>	(488,534)	<u>\$ (476,955)</u>
Fund balances, beginning of period			621,667	
Fund balances, end of period			<u>\$ 133,133</u>	

Lake County Forest Preserve District
(A component unit of Lake County, Illinois)
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
Development Bond Projects Fund
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Investment income	\$ 9,200	\$ 9,200	70,687	\$ 61,487
Grants & contributions	-	450,017	-	(450,017)
Total revenues	<u>9,200</u>	<u>459,217</u>	<u>70,687</u>	<u>(388,530)</u>
Expenditures				
Capital outlay	<u>207,704</u>	<u>5,859,983</u>	<u>76,077</u>	<u>(5,783,906)</u>
Net change in fund balance	<u>\$ (198,504)</u>	<u>\$ (5,400,766)</u>	\$ (5,390)	<u>\$ 5,395,376</u>
Fund balances, beginning of period			5,557,766	
Fund balances, end of period			<u>\$ 5,552,376</u>	

Lake County Forest Preserve District
(A component unit of Lake County, Illinois)
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
Capital Facilities Improvement Fund
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Investment income	\$ 45,000	\$ 45,000	\$ (24,135)	\$ (69,135)
Total revenues	<u>45,000</u>	<u>45,000</u>	<u>(24,135)</u>	<u>(69,135)</u>
Expenditures				
Capital outlay	<u>1,100,000</u>	<u>2,156,835</u>	<u>794,752</u>	<u>(1,362,083)</u>
Excess (deficiency) of revenues over expenditures	<u>(1,055,000)</u>	<u>(2,111,835)</u>	<u>(818,887)</u>	<u>1,292,948</u>
Other financing sources				
Transfers in	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>	<u>-</u>
Net change in fund balance	<u>\$ (855,000)</u>	<u>\$ (1,911,835)</u>	<u>(618,887)</u>	<u>\$ 1,292,948</u>
Fund balances, beginning of period			<u>2,794,669</u>	
Fund balances, end of period			<u>\$ 2,175,782</u>	

INTERNAL SERVICE FUNDS

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units, on a cost reimbursement basis. The internal service funds are used to recover the full cost of providing a service through user charges.

Vehicle Replacement Fund

To account for the vehicle rental charges to departments. This fund was established to accumulate resources for the future funding of replacement vehicles. Organizational units are billed for rental charges at the rate established for each type of vehicle.

Information Technology Replacement Fund

To account for the computer rental charges to departments. This fund was established to accumulate resources for the future funding of computer equipment.

Equipment Replacement Fund

To account for the equipment rental charges to departments. This fund was established to accumulate resources for the future funding of equipment replacement.

Lake County Forest Preserve District
(A component unit of Lake County, Illinois)
Combining Statement of Net Position
Internal Service funds
As of December 31, 2022

	Vehicle Replacement Fund	IT Replacement Fund	Equipment Replacement Fund	Total Government Activities
ASSETS				
Current assets:				
Cash and investments	\$ 2,414,565	\$ 1,495,454	\$ 1,496,633	\$ 5,406,652
Interest receivable	13,821	4,047	4,221	22,089
Prepaid expenses	-	40,591	-	40,591
Total current assets	<u>2,428,386</u>	<u>1,540,092</u>	<u>1,500,854</u>	<u>5,469,332</u>
Noncurrent assets:				
Vehicles, machinery, and equipment	4,545,757	1,318,221	4,009,479	9,873,457
Less accumulated depreciation	<u>(2,758,341)</u>	<u>(936,981)</u>	<u>(1,952,052)</u>	<u>(5,647,374)</u>
Total noncurrent assets	<u>1,787,416</u>	<u>381,240</u>	<u>2,057,427</u>	<u>4,226,083</u>
Total assets	<u>4,215,802</u>	<u>1,921,332</u>	<u>3,558,281</u>	<u>9,695,415</u>
LIABILITIES				
Current liabilities:				
Accounts payable	-	1,370	81,677	83,047
Other Liabilities	-	886	-	886
Total current liabilities	<u>-</u>	<u>2,256</u>	<u>81,677</u>	<u>83,933</u>
NET POSITION				
Net investment in capital assets	1,787,416	381,240	2,057,427	4,226,083
Unrestricted	<u>2,428,386</u>	<u>1,537,836</u>	<u>1,419,177</u>	<u>5,385,399</u>
Total net position	<u>\$ 4,215,802</u>	<u>\$ 1,919,076</u>	<u>\$ 3,476,604</u>	<u>\$ 9,611,482</u>

Lake County Forest Preserve District
(A component unit of Lake County, Illinois)
Combining Statement of Revenues, Expenditures, and Changes in Net Position
Internal Service Funds
For the Year Ended December 31, 2022

	Vehicle Replacement Fund	IT Replacement Fund	Equipment Replacement Fund	Total Governmental Activities
Operating Revenues				
Equipment replacement charges	\$ 517,270	\$ 285,900	\$ 293,520	\$ 1,096,690
Total operating revenues	<u>517,270</u>	<u>285,900</u>	<u>293,520</u>	<u>1,096,690</u>
Operating expenses				
Commodities	-	34,856	-	34,856
Contractuals	-	114,379	-	114,379
Total operating expenses	<u>-</u>	<u>149,235</u>	<u>-</u>	<u>149,235</u>
Operating income before depreciation	517,270	136,665	293,520	947,455
Depreciation	<u>431,445</u>	<u>116,228</u>	<u>244,403</u>	<u>792,076</u>
Operating income (loss)	<u>85,825</u>	<u>20,437</u>	<u>49,117</u>	<u>155,379</u>
Nonoperating revenues (expenses)				
Gain on sale capital asset	32,598	12	24,472	57,082
Investment income (loss)	<u>(42,246)</u>	<u>(16,649)</u>	<u>(43,824)</u>	<u>(102,719)</u>
Total nonoperating revenues (expenses)	<u>(9,648)</u>	<u>(16,637)</u>	<u>(19,352)</u>	<u>(45,637)</u>
Income before capital contributions	76,177	3,800	29,765	109,742
Contributions of capital assets	<u>-</u>	<u>-</u>	<u>56,164</u>	<u>56,164</u>
Change in net position	76,177	3,800	85,929	165,906
Total net position, beginning of Period	4,139,625	1,915,276	3,390,675	9,445,576
Total net position, end of Period	<u>\$ 4,215,802</u>	<u>\$ 1,919,076</u>	<u>\$ 3,476,604</u>	<u>\$ 9,611,482</u>

Lake County Forest Preserve District
(A component unit of Lake County, Illinois)
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended December 31, 2022

	Vehicle Replacement Fund	IT Replacement Fund	Equipment Replacement Fund	Total Governmental Activities
Cash flows from operating activities:				
Receipts from interfund services provided	\$ 517,270	\$ 285,900	\$ 293,520	\$ 1,096,690
Payments to suppliers of goods and services	-	(147,780)	-	(147,780)
Net cash provided by operating activities	<u>517,270</u>	<u>138,120</u>	<u>293,520</u>	<u>948,910</u>
Cash flows from noncapital financing activities				
Receipts from grants	-	-	-	-
Net cash provided by noncapital financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash flows from capital and related financing activities:				
Acquisition of capital assets	(136,084)	(85,707)	(589,415)	(811,206)
Proceeds from sale of capital assets	<u>32,836</u>	<u>12</u>	<u>24,472</u>	<u>57,320</u>
Net cash provided (used) by capital and related financing activities	<u>(103,248)</u>	<u>(85,695)</u>	<u>(564,943)</u>	<u>(753,886)</u>
Cash flows from investing activities:				
Interest received	53,983	22,837	33,824	110,644
Purchase of investments	(332,000)	(84,000)	(146,000)	(562,000)
Proceeds from sale of investments	<u>56,016</u>	<u>96,161</u>	<u>494,976</u>	<u>647,153</u>
Net cash provided (used) by investing activities	<u>(222,001)</u>	<u>34,998</u>	<u>382,800</u>	<u>195,797</u>
Increase (decrease) in cash and cash equivalents	192,021	87,423	111,377	390,821
Cash and cash equivalents at beginning of year	<u>6,325</u>	<u>7,398</u>	<u>3,121</u>	<u>16,844</u>
Cash and cash equivalents at end of year	<u>\$ 198,346</u>	<u>\$ 94,821</u>	<u>\$ 114,498</u>	<u>\$ 407,665</u>
Cash and cash equivalents per statement of cash flow	\$ 198,346	\$ 94,821	\$ 114,498	\$ 407,665
Investments	<u>2,216,219</u>	<u>1,400,633</u>	<u>1,382,135</u>	<u>4,998,987</u>
Cash and investments per statement of net position	<u>\$ 2,414,565</u>	<u>\$ 1,495,454</u>	<u>\$ 1,496,633</u>	<u>\$ 5,406,652</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	\$ 85,825	\$ 20,437	\$ 49,117	\$ 155,379
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	431,445	116,228	244,403	792,076
Changes in assets and liabilities:				
Prepaid expense	-	(90)	-	(90)
Accounts payable	-	659	-	659
Other liabilities	-	886	-	886
Net cash provided (used) by operating activities	<u>\$ 517,270</u>	<u>\$ 138,120</u>	<u>\$ 293,520</u>	<u>\$ 948,910</u>
Noncash investing, capital, and financing activities				
Contribution of capital assets from other funds	\$ -	\$ -	\$ 56,164	\$ 56,164
Loss on early retirement of capital asset	\$ (59,660)	\$ -	\$ (29,925)	\$ (89,585)
(Decrease) increase in fair value of investments	\$ (96,538)	\$ (39,277)	\$ (76,891)	\$ (212,707)

Lake County Forest Preserve District
(A component unit of Lake County, Illinois)
Combining Statement of Revenues, Expenses, and Changes in Net Position
Enterprise Golf Courses
For the Year Ended December 31, 2022

	Countryside Golf Course	Brae Loch Golf Course	Thunderhawk Golf Course	2022 Total Golf Courses
Operating revenues				
Season passes	\$ 15,000	\$ -	\$ -	\$ 15,000
Greens fees	1,538,542	320,368	1,208,941	3,067,851
Gas cart rental	613,325	144,729	333,196	1,091,250
Hand cart rental	1,950	60	4,960	6,970
Practice range	176,656	-	55,047	231,703
Pro shop	44,842	7,006	123,873	175,721
Food & beverage concessions	314,574	4,057	305,626	624,257
Land and building rentals	-	-	4,500	4,500
Miscellaneous	11,984	4,049	10,352	26,385
Total operating revenues	<u>2,716,873</u>	<u>480,270</u>	<u>2,046,495</u>	<u>5,243,637</u>
Operating expenses				
Personal services	1,317,285	332,098	817,886	2,467,269
Commodities	343,064	99,210	226,199	668,472
Contractuals	301,605	102,128	256,030	659,762
Food & beverage concessions	88,521	-	86,550	175,071
Merchandise	17,556	2,717	83,573	103,846
Total operating expenses	<u>2,068,030</u>	<u>536,152</u>	<u>1,470,238</u>	<u>4,074,421</u>
Operating income before depreciation	648,842	(55,882)	576,257	1,169,217
Capital Outlay				
Depreciation	143,200	46,363	241,315	430,878
Amortization Expense - Leases	102,530	44,769	75,324	222,623
Total capital outlay	<u>245,730</u>	<u>91,132</u>	<u>316,638</u>	<u>653,501</u>
Operating income (loss)	<u>403,112</u>	<u>(147,014)</u>	<u>259,618</u>	<u>515,716</u>
Nonoperating revenues				
Gain (loss) on sale of capital assets	5,063	4,101	-	9,163
Interest Expense	7,149	3,122	5,252	15,523
Investment income (loss)	15,827	(4,315)	-	11,512
Total nonoperating revenues	<u>13,740</u>	<u>(3,336)</u>	<u>(5,252)</u>	<u>5,152</u>
Other financing sources (uses)				
Transfers in	-	-	4,500	4,500
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>4,500</u>	<u>4,500</u>
Change in net position	416,852	(150,350)	258,866	525,369
Total net position - beginning	11,966,734	1,826,760	5,902,901	19,696,395
Total net position - ending	<u>\$ 12,383,586</u>	<u>\$ 1,676,410</u>	<u>\$ 6,161,767</u>	<u>\$ 20,221,764</u>

STATISTICAL SECTION - UNAUDITED

STATISTICAL SECTION

This part of the Lake County Forest Preserve District's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information say about the government's overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the government's financial performance has changed over time.	108 - 113
Revenue Capacity These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.	114 - 118
Debt Capacity These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.	119 - 122
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.	123 - 125
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.	126 - 127

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

LAKE COUNTY FOREST PRESERVE DISTRICT

(A component unit of Lake County, Illinois)

Net Position by Component

Last Ten Years

(Accrual Basis of Accounting)

	Calendar	Calendar Year	Calendar Year	18 Month FY	Fiscal Year					
	Year 2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Government Activities										
Net investment in capital assets	\$ 550,998,023	\$ 538,227,314	\$ 521,843,943	\$ 510,540,422	\$ 481,937,893	\$ 471,475,617	\$ 465,679,539	\$ 451,716,433	\$ 431,029,147	\$ 424,561,937
Restricted	14,853,674	25,478,873	16,067,288	15,467,163	47,026,359	44,458,730	49,881,710	31,154,167	36,912,046	38,296,424
Unrestricted	40,435,246	30,596,027	30,306,836	26,995,994	34,491,151	34,699,865	34,394,147	57,355,174	53,684,022	52,892,754
Total Governmental activities net position	<u>\$ 606,286,943</u>	<u>\$ 594,302,214</u>	<u>\$ 568,218,067</u>	<u>\$ 553,003,579</u>	<u>\$ 563,455,403</u>	<u>\$ 550,634,212</u>	<u>\$ 549,955,396</u>	<u>\$ 540,225,774</u>	<u>\$ 521,625,215</u>	<u>\$ 515,751,115</u>
Business Activities										
Net investment in capital assets	\$ 16,573,161	\$ 16,897,300	\$ 17,071,674	\$ 17,435,409	\$ 17,106,509	\$ 17,404,131	\$ 17,812,663	\$ 18,231,845	\$ 18,390,800	\$ 18,656,267
Restricted	-	790,760	-	-	-	100,842	100,842	100,842	100,842	100,842
Unrestricted	3,648,603	2,008,335	1,297,215	(98,380)	613,742	594,433	990,708	1,076,308	2,297,685	2,463,295
Total Business-Type activities net position	<u>\$ 20,221,764</u>	<u>\$ 19,696,395</u>	<u>\$ 18,368,889</u>	<u>\$ 17,337,029</u>	<u>\$ 17,720,251</u>	<u>\$ 18,099,406</u>	<u>\$ 18,904,213</u>	<u>\$ 19,408,995</u>	<u>\$ 20,789,327</u>	<u>\$ 21,220,404</u>
Total Government										
Net investment in capital assets	\$ 567,571,184	\$ 555,124,614	\$ 538,915,617	\$ 527,975,831	\$ 499,044,402	\$ 488,879,748	\$ 483,492,202	\$ 469,948,278	\$ 449,419,947	\$ 443,218,204
Restricted	14,853,674	26,269,633	16,067,288	15,467,163	47,026,359	44,559,572	49,982,552	31,255,009	37,012,888	38,397,266
Unrestricted	44,083,849	32,604,362	31,604,051	26,897,614	35,104,893	35,294,298	35,384,855	58,431,482	55,981,707	55,356,049
Total Government activities net position	<u>\$ 626,508,707</u>	<u>\$ 613,998,609</u>	<u>\$ 586,586,956</u>	<u>\$ 570,340,608</u>	<u>\$ 581,175,654</u>	<u>\$ 568,733,618</u>	<u>\$ 568,859,609</u>	<u>\$ 559,634,769</u>	<u>\$ 542,414,542</u>	<u>\$ 536,971,519</u>
Component Unit										
Restricted	9,577,725	5,905,942	3,334,025	\$ 3,455,125	\$ 1,703,799	\$ 1,736,775	\$ 1,571,339	\$ 1,933,021	\$ 980,764	\$ 368,887
Unrestricted	445,697	347,913	213,940	182,069	180,947	134,044	150,328	214,799	188,520	152,464
Total Component Unit	<u>\$ 10,023,422</u>	<u>\$ 6,253,855</u>	<u>\$ 3,547,965</u>	<u>\$ 3,637,194</u>	<u>\$ 1,884,746</u>	<u>\$ 1,870,819</u>	<u>\$ 1,721,667</u>	<u>\$ 2,147,820</u>	<u>\$ 1,169,284</u>	<u>\$ 521,351</u>

Notes: LCFPD 1st Calendar Year is 2020

Fiscal year 2019 was an 18 month Fiscal Year for the transition to a Calendar Year.

Fiscal year 2018 GASB 75 was implemented.

Fiscal year 2014 shows restated net asset amount.

Fiscal year 2013 shows restated net asset amount.

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
Change in Net Position
Last Ten Years
(Accrual Basis of Accounting)
(continued)

	Calendar	Calendar Year		18 Month FY	Fiscal Year					
	Year 2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Expenses										
Government activities:										
General government	\$ 13,554,189	\$ 10,734,380	\$ 12,044,860	\$ 16,546,983	\$ 10,372,661	\$ 13,619,975	\$ 13,445,895	\$ 11,380,328	\$ 14,554,928	\$ 8,033,932
Education	3,010,939	3,327,664	2,651,782	4,835,737	3,097,194	3,676,388	3,029,456	3,117,454	4,603,866	4,233,592
Public safety	3,847,527	2,683,543	2,693,884	4,567,231	2,939,687	3,251,044	3,255,082	2,756,093	2,570,971	2,910,119
Recreation	1,999,371	1,662,141	1,829,742	3,637,794	2,003,614	1,988,067	2,049,972	2,605,463	-	-
Natural resources	7,523,931	4,344,743	4,189,564	11,873,719	5,325,332	3,131,785	2,805,038	3,281,471	-	-
Maintenance and development	10,086,446	9,417,226	8,888,442	16,232,806	10,300,076	11,216,471	11,562,175	11,518,483	13,275,338	12,941,342
Interest	4,771,311	5,926,513	8,203,639	15,986,191	10,111,139	14,045,456	11,666,122	12,637,812	13,068,915	14,302,560
Total governmental activities expenses	\$ 44,793,714	\$ 38,096,210	\$ 40,501,913	\$ 73,680,461	\$ 44,149,703	\$ 50,929,186	\$ 47,813,740	\$ 47,297,104	\$ 48,074,018	\$ 42,421,545
Business-type activities:										
Golf courses	\$ 4,743,444	\$ 3,915,861	\$ 3,859,178	\$ 5,882,232	\$ 3,913,242	\$ 4,455,137	\$ 4,371,272	\$ 4,382,538	\$ 4,262,428	\$ 5,384,473
Total business-type activities expenses	4,743,444	3,915,861	3,859,178	5,882,232	3,913,242	4,455,137	4,371,272	4,382,538	4,262,428	5,384,473
Total government expenses	\$ 49,537,158	\$ 42,012,071	\$ 44,361,091	\$ 79,562,693	\$ 48,062,944	\$ 55,384,323	\$ 52,185,012	\$ 51,679,642	\$ 52,336,446	\$ 47,806,018
Component unit:										
Total component unit expenses	\$ 963,436	\$ 949,431	\$ 1,435,351	\$ 849,745	\$ 1,179,444	\$ 997,626	\$ 1,466,212	\$ 481,294	\$ 508,623	\$ 319,044
Program Revenue										
Government activities:										
Charges for services										
General government	\$ 68,219	\$ 260,225	\$ 1,350,365	\$ 2,245,574	\$ 1,440,921	\$ 1,506,264	\$ 1,432,615	\$ 1,488,705	\$ 1,855,676	\$ 1,914,725
Education	276,305	129,961	36,807	329,156	184,893	193,259	223,164	235,101	417,543	390,317
Public safety	1,038,235	1,130,163	562,942	1,101,570	798,484	903,797	841,925	714,236	679,740	661,238
Recreation	1,593,952	1,234,877	494,716	2,275,241	1,459,749	1,454,170	1,488,305	1,411,869	-	-
Natural resources	337,990	388,786	373,531	896,641	454,357	971,571	513,379	469,308	-	-
Maintenance and development	248,015	210,199	97,727	88,080	66,204	72,460	62,469	76,221	1,329,165	1,122,334
Operating grants and contributions	528,094	391,484	976,755	1,028,112	993,995	1,669,670	858,079	1,539,483	1,986,083	1,372,069
Capital grants and contributions	469,301	8,229,597	1,929,818	1,956,470	1,456,894	164,885	1,498,914	-	-	-
Total government activities program revenues	\$ 4,560,111	\$ 11,975,292	\$ 5,822,661	\$ 9,920,844	\$ 6,855,497	\$ 6,936,076	\$ 6,918,850	\$ 5,934,923	\$ 6,268,207	\$ 5,460,683
Business-type activities:										
Charges for services										
Golf courses	\$ 5,243,638	\$ 5,268,235	\$ 4,830,014	\$ 5,404,529	\$ 3,577,968	\$ 3,644,923	\$ 3,835,294	\$ 3,704,524	\$ 3,870,213	\$ 3,860,639
Operating grants and contributions	-	-	27,273	-	-	-	-	-	-	-
Total business-type activities program revenues	5,243,638	5,268,235	4,857,287	5,404,529	3,577,968	3,644,923	3,835,294	3,704,524	3,870,213	3,860,639
Total government program revenues	\$ 9,803,749	\$ 17,243,527	\$ 10,679,948	\$ 15,325,373	\$ 10,433,465	\$ 10,580,999	\$ 10,754,144	\$ 9,639,447	\$ 10,138,420	\$ 9,321,322
Component unit:										
Operating grants and contributions	\$ 4,863,695	\$ 3,561,890	\$ 1,295,477	\$ 2,015,183	\$ 1,189,549	\$ 1,143,428	\$ 1,039,242	\$ 1,451,448	\$ 1,156,229	\$ 579,438
Total component unit revenues	\$ 4,863,695	\$ 3,561,890	\$ 1,295,477	\$ 2,015,183	\$ 1,189,549	\$ 1,143,428	\$ 1,039,242	\$ 1,451,448	\$ 1,156,229	\$ 579,438

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
Change in Net Position
Last Ten Years
(Accrual Basis of Accounting)
(continued)

	Calendar Year 2022	Calendar Year			Fiscal Year						
		2021	2020	18 Month FY 2019	2018	2017	2016	2015	2014	2013	
Net (expense)/revenue											
Government activities	\$ (40,233,603)	\$ (26,120,918)	\$ (34,679,252)	\$ (63,759,617)	\$ (37,294,206)	\$ (43,993,110)	\$ (40,894,890)	\$ (41,362,181)	\$ (41,805,811)	\$ (36,960,862)	
Business-type activities	500,194	1,352,374	998,109	(477,703)	(335,274)	(810,214)	(535,978)	(678,014)	(392,215)	(1,523,834)	
Total government net expenses	\$ (39,733,409)	\$ (24,768,544)	\$ (33,681,143)	\$ (64,237,320)	\$ (37,629,480)	\$ (44,803,324)	\$ (41,430,868)	\$ (42,040,195)	\$ (42,198,026)	\$ (38,484,696)	
Component unit net expenses	\$ 3,900,259	\$ 2,612,459	\$ (139,874)	\$ 1,165,438	\$ 10,105	\$ 145,802	\$ (426,970)	\$ 970,154	\$ 647,606	\$ 260,394	
General Revenues and Other Changes in Net Position											
Government activities:											
Property and replacement taxes	\$ 52,606,200	\$ 51,760,540	\$ 48,825,696	\$ 49,786,745	\$ 49,443,288	\$ 48,918,789	\$ 49,671,082	\$ 48,475,881	\$ 50,877,208	\$ 52,935,570	
Investment income (loss)	(603,659)	137,392	1,036,439	3,442,166	956,473	301,998	934,459	597,546	(734,871)	163,852	
Gain (loss) on sale of capital assets	108,639	228,895	29,376	62,873	381,089	20,762	18,971	200	5,096	250	
Insurance claim	91,736	78,238	2,229	16,009	162,981	35,050	-	36,554	-	-	
Donation of capital assets	-	-	-	-	-	-	-	10,042,565	-	-	
Litigation proceeds	-	-	-	-	-	23,400	-	-	-	-	
Other	19,916	-	-	-	-	-	-	-	92,255	612,168	
Contributions of capital assets	-	-	-	-	-	-	-	-	-	15,680,000	
Transfers	(4,500)	-	-	-	-	-	-	809,994	211,442	426,820	
Total government activities	\$ 52,218,332	\$ 52,205,065	\$ 49,893,740	\$ 53,307,793	\$ 50,943,831	\$ 49,299,999	\$ 50,624,512	\$ 59,962,740	\$ 50,451,130	\$ 69,818,660	
Business-type activities:											
Investment income (loss)	11,512	6,166	29,387	90,565	27,574	2,841	16,994	13,627	(48,436)	11,696	
Transfers of capital assets	-	-	-	-	-	-	-	1,467	-	(15,680,000)	
Gain(loss) on sale of capital assets	9,163	(41,111)	4,364	3,916	4,868	2,565	14,202	26,260	-	7,254	
Proceeds from loss of capital assets	-	10,077	-	-	-	-	-	-	197,428	835,988	
Other	-	-	-	-	5,981	-	-	65,422	23,588	-	
Transfers	4,500	-	-	-	-	-	-	(809,994)	(211,442)	(426,820)	
Total business-type activities	25,175	(24,868)	33,751	94,481	38,423	5,406	31,196	(703,218)	(38,862)	(15,251,882)	
Total government general revenues	\$ 52,243,507	\$ 52,180,197	\$ 49,927,491	\$ 53,402,274	\$ 50,982,254	\$ 49,305,405	\$ 50,655,708	\$ 59,259,522	\$ 50,412,268	\$ 54,566,778	
Component unit											
Investment income (loss)	\$ (130,692)	\$ 93,431	\$ 50,645	\$ 21,204	\$ 3,822	\$ 3,350	\$ 817	\$ 8,382	\$ 327	\$ 252	
Total component unit activities	\$ (130,692)	\$ 93,431	\$ 50,645	\$ 21,204	\$ 3,822	\$ 3,350	\$ 817	\$ 8,382	\$ 327	\$ 252	
Special Item - Government activities											
(4,628,075)											
Change in Net Position											
Government activities	\$ 11,984,729	\$ 26,084,147	\$ 15,214,488	\$ (10,451,824)	\$ 13,649,625	\$ 678,814	\$ 9,729,622	\$ 18,600,559	\$ 8,645,319	\$ 32,857,798	
Business-type activities	525,369	1,327,506	1,031,860	(383,222)	(296,851)	(804,808)	(504,782)	(1,381,232)	(431,077)	(16,775,716)	
Total government	\$ 12,510,098	\$ 27,411,653	\$ 16,246,348	\$ (10,835,046)	\$ 13,352,774	\$ (125,994)	\$ 9,224,840	\$ 17,219,327	\$ 8,214,242	\$ 16,082,082	
Component unit	\$ 3,769,567	\$ 2,705,890	\$ (89,229)	\$ 1,186,642	\$ 13,927	\$ 149,152	\$ (426,153)	\$ 978,536	\$ 647,933	\$ 260,646	

Notes: LCFPD 1st Calendar Year is 2020
and Fiscal year 2019 was an 18 month Fiscal Year for the transition to a Calendar Year.

LAKE COUNTY FOREST PRESERVE DISTRICT

(A component unit of Lake County, Illinois)

Fund Balances of Governmental Funds

Last Ten Years

(Modified Accrual Basis of Accounting)

	Calendar Year 2022	Calendar Year	Calendar Year	18 Month FY	Fiscal Year					
		2021	2020	2019	2018	2017	2016	2015	2014	2013
General Fund										
Nonspendable	\$ 611,055	\$ 581,900	\$ 513,874	\$ 299,320	\$ 298,262	\$ 286,667	\$ 311,120	\$ 290,083	\$ 291,503	\$ 333,412
Restricted	2,781,669	2,487,702	2,273,621	1,828,790	2,128,609	2,322,772	3,217,596	2,604,645	2,810,629	3,197,392
Committed	259,419	282,285	294,469	301,368	322,582	-	-	-	-	-
Assigned	18,878,554	16,635,324	10,298,750	8,927,643	8,832,774	10,974,613	1,118,096	1,213,078	1,361,027	2,375,770
Unassigned	10,451,746	9,919,874	14,930,142	15,416,223	15,559,916	12,684,731	20,778,151	20,481,708	20,190,741	18,870,948
Total general fund	\$ 32,982,443	\$ 29,907,085	\$ 28,310,856	\$ 26,773,344	\$ 27,142,143	\$ 26,268,783	\$ 25,424,963	\$ 24,589,514	\$ 24,653,900	\$ 24,777,522
All Other Governmental Funds										
Nonspendable	\$ 28,973	\$ 12,615	\$ 5,080	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	17,940,807	19,054,806	20,400,396	23,689,403	48,193,835	50,740,045	53,992,836	51,000,419	61,554,245	68,366,184
Committed	-	-	-	-	3,941	7,907,849	8,698,357	8,411,922	6,662,481	2,603,836
Assigned	7,661,973	9,703,121	9,839,277	8,986,172	8,095,555	-	-	-	3,475	3,391,499
Unassigned	-	-	(288,680)	(238,949)	-	12,825	-	-	-	-
Total all other governmental funds	\$ 25,631,753	\$ 28,770,542	\$ 29,956,073	\$ 32,436,626	\$ 56,293,331	\$ 58,660,719	\$ 62,691,193	\$ 59,412,341	\$ 68,220,201	\$ 74,361,519

Notes: LCFPD 1st Calendar Year is 2020
and Fiscal year 2019 was an 18 month Fiscal Year for the transition to a Calendar Year.

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
Changes in Fund Balances of Governmental Funds
Last Ten Years
(Modified Accrual Basis of Accounting)

	Calendar Year 2022	Fiscal Year								
		Calendar Year 2021	Calendar Year 2020	18 Month FY 2019	2018	2017	2016	2015	2014	2013
Revenues										
Property taxes	\$ 48,898,294	\$ 49,831,304	\$ 47,817,449	\$ 67,278,021	\$ 51,361,000	\$ 48,205,964	\$ 48,940,332	\$ 48,613,020	\$ 50,750,129	\$ 52,965,213
Replacement taxes	3,707,907	1,929,236	1,008,247	1,464,206	869,664	1,056,457	956,518	1,044,818	971,506	960,346
Investment income (loss)	(500,942)	142,925	924,192	3,262,222	909,057	295,710	900,562	564,760	(716,055)	151,612
Grants and contributions	605,164	1,010,618	2,900,228	2,775,926	2,008,927	1,379,274	2,958,978	1,444,091	1,265,568	1,372,069
Treasury rebate	-	232,277	1,198,578	1,813,340	1,202,456	1,198,594	1,199,881	1,193,444	1,194,731	1,231,423
Land and building rental	635,151	549,706	460,389	1,550,054	807,692	829,589	832,665	897,861	890,442	847,335
Charges for services and sales	1,411,857	1,105,676	385,816	1,668,169	1,087,617	1,124,647	1,115,365	1,032,403	1,027,406	806,533
Permits	976,912	1,055,818	487,165	1,051,706	763,831	817,042	766,286	637,718	622,939	594,944
Easements and licenses	52,220	39,426	36,564	66,026	62,728	55,636	13,000	13,049	12,000	12,500
Programs and admissions	214,959	176,705	58,186	441,160	280,108	300,291	319,953	322,335	321,589	302,957
Other revenue	386,417	272,843	291,622	356,523	773,956	834,173	333,679	335,186	305,272	905,091
Total revenue	\$ 56,387,938	\$ 56,346,534	\$ 55,568,436	\$ 81,727,353	\$ 60,127,036	\$ 56,097,377	\$ 58,337,219	\$ 56,098,685	\$ 56,645,527	\$ 60,150,023
Expenditures										
General government	\$ 9,447,415	\$ 10,491,223	\$ 9,536,633	\$ 13,863,054	\$ 8,761,389	\$ 8,381,502	\$ 8,210,300	\$ 7,790,496	\$ 7,531,843	\$ 7,463,797
Education	2,262,044	2,241,695	2,091,524	3,357,563	2,182,027	2,643,302	1,912,345	2,144,845	3,229,950	3,436,225
Public safety	3,263,398	3,118,509	2,971,580	4,260,608	2,724,436	2,631,381	2,549,104	2,365,078	2,291,130	2,488,251
Recreation	971,672	844,683	917,217	2,072,450	1,225,829	1,194,374	1,310,157	1,745,869		
Natural resources	4,129,746	2,431,418	2,364,023	3,565,151	2,270,450	2,304,931	2,177,197	2,039,432		
Maintenance and development	8,721,274	10,282,862	9,342,967	14,181,718	9,115,398	8,992,783	9,027,881	9,359,617	11,310,784	11,079,573
Debt service										
Principal	15,819,309	17,020,000	15,835,000	36,900,000	15,295,000	15,330,000	15,240,000	15,770,000	15,400,000	15,210,000
Interest	6,221,714	5,986,422	8,869,460	14,424,677	10,588,179	10,971,407	12,492,115	12,658,502	14,005,447	13,953,924
Bond issuance costs	-	-	-	-	-	1,077,844	212,136	172,010	129,254	520,817
Paying agent fees	-	-	-	-	-	6,725	6,586	6,391	6,154	6,267
Capital outlay	5,736,336	4,234,624	4,612,449	13,792,889	9,839,445	6,856,636	27,027,793	11,895,470	9,553,306	31,880,071
Total expenditures	\$ 56,572,908	\$ 56,651,436	\$ 56,540,853	\$ 106,418,110	\$ 62,002,153	\$ 60,390,885	\$ 80,165,614	\$ 65,947,710	\$ 63,457,868	\$ 86,038,925
Excess (deficiency) of revenues over (under) expenditures	\$ (184,970)	\$ (304,902)	\$ (972,417)	\$ (24,690,757)	\$ (1,875,117)	\$ (4,293,508)	\$ (21,828,395)	\$ (9,849,025)	\$ (6,812,341)	\$ (25,888,902)

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
Changes in Fund Balances of Governmental Funds
Last Ten Years
(Modified Accrual Basis of Accounting)

	Calendar	Calendar Year	Calendar Year	18 Month FY	Fiscal Year					
	Year 2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Other Financing Sources (Uses)										
Issuance of debt	\$ 77,628	\$ 73,745,000	\$ -	\$ 22,060,000	\$ -	\$ 68,115,000	\$ 25,010,000	\$ 28,920,000	\$ 18,855,000	\$ 24,995,000
Premium on bonds issued	-	10,043,144	-	2,790,828	-	5,306,563	932,697	1,378,964	2,220,864	517,953
Payments to escrow agent	-	(83,087,287)	-	(24,448,448)	-	(72,335,470)	-	(30,120,599)	(20,745,000)	-
Litigation proceeds	-	-	-	-	-	-	-	-	-	-
Capital contributions	-	-	-	-	-	20,761	-	-	-	-
Transfers in	1,554,329	200,000	1,533,110	200,040	200,000	200,000	275,508	1,006,657	2,690,062	6,335,786
Transfers out	(1,558,829)	(200,000)	(1,533,110)	(200,040)	(200,000)	(200,000)	(275,508)	(208,443)	(2,478,620)	(5,908,966)
Proceeds from sale of capital assets	48,410	14,743	29,376	62,873	381,089	-	-	200	5,095	250
Total other financing sources (uses)	121,539	715,600	29,376	465,253	381,089	1,106,854	25,942,697	976,779	547,401	25,940,023
Net change in fund balance	(\$63,431)	\$410,698	(\$943,041)	(\$24,225,504)	(\$1,494,028)	(\$3,186,654)	\$4,114,302	(\$8,872,246)	(\$6,264,940)	\$51,121
Debt service as a percentage of non-capital expenditures	41.5%	42.3%	46.6%	51.6%	47.7%	43.6%	51.3%	49.9%	51.4%	55.6%

Notes: LCFPD 1st Calendar Year is 2020
and Fiscal year 2019 was an 18 month Fiscal Year for the transition to a Calendar Year.

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
Equalized Assessed and Estimated Actual Value of Taxable Property
Last Ten Levy Years

Tax Levy Year	Real Property					Less: Tax Exempt Property	Total Equalized Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value (2)	Percentage Total Assessed Value to Total Estimated Actual Value
	Residential Property Equalized Assessed Value (1)	Commercial Property Equalized Assessed Value (1)	Industrial Property Equalized Assessed Value (1)	Farm Property Equalized Assessed Value (1)	Railroad Property Equalized Assessed Value (1)					
2012	\$ 19,571,566,537	\$ 3,744,050,296	\$ 1,000,984,225	\$ 135,988,122	\$ 20,087,547	\$ 1,372,484,102	\$ 24,472,676,727	0.212	\$ 73,418,764,369	33.33%
2013	18,250,837,046	3,596,005,257	963,290,033	131,972,701	25,834,371	1,357,654,581	22,967,939,408	0.218	68,904,507,269	33.33%
2014	17,986,600,287	3,557,931,152	941,835,797	131,981,893	28,494,978	1,327,077,482	22,646,844,107	0.211	67,941,211,733	33.33%
2015	18,742,201,521	3,586,175,203	944,060,087	129,826,150	34,447,002	1,343,735,504	23,436,709,963	0.208	70,310,832,997	33.33%
2016	19,966,206,603	3,773,485,288	986,650,294	139,161,272	36,302,923	1,444,106,290	24,901,806,380	0.193	74,706,166,202	33.33%
2017	20,878,953,110	3,929,059,353	1,015,701,290	147,083,702	34,266,936	1,493,526,776	26,005,064,391	0.187	78,015,973,333	33.33%
2018	21,325,634,097	4,026,016,892	1,040,911,135	153,897,431	35,973,403	1,392,017,990	26,582,432,958	0.182	79,748,096,355	33.33%
2019	21,755,345,014	4,242,412,622	1,064,623,662	146,204,986	37,807,383	1,602,319,613	27,246,393,667	0.180	81,739,998,401	33.33%
2020	21,731,433,832	4,204,223,876	1,066,247,360	149,306,172	38,170,280	1,661,945,252	27,189,381,520	0.182	81,568,960,250	33.33%
2021	22,019,350,369	4,198,557,936	1,113,628,108	153,674,150	38,170,280	1,638,193,058	27,523,380,843	0.182	82,570,968,239	33.33%

Sources:
(1) Assessed values from the Lake County Clerk - Tax Extension Department.
(2) Estimated actual values based on comparable 33 1/3 assessment ratio.

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
Property Tax Rates and Tax Levies of Direct and Overlapping Governments
Last Ten Levy Years

Tax Levy Year	Lake County Forest Preserve District	County	Cities and Villages	High Schools	Unit District	Elementary Schools	College District	Townships	Road & Bridge	Sanitary District	Park District	Library District	Fire Protection	Mosquito Abatement	Other Special Districts	
2012	0.099	0.113	0.308	0.016-3.554	1.322-4.556	4.22-10.136	1.322-7.302	0.272-0.427	0.025-0.434	0.029-0.315	0.044-0.250	0.027-1.101	0.213-0.581	0.132-0.941	0.014-0.015	0.073
2013	0.101	0.117	0.663	0.018-4.616	1.420-5.228	4.607-9.418	1.424-8.762	0.296-0.436	0.027-0.049	0.032-0.421	0.049-0.250	0.030-1.260	0.228-0.656	0.126-1.093	0.007-0.015	0.055
2014	0.099	0.112	0.682	0.018-5.159	1.448-5.539	4.697-10.380	1.452-9.799	0.306-0.453	0.039-0.533	0.033-0.428	0.054-0.250	0.031-1.297	0.231--0.709	0.127-1.155	0.013-0.015	0.056
2015	0.100	0.108	0.663	0.018-6.508	1.409-5.396	4.468-10.430	1.429-9.829	0.299-0.435	0.037-0.508	0.032-0.417	0.053-0.250	0.031-1.322	0.225--0.709	0.123-1.296	0.012-0.015	0.054
2016	0.095	0.098	0.632	0.016-6.170	1.329-5.060	4.437-9.598	1.367-9.150	0.285-0.407	0.034-0.465	0.031-0.397	0.050-0.236	0.029-1.186	0.220-0.680	0.116-1.207	0.012-0.014	0.046
2017	0.093	0.094	0.622	0.016-5.735	1.314-4.879	4.372-9.080	1.355-8.703	0.281-0.385	0.034-0.421	0.031-0.383	0.050-0.233	0.029-1.119	0.217-0.642	0.093-1.165	0.011-0.014	0.041
2018	0.094	0.088	0.061	0.017-5.170	1.311-4.060	4.336-8.798	1.354-8.705	0.280-0.386	0.034-0.421	0.031-0.384	0.050-0.234	0.029-1.120	0.219-0.644	0.117-1.212	0.012-0.015	0.000
2019	0.094	0.086	0.060	0.016-4.554	1.314-4.579	4.472-8.888	1.367-8.915	0.280-0.386	0.034-0.401	0.031-0.384	0.050-0.234	0.030-1.120	0.220-0.680	0.118-1.214	0.012-0.015	0.000
2020	0.096	0.085	0.060	0.094-4.807	1.450-4.330	4.544-7.013	1.550-7.219	0.290-0.388	0.035-0.283	0.028-0.359	0.031-0.214	0.030-1.045	0.232-0.553	0.144-1.040	0.012	0.000
2021	0.097	0.081	0.060	0.014-4.51	1.494-3.853	4.685-7.012	1.606-7.019	0.293-0.387	.0256-0.355	0.027-0.355	0.027-0.158	0.031-1.002	0.240-0.537	0.150-0.976	0.013	0.000

Tax Levies as Extended (000s Omitted)

	Operating	Debt																	Total
2012	\$ 24,228	\$ 27,654	\$ 149,789	\$ 194,675	\$ 495,310	\$ 284,324	\$ 657,043	\$ 68,495	\$ 27,084	\$ 22,934	\$ 13,391	\$ 69,901	\$ 56,791	\$ 73,616	\$ 684	\$ 17,626		17,626	2,183,545
2013	23,198	26,872	153,551	201,644	512,896	272,206	670,128	69,645	27,314	23,483	13,580	69,932	57,630	73,942	359	3,358		3,358	2,199,738
2014	22,219	25,340	154,995	204,822	516,599	276,815	686,259	71,027	27,455	24,137	13,744	70,340	58,776	77,622	584	3,350		3,350	2,234,084
2015	23,313	25,418	157,971	211,778	529,720	277,938	695,963	71,276	27,667	24,324	13,890	71,831	58,947	78,654	586	3,368		3,368	2,272,644
2016	23,589	24,447	157,389	215,470	533,974	284,142	704,239	72,522	27,783	224,683	13,993	73,750	60,878	84,441	587	3,369		3,369	2,505,256
2017	24,236	24,472	161,687	208,300	543,806	291,482	720,416	74,324	28,667	24,673	14,296	76,074	59,126	80,239	590	3,356		3,356	2,335,744
2018	24,899	23,490	162,598	231,578	547,787	297,286	736,490	76,158	29,169	25,078	14,568	77,693	60,859	87,056	607	-		-	2,395,316
2019	25,496	23,484	165,231	247,199	560,663	295,922	752,729	78,103	29,254	25,942	14,858	79,988	62,162	90,705	622	-		-	2,452,358
2020	26,198	23,237	165,230	252,555	565,671	297,103	766,425	80,021	28,950	26,968	15,174	81,180	62,926	92,941	527	-		-	2,485,106
2021	26,998	22,243	167,151	259,447	574,569	303,307	784,102	81,967	34,421	22,643	14,364	83,552	64,289	95,703	545	5		5	2,535,306

Source : Based upon data compiled from records of the Lake County Clerk.

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
Property Tax Rates and Tax Extensions
Last Ten Levy Years

FUND	Current Limit	Tax Levy Year									
		2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Comparative Tax Rates											
General corporate	.060	0.058	0.057	0.055	0.056	0.057	0.057	0.059	0.059	0.060	0.060
Audit fund	0.005	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.001	0.000	0.000
Liability insurance	no limit	0.005	0.005	0.006	0.003	0.003	0.003	0.004	0.004	0.003	0.003
Land development levy	0.025	0.024	0.024	0.023	0.023	0.023	0.024	0.025	0.025	0.025	0.025
Retirement fund - IMRF/FICA	no limit	0.009	0.010	0.009	0.011	0.009	0.010	0.011	0.010	0.013	0.011
Subtotal (subject to tax cap)		0.097	0.097	0.094	0.094	0.093	0.095	0.100	0.099	0.101	0.099
Recapture tax	no limit	0.001									
Debt service	no limit	0.081	0.085	0.086	0.088	0.094	0.098	0.108	0.112	0.117	0.113
Total tax rates		0.179	0.182	0.180	0.182	0.187	0.193	0.208	0.211	0.218	0.212
Comparative tax extensions											
General corporate		\$ 15,870,257	\$ 15,412,029	\$ 15,016,850	\$ 14,914,872	\$ 14,737,330	\$ 14,272,956	\$ 13,860,001	\$ 13,367,526	\$ 13,780,764	\$ 14,683,606
Audit fund		194,865	197,939	156,394	129,722	118,063	118,941	107,575	222,845	-	-
Liability insurance		1,491,217	1,264,578	1,517,079	832,296	893,794	885,637	935,593	891,380	689,038	734,180
Land development levy		6,550,014	6,426,210	6,310,265	6,144,796	6,140,316	5,947,065	5,775,040	5,569,765	5,741,985	6,118,169
Retirement fund - IMRF/FICA		2,581,693	2,897,572	2,495,497	2,877,548	2,347,217	2,364,553	2,634,755	2,167,982	2,985,832	2,691,994
Subtotal (subject to tax cap)		26,688,046	26,198,328	25,496,085	24,899,234	24,236,720	23,589,152	23,312,964	22,219,498	23,197,619	24,227,950
Recapture Tax		309,913	-	-	-	-	-	-	-	-	-
Debt service		22,242,745	23,236,861	23,484,484	23,490,364	24,471,546	24,446,631	25,417,581	25,339,554	26,872,489	27,654,125
Total tax extensions		\$ 49,240,704	\$ 49,435,189	\$ 48,980,569	\$ 48,389,598	\$ 48,708,266	\$ 48,035,783	\$ 48,730,545	\$ 47,559,052	\$ 50,070,108	\$ 51,882,075

LAKE COUNTY FOREST PRESERVE DISTRICT

(A component unit of Lake County, Illinois)

Principal Property Taxpayers

Current Year and Nine Years Ago

<u>Taxpayer</u>	<u>Type of Business</u>	2021			2012		
		Rank	Taxable Assessed Valuation (In Thousands)	Percentage of Total Taxable Assessed Value	Rank	Taxable Assessed Valuation (In Thousands)	Percentage of Total Taxable Assessed Value
Abbott Laboratories	Pharmaceuticals-Hospital Supplies	1	\$171,900	0.64%	1	\$164,226	0.61%
AbbVie Inc.	Biopharmaceutical Company	2	54,195	0.20%			
Gurnee Mill/Gurnee Properties Associates	Retail Outlet Mall	3	53,858	0.20%	2	51,550	0.19%
LaSalle National Bank/Bank of America	Commercial Real Estate Brokerage	4	48,047	0.17%			
Discover Properties LLC	Real Estate Brokerage	5	46,337	0.17%	3	42,215	0.16%
Horizons Holdings, LLC	Wholesale Trade - Durable Goods	6	36,050	0.13%			
TR Deerfield Office LLC	Property Tax Consulting Company	7	33,483	0.12%			
Midwest Family Housing LLC	Real Estate Developers	8	28,576	0.10%	4	37,981	0.14%
Waukegan Illinois Hospital Co LLC	General Medical & Surgical Hospital Services	9	26,539	0.10%			
Hawthron LP	Retail Mail	10	25,427	0.09%			
Wal-Mart Stores Inc.	Discount Department Store				5	37,262	0.14%
Arden Realty Inc	Real Estate Landlord				6	36,506	0.14%
Scott Dessing					7	31,958	0.12%
Van Vlissingen & Company	Real Estate Developers				8	29,621	0.11%
Property Tax Services	Amusements				9	28,434	0.11%
HP Woodland Falls II Inc	National Commercial Real Estate Landlord				10	28,410	0.11%
			<u>\$524,412</u>	<u>1.92%</u>		<u>\$488,163</u>	<u>1.83%</u>

Sources: Based on data submitted by the Lake County, Illinois Supervisor of Assessments' Report:
 "Non-Farm Parcels Exceeding \$999,999 in Assessed Valuation."

LAKE COUNTY FOREST PRESERVE DISTRICT

(A component unit of Lake County, Illinois)

Property Tax Levies and Collections

Last Ten Years

Fiscal Year	Levy Year	<u>Collection within the Fiscal Year of</u>			<u>Total Collections to Date</u>		
		Total Tax Levy for Fiscal Year	Amount	Percentage of Levy	Collections in Subsequent Years	Amount	Percentage of Levy
2012	2011	\$ 53,691,818	\$ 28,363,188	52.83%	\$ 25,250,480	\$ 53,613,668	99.85%
2013	2012	51,882,075	27,543,433	53.09%	24,116,258	51,659,691	99.57%
2014	2013	50,070,108	26,575,894	53.08%	23,300,397	49,876,291	99.61%
2015	2014	47,559,052	25,246,796	53.09%	22,143,617	47,390,413	99.65%
2016	2015	48,730,545	26,644,056	54.68%	21,953,371	48,597,427	99.73%
2017	2016	48,036,830	26,293,972	54.74%	21,534,601	47,828,573	99.57%
2018	2017	48,708,266	29,752,785	61.08%	18,792,323	48,545,108	99.67%
2019	2018	48,389,598	48,248,541 (1)	99.71%	-	48,248,541	99.71%
2020	2019	48,980,569	47,733,085 (2)	97.45%	988,854	48,721,939	99.47%
2021	2020	49,438,190	48,769,966 (2)	98.65%	404,702	49,174,668	99.47%
2022	2021	49,240,705	48,670,361 (2)	98.84%	285,172	48,955,533	99.42%

Sources: Lake County Illinois Tax Extension Division.

(1) New Calendar years, received both installments from January to December.

(2) Payments from the County of Lake were delayed.

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
Legal Debt Margin Information
Last Ten Years

	Calendar	Calendar Year	Calendar Year	18 Month FY	Fiscal Year					
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Debt limit	\$662,241,891	\$625,355,775	\$626,667,054	\$611,395,958	\$598,116,481	\$572,741,547	\$539,044,329	\$520,877,414	\$528,262,606	\$562,871,655
Total net debt applicable to limit	166,060,000	181,865,000	206,810,000	222,645,000	262,030,000	277,325,000	291,590,000	281,820,000	296,250,000	313,540,000
Legal debt margin	<u>\$ 496,181,891</u>	<u>\$ 443,490,775</u>	<u>\$ 419,857,054</u>	<u>\$ 388,750,958</u>	<u>\$ 336,086,481</u>	<u>\$ 295,416,547</u>	<u>\$ 247,454,329</u>	<u>\$ 239,057,414</u>	<u>\$ 232,012,606</u>	<u>\$ 267,042,574</u>
Total net debt applicable to the limit as a percentage of debt limit	25.08%	29.08%	33.00%	36.42%	43.81%	48.42%	54.09%	54.10%	56.08%	55.70%

Legal Debt Margin Calculation for Fiscal Year 2022

Net Assessed Value (2022)	\$28,793,125,678
Debt limit (2.3% of net assessed valuation)	<u>662,241,891</u>
Amount of debt applicable to debt limit	<u>166,060,000</u>
Legal debt margin	<u>\$496,181,891</u>

LAKE COUNTY FOREST PRESERVE DISTRICT

(A component unit of Lake County, Illinois)

Ratio of Outstanding Debt by Type

Last Ten Years

Fiscal Year	Government Activities		Business-Type Activities		Total Primary Government	Personal Income (1)	Percentage of Personal Income	Population (2)	Per Capita
	General Bonded Debt (3)	Lease	Installment Certificates	Lease					
2013	\$ 316,521,234	\$ -	\$ -	\$ -	\$ 316,521,234	\$ 42,780,828	0.74%	703,019	450
2014	300,679,325	-	-	-	300,679,325	46,069,226	0.65%	706,327	426
2015	286,594,841	-	-	-	286,594,841	49,151,975	0.58%	707,461	405
2016	296,006,777	-	-	-	296,006,777	51,291,371	0.58%	710,368	417
2017	285,370,658	-	-	-	285,370,658	53,627,217	0.53%	709,599	402
2018	269,000,032	-	-	-	269,000,032	55,056,935	0.49%	708,719	380
2019	231,031,267	-	-	-	231,031,267	57,569,258	0.40%	706,925	327
2020	214,396,690	-	-	-	214,396,690	59,065,507	0.36%	705,033	304
2021	197,983,600	-	-	-	197,983,600	n/a	n/a	702,113	282
2022	180,649,707	63,320	-	896,104	181,609,131	n/a	n/a	709,150	256

Sources:

(1) Sales & Marketing Management Survey of Buying Power and Bureau of Economic Analysis, Lake County Partners and U.S. Department of Commerce.

(2) U.S. Census, Economic Development Intelligence System and Northeastern Illinois Planning Commission.

(3) Debt is net of premium/discount.

n/a Not available

LAKE COUNTY FOREST PRESERVE DISTRICT

(A component unit of Lake County, Illinois)

Net General Bonded Debt to Equalized Assessed Value
and Net Bonded Debt Per Capita
Last Ten Years

Tax Year	Fiscal Year	Population	Equalized Assessed Value	Net General Bonded Debt(2)	Percentage of Bonded Debt to Equalized Assessed Value	Net General Bonded Debt Per Capita
2012	2013	711,155	\$ 24,472,676,727	\$ 313,746,767	1.213%	417
2013	2014	703,019	22,967,939,408	300,679,325	1.241%	405
2014	2015	706,327	22,646,844,107	286,594,841	1.200%	385
2015	2016	707,461	23,436,709,963	296,006,777	1.146%	380
2016	2017	710,368	24,901,806,380	285,370,658	1.036%	363
2017	2018	709,599	26,005,064,391	269,000,032	0.927%	340
2018	2019	708,719	26,582,432,958	231,031,267	0.858%	322
2019	2020	706,925	27,246,393,667	214,396,690	0.781%	301
2020	2021	705,083	27,189,381,520	197,983,600	0.720%	278
2021	2022	702,113	27,523,380,843	180,649,707	0.653%	256

Sources:

(1) U.S. Census, Economic Development Intelligence System and Northeastern Illinois Planning Commission.

(2) Debt is net of premium/discount

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
Schedule Direct and Overlapping Bonded Debt (1)(2)
As of February 15, 2023 (*)

	Gross Debt	Percentage of Debt Applicable to District (1)	District's Share of Debt
Lake County Forest Preserve District (3)	<u>\$ 166,060,000</u>	100.00%	<u>\$ 166,060,000</u>
Overlapping Debt (2)			
Lake County	155,595,000	100.00%	155,595,000
School Districts	991,041,024	100.00%	991,041,024
College Districts	98,489,907	100.00%	98,489,907
Municipalities	521,812,119	100.00%	521,812,119
Park Districts	90,472,463	100.00%	90,472,463
Public Library Districts	26,818,104	100.00%	26,818,104
Sanitary Districts	2,970,000	100.00%	2,970,000
CLCJAWA	-	100.00%	-
Special Service Areas (County and Municipal)	112,218,818	100.00%	112,218,818
Fire Districts	27,507,554	100.00%	27,507,554
Total Overlapping Debt	<u>\$ 2,026,924,989</u>		<u>\$ 2,026,924,989</u>
Total Direct and Overlapping Debt (3)	<u><u>\$ 2,192,984,989</u></u>		<u><u>\$ 2,192,984,989</u></u>

*Data Source: Speer Financial . Most recent data available.

Notes:

- (1) Debt percentage to County is calculated by applying the ratio of assessed value of the specific district to that portion which is in Lake County. Percentages have been rounded to the nearest hundredth.
- (2) Represents general obligation debt, as reported by various governments. Overlapping governments without general obligation debt are not shown. Data presented was obtained from the Lake County.
- (3) As of January 1, 2022.

LAKE COUNTY FOREST PRESERVE DISTRICT

(A component unit of Lake County, Illinois)

Demographic and Economic Statistics
Last Ten Years

<u>Fiscal</u>	<u>Population(1)</u>	<u>Personal Income(2)</u>	<u>Per Capita Personal Income (2)</u>	<u>Median Age(3)</u>	<u>School Enrollment(4)</u>	<u>Unemployment Rate(5)</u>
2012	711,155	\$ 41,191,114	\$ 34,980	36.8	137,143	7.80%
2013	703,019	42,780,828	36,470	37.0	136,127	8.30%
2014	706,327	46,069,226	39,306	37.3	135,330	5.60%
2015	707,461	49,151,975	40,549	37.5	134,336	5.90%
2016	710,368	51,291,371	40,719	37.5	133,433	4.70%
2017	709,599	53,627,217	42,770	37.8	132,179	3.90%
2018	708,719	55,056,935	43,702	37.8	130,310	4.10%
2019	706,925	56,400,791	44,296	38.0	128,786	3.50%
2020	705,083	59,065,507	45,780	38.0	124,388	8.10%
2021	702,113	n/a	46,153	38.3	122,061	3.80%
2022	709,150	n/a	n/a	n/a	n/a	4.20%

Sources:

- (1) U.S. Census, Economic Development Intelligence System, Northeastern Illinois Planning Commission Esri Business Analyst and Lake County Partners
 - (2) Northeastern Planning Commission, Sales & Marketing Management Survey of Buying Power and Bureau of Economic Analysis and Lake County Partners
 - (3) Market Profile prepared by Lake County Partners and Economic Development Intelligence System.
 - (4) Lake County Regional Office of Education.
 - (5) Illinois Department of Employment Security - December Rate - Not Seasonally Adjusted
- n/a Not Available

LAKE COUNTY FOREST PRESERVE DISTRICT

(A component unit of Lake County, Illinois)

Principal Employers

Current Year and Ten Years Ago

<u>Employers</u>	2020			2011		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
AbbVie Inc	15,000	1	4.24%			
Abbott Laboratoies	5,000	2	1.14%	12,284	2	3.70%
Alight/Avon Hewitt Associates	4,000	3	1.13%			
Walgreen Boots Alliance Inc.	3,000	4	0.85%			
Discover Financial Svc Ins	2,976	5	0.84%			
Advocate Condell Medical Center	2,333	6	0.66%			
Visual Pak	2,000	7	0.57%			
Baxter Healthcare Corporation	1,900	8	0.54%			
CDW Corporation	1,800	9	0.51%			
Department of the Navy	1,600	10	0.45%	25,000	1	7.54%
Solo Cup Company				6,689	3	2.02%
Mosaic Global Operations, Inc.				5,017	4	1.51%
Alumna Systems				3,000	5	0.90%
Phospate Resource Partners				2,972	6	0.90%
Lake County				2,371	7	0.71%
Dayton Electric Mfg. Co.				2,337	8	0.70%
Mondelez International				2,000	9	0.60%
DFS Services LLC				2,000	9	0.60%
American Manufactures Mutual Insurance				2,000	9	0.60%
Rexam CP Inc.				2,000	9	0.60%
Veterans Health Administration				2,000	9	0.60%
Lumbermens's Mutual Casualty Co.				1,800	10	0.54%
Totals	39,609		10.93%	71,470		21.52%

Source: Lake County Partners; most current available data

LAKE COUNTY FOREST PRESERVE DISTRICT

(A component unit of Lake County, Illinois)

Full-Time Equivalent Employees by Function

Last Ten Years

Function	Calendar Year	Calendar Year	Calendar Year	18 Month FY	Fiscal Year					
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General government	41.50	40.00	40.00	36.47	39.42	36.42	36.19	24.65	29.00	29.00
Education	23.64	23.05	24.35	29.50	26.42	26.42	26.42	39.90	49.99	49.99
Public safety	29.53	29.53	29.53	29.53	28.49	28.49	28.49	28.49	27.49	25.96
Maintenance and development	87.67	86.51	122.30	122.30	121.90	121.61	123.88	123.15	130.17	130.31
Natural Resources	33.71	33.71								
Golf courses	51.95	52.38	50.95	50.95	51.29	58.09	58.09	58.34	58.09	62.27
Total	268.00	265.18	267.13	268.75	267.52	271.03	273.07	274.53	294.74	297.53

Source: Lake County Forest Preserve Annual Budget

LAKE COUNTY FOREST PRESERVE DISTRICT

(A component unit of Lake County, Illinois)

Operating Indicators by Function

Last Ten Years

Function	Calendar Year 2022	Calendar Year 2021	Calendar Year 2020	18 Month FY 2019	Fiscal Year					
	(Covid)	(Covid)	(18 mos.)	2018	2017	2016	2015	2014	2013	
General government										
Employee Safety Training Sessions	7	36	31	47	7	11	17	18	20	25
Environmental Mitigation Projects	2	4	4	4	4	3	3	3	3	5
Computers Supported	198	196	195	195	194	203	201	204	199	206
Education and cultural resources										
Program Registrations	n/a	n/a	n/a	n/a	n/a	n/a	n/a	22,650	28,500	21,960
Museum, Program, & Event Attendance**	45,532	27,224	15,693	131,200	66,540	69,357	92,900	123,950	129,650	117,770
Community Use Rentals	230	70	n/a	52	62	49	126	130	150	145
Public safety										
Public Safety Service Calls***	1,752	1,831	3,630	18,200	12,000	12,000	23,000	19,000	18,000	15,800
Permits Processed	21,888	26,591	26,910	50,800	33,960	32,155	30,890	28,260	26,730	26,605
Maintenance and development										
Preserve Work Orders Completed	3004	3307	3134	5,115	3,338	3,657	3,914	4,489	4,468	4,330
Prairie, Woodland, Wetlands Seeded	465	620	432	876	446	438	471	435	197	285
Prescribed Burn Management Acres	2,000	2,409	1,250	2,874	3,203	3,355	2,551	2,391	3,000	3,200
Golf courses										
Daily Golf Rounds	68,464	71,649	77,835	N/A	69,971	69,748	75,997	79,955	85,239	88,135
Rounds of Cart Rentals	56,363	58,985	60,607	N/A	56,079	58,030	62,533	57,581	59,667	61,695
Season Passes Sold	13	17	37	N/A	41	51	59	79	98	102
Fox River Recreational Area										
Boat Slip Leases	144	128	105	63	83	73	73	72	70	75
Winter Storage Leases	147	141	121	116	125	131	118	123	93	89

n/a Not available, reporting differences in our new Ecommerce system.

**includes transition period for the Lakewood facility

*** numbers are reduced due to new procedures.

Source: Lake County Forest Preserve Annual Budget

LAKE COUNTY FOREST PRESERVE DISTRICT

(A component unit of Lake County, Illinois)

Capital Asset Statistics by Function Last Ten Years

Function	Calendar Year 2022	Calendar Year 2021	Calendar Year 2020	18 Month FY 2019	Fiscal Year					
					2018	2017	2016	2015	2014	2013
General government										
Total Acres	31,047	31,047	30,970	30,967	30,865	30,865	31,015	30,235	30,156	30,037
Building and Structures	277	279	278	283	283	292	292	303	315	398
Miles of Trails	209	208	208	206	203	203	192	189	182	159
Education and cultural resources										
Historical/Cultural Sites	4	4	4	4	4	4	4	4	4	4
Public safety										
Patrol Units	17	17	17	17	17	17	17	17	17	19
Ranger Stations	0	2	2	2	2	2	2	5	7	7
Maintenance and development										
Vehicles and Equipment*	191	188	465	463	461	463	451	438	452	437
Farmland Management Acres	2,028	2,028	2,283	2,283	2,514	2,514	2,227	2,220	2,298	2,617
Golf courses										
Number of Golf Courses	3	3	3	3	3	3	3	3	3	3
Fox River Recreational Area										
Number of Boat Slips	169	169	169	169	169	169	169	169	169	169
Trails in miles	2	2	2	2	2	2	2	2	2	2

* - Method of reporting changed

Source: Lake County Forest Preserve Annual Budget

APPENDIX B
DESCRIBING BOOK-ENTRY-ONLY ISSUANCE

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

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

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

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

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

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

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

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

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

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

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

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

APPENDIX C

PROPOSED FORM OF OPINION OF BOND COUNSEL

[LETTERHEAD OF CHAPMAN AND CUTLER LLP]

[TO BE DATED CLOSING DATE]

Lake County Forest Preserve District
Lake County, Illinois

We hereby certify that we have examined certified copy of the proceedings (the “*Proceedings*”) of the Board of Commissioners of the Lake County Forest Preserve District, Lake County, Illinois (the “*District*”), passed preliminary to the issue by the District of its fully registered General Obligation Limited Tax Bonds, Series 2024 (the “*Bonds*”), to the amount of \$ _____, dated _____, 2024, due serially on December 15 of the years and in the amounts and bearing interest as follows:

2029	\$	%
2030		%
2031		%
2032		%
2033		%
2034		%
2035		%

the Bonds due on or after December 15, 20__, being subject to redemption prior to maturity at the option of the District as a whole or in part in any order of their maturity as determined by the District (less than all of the Bonds of a single maturity to be selected by the Bond Registrar), on December 15, 20__, or on any date thereafter, at the redemption price of par plus accrued interest to the redemption date, as provided in the Proceedings, and we are of the opinion that the Proceedings show lawful authority for said issue under the laws of the State of Illinois now in force.

We further certify that we have examined the form of bond prescribed for said issue and find the same in due form of law, and in our opinion said issue, to the amount named, is valid and legally binding upon the District, is payable from any funds of the District legally available for such purpose, and all taxable property in the District is subject to the levy of taxes to pay the same without limitation as to rate, except that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors’ rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion. The amount of said taxes that may be extended to pay the Bonds is limited as provided by the Property Tax Extension Limitation Law of the State of Illinois, as amended (the “*Law*”). The Law provides that the annual amount of said taxes to be extended to pay the Bonds and all other limited bonds (as defined in the Local Government Debt Reform Act of the State of Illinois, as amended) heretofore and hereafter issued by the District shall not exceed the debt service extension base (as defined in the Law) of the District, as more fully described in the Proceedings.

It is our opinion that, subject to the District’s compliance with certain covenants, under present law, interest on the Bonds is excludible from gross income of the owners thereof for federal income tax purposes and is not includible as an item of tax preference in computing the alternative minimum tax for individuals under the Internal Revenue Code of 1986, as amended. Interest on the Bonds may affect the corporate alternative minimum tax for certain corporations. Failure to comply with certain of such District covenants could cause interest on the Bonds to be includible in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds. Ownership of the Bonds may result in other federal tax consequences to certain taxpayers, and we express no opinion regarding any such collateral consequences arising with respect to the Bonds.

We express no opinion herein as to the accuracy, adequacy or completeness of any information furnished to any person in connection with any offer or sale of the Bonds.

In rendering this opinion, we have relied upon certifications of the District with respect to certain material facts within the District's knowledge. Our opinion represents our legal judgment based upon our review of the law and the facts that we deem relevant to render such opinion and is not a guarantee of a result. This opinion is given as of the date hereof and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

APPENDIX D

FORM OF CONTINUING DISCLOSURE UNDERTAKING

**CONTINUING DISCLOSURE UNDERTAKING
FOR THE PURPOSE OF PROVIDING
CONTINUING DISCLOSURE INFORMATION
UNDER SECTION (b)(5) OF RULE 15c2-12**

This Continuing Disclosure Undertaking (this “*Agreement*”) is executed and delivered by the Lake County Forest Preserve District, Lake County, Illinois (the “*District*”), in connection with the issuance of \$ _____ General Obligation Limited Tax Bonds, Series 2024 (the “*Bonds*”). The Bonds are being issued pursuant to an ordinance adopted by the Board of Commissioners of the District on the 10th day of April, 2024, and a related notification of sale (together, the “*Ordinance*”).

In consideration of the issuance of the Bonds by the District and the purchase of such Bonds by the beneficial owners thereof, the District covenants and agrees as follows:

1. **PURPOSE OF THIS AGREEMENT.** This Agreement is executed and delivered by the District as of the date set forth below, for the benefit of the beneficial owners of the Bonds and in order to assist the Participating Underwriters in complying with the requirements of the Rule (as defined below). The District represents that it will be the only obligated person with respect to the Bonds at the time the Bonds are delivered to the Participating Underwriters and that no other person is expected to become so committed at any time after issuance of the Bonds.

2. **DEFINITIONS.** The terms set forth below shall have the following meanings in this Agreement, unless the context clearly otherwise requires.

Annual Financial Information means information of the type contained under the following headings and subheadings of, and in the following appendices and exhibits to, the Official Statement:

1. All of the tables under the heading “PROPERTY ASSESSMENT AND TAX INFORMATION” within this Final Official Statement;
2. All of the tables under the heading “DEBT INFORMATION” within this Final Official Statement; and
3. All of the tables under the heading “FINANCIAL INFORMATION” (Excluding Budget and Interim Financial Information) within this Final Official Statement.

Annual Financial Information Disclosure means the dissemination of disclosure concerning Annual Financial Information and the dissemination of the Audited Financial Statements as set forth in Section 4.

Audited Financial Statements means the audited financial statements of the District prepared pursuant to the principles and as described in *Exhibit I*.

Commission means the Securities and Exchange Commission.

Dissemination Agent means any agent designated as such in writing by the District and which has filed with the District a written acceptance of such designation, and such agent's successors and assigns.

EMMA means the MSRB through its Electronic Municipal Market Access system for municipal securities disclosure or through any other electronic format or system prescribed by the MSRB for purposes of the Rule.

Exchange Act means the Securities Exchange Act of 1934, as amended.

Financial Obligation of the District means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii); provided that "financial obligation" shall not include municipal securities as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

MSRB means the Municipal Securities Rulemaking Board.

Official Statement means the Final Official Statement, dated _____, 2024, and relating to the Bonds.

Participating Underwriter means each broker, dealer or municipal securities dealer acting as an underwriter in the primary offering of the Bonds.

Reportable Event means the occurrence of any of the Events with respect to the Bonds set forth in *Exhibit II*.

Reportable Events Disclosure means dissemination of a notice of a Reportable Event as set forth in Section 5.

Rule means Rule 15c2-12 adopted by the Commission under the Exchange Act, as the same may be amended from time to time.

State means the State of Illinois.

Undertaking means the obligations of the District pursuant to Sections 4 and 5.

3. CUSIP NUMBERS. The CUSIP Numbers of the Bonds are set forth in *Exhibit III*. All filings required under this Agreement will be filed on EMMA under these CUSIP Numbers. If the Bonds are refunded after the date hereof, the District will also make all filings required under this Agreement under any new CUSIP Numbers assigned to the Bonds as a result of such refunding, to the extent the District remains legally liable for the payment of such Bonds; provided, however, that the District will not be required to make such filings under new CUSIP Numbers unless the District has been notified in writing by the Participating Underwriter or the

District's financial advisor that new CUSIP Numbers have been assigned to the Bonds. The District will not make any filings pursuant to this Agreement under new CUSIP Numbers assigned to any of the Bonds after the date hereof for any reason other than a refunding, as described in the previous sentence, including, but not limited to, new CUSIP Numbers assigned to the Bonds as a result of a holder of the Bonds obtaining a bond insurance policy or other credit enhancement with respect to some or all of the outstanding Bonds in the secondary market.

4. ANNUAL FINANCIAL INFORMATION DISCLOSURE. Subject to Section 8 of this Agreement, the District hereby covenants that it will disseminate its Annual Financial Information and its Audited Financial Statements (in the form and by the dates set forth in *Exhibit I*) to EMMA in such manner and format and accompanied by identifying information as is prescribed by the MSRB or the Commission at the time of delivery of such information and by such time so that such entities receive the information by the dates specified. MSRB Rule G-32 requires all EMMA filings to be in word-searchable PDF format. This requirement extends to all documents required to be filed with EMMA, including financial statements and other externally prepared reports.

If any part of the Annual Financial Information can no longer be generated because the operations to which it is related have been materially changed or discontinued, the District will disseminate a statement to such effect as part of its Annual Financial Information for the year in which such event first occurs.

If any amendment or waiver is made to this Agreement, the Annual Financial Information for the year in which such amendment or waiver is made (or in any notice or supplement provided to EMMA) shall contain a narrative description of the reasons for such amendment or waiver and its impact on the type of information being provided.

5. REPORTABLE EVENTS DISCLOSURE. Subject to Section 8 of this Agreement, the District hereby covenants that it will disseminate in a timely manner (not in excess of ten business days after the occurrence of the Reportable Event) Reportable Events Disclosure to EMMA in such manner and format and accompanied by identifying information as is prescribed by the MSRB or the Commission at the time of delivery of such information. MSRB Rule G-32 requires all EMMA filings to be in word-searchable PDF format. This requirement extends to all documents required to be filed with EMMA, including financial statements and other externally prepared reports. Notwithstanding the foregoing, notice of optional or unscheduled redemption of any Bonds or defeasance of any Bonds need not be given under this Agreement any earlier than the notice (if any) of such redemption or defeasance is given to the Bondholders pursuant to the Ordinance.

6. CONSEQUENCES OF FAILURE OF THE DISTRICT TO PROVIDE INFORMATION. The District shall give notice in a timely manner to EMMA of any failure to provide Annual Financial Information Disclosure when the same is due hereunder.

In the event of a failure of the District to comply with any provision of this Agreement, the beneficial owner of any Bond may seek mandamus or specific performance by court order, to cause the District to comply with its obligations under this Agreement. A default under this

Agreement shall not be deemed a default under the Ordinance, and the sole remedy under this Agreement in the event of any failure of the District to comply with this Agreement shall be an action to compel performance.

7. AMENDMENTS; WAIVER. Notwithstanding any other provision of this Agreement, the District by ordinance or resolution authorizing such amendment or waiver, may amend this Agreement, and any provision of this Agreement may be waived, if:

(a) (i) The amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, including without limitation, pursuant to a “no-action” letter issued by the Commission, a change in law, or a change in the identity, nature, or status of the District, or type of business conducted; or

(ii) This Agreement, as amended, or the provision, as waived, would have complied with the requirements of the Rule at the time of the primary offering, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(b) The amendment or waiver does not materially impair the interests of the beneficial owners of the Bonds, as determined by parties unaffiliated with the District (such as Bond Counsel).

In the event that the Commission or the MSRB or other regulatory authority shall approve or require Annual Financial Information Disclosure or Reportable Events Disclosure to be made to a central post office, governmental agency or similar entity other than EMMA or in lieu of EMMA, the District shall, if required, make such dissemination to such central post office, governmental agency or similar entity without the necessity of amending this Agreement.

8. TERMINATION OF UNDERTAKING. The Undertaking of the District shall be terminated hereunder if the District shall no longer have any legal liability for any obligation on or relating to repayment of the Bonds under the Ordinance. The District shall give notice to EMMA in a timely manner if this Section is applicable.

9. DISSEMINATION AGENT. The District may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Agreement, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent.

10. ADDITIONAL INFORMATION. Nothing in this Agreement shall be deemed to prevent the District from disseminating any other information, using the means of dissemination set forth in this Agreement or any other means of communication, or including any other information in any Annual Financial Information Disclosure or notice of occurrence of a Reportable Event, in addition to that which is required by this Agreement. If the District chooses to include any information from any document or notice of occurrence of a Reportable Event in addition to that which is specifically required by this Agreement, the District shall have no obligation under this

Agreement to update such information or include it in any future disclosure or notice of occurrence of a Reportable Event.

11. BENEFICIARIES. This Agreement has been executed in order to assist the Participating Underwriters in complying with the Rule; however, this Agreement shall inure solely to the benefit of the District, the Dissemination Agent, if any, and the beneficial owners of the Bonds, and shall create no rights in any other person or entity.

12. RECORDKEEPING. The District shall maintain records of all Annual Financial Information Disclosure and Reportable Events Disclosure, including the content of such disclosure, the names of the entities with whom such disclosure was filed and the date of filing such disclosure.

13. ASSIGNMENT. The District shall not transfer its obligations under the Ordinance unless the transferee agrees to assume all obligations of the District under this Agreement or to execute an Undertaking under the Rule.

14. GOVERNING LAW. This Agreement shall be governed by the laws of the State.

LAKE COUNTY FOREST PRESERVE DISTRICT,
LAKE COUNTY, ILLINOIS

By _____
President, Board of Commissioners

Date: _____, 2024

EXHIBIT I
ANNUAL FINANCIAL INFORMATION AND TIMING AND AUDITED
FINANCIAL STATEMENTS

All or a portion of the Annual Financial Information and the Audited Financial Statements as set forth below may be included by reference to other documents which have been submitted to EMMA or filed with the Commission. If the information included by reference is contained in a Final Official Statement, the Final Official Statement must be available on EMMA; the Final Official Statement need not be available from the Commission. The District shall clearly identify each such item of information included by reference.

Annual Financial Information exclusive of Audited Financial Statements will be submitted to EMMA within 210 days after the last day of the District's fiscal year, beginning with the fiscal year ended December 31, 2023. Audited Financial Statements as described below should be filed at the same time as the Annual Financial Information. If Audited Financial Statements are not available when the Annual Financial Information is filed, Audited Financial Statements will be submitted to EMMA within 30 days after availability to the District.

Audited Financial Statements will be prepared in accordance with accounting principles generally accepted in the United States of America.

If any change is made to the Annual Financial Information as permitted by Section 4 of the Agreement, the District will disseminate a notice of such change as required by Section 4.

EXHIBIT II
EVENTS WITH RESPECT TO THE BONDS
FOR WHICH REPORTABLE EVENTS DISCLOSURE IS REQUIRED

1. Principal and interest payment delinquencies
2. Non-payment related defaults, if material
3. Unscheduled draws on debt service reserves reflecting financial difficulties
4. Unscheduled draws on credit enhancements reflecting financial difficulties
5. Substitution of credit or liquidity providers, or their failure to perform
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security
7. Modifications to the rights of security holders, if material
8. Bond calls, if material, and tender offers
9. Defeasances
10. Release, substitution or sale of property securing repayment of the securities, if material
11. Rating changes
12. Bankruptcy, insolvency, receivership or similar event of the District*
13. The consummation of a merger, consolidation, or acquisition involving the District or the sale of all or substantially all of the assets of the District, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material
15. (a) The incurrence of a Financial Obligation, if material, or (b) an agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation, any of which affect security holders, if material
16. A default, event of acceleration, termination event, modification of terms, or other similar events under the terms of the Financial Obligation, any of which reflect financial difficulties

* This event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the District in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the District, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the District.

**EXHIBIT III
CUSIP NUMBERS**

YEAR OF MATURITY	CUSIP NUMBER (508354)
2029	
2030	
2031	
2032	
2033	
2034	
2035	

OFFICIAL BID FORM
(Open Speer Auction)

Lake County Forest Preserve District
1899 West Winchester Road
Libertyville, Illinois 60048

April 17, 2024
Speer Financial, Inc.
Facsimile: (312) 346-8833

Board of Trustees:

For the \$17,670,000* General Obligation Limited Tax Bonds, Series 2024 (the "Bonds"), of the Lake County Forest Preserve District, Lake County, Illinois (the "District"), as described in the annexed Official Notice of Sale, which is expressly made a part of this bid, we will pay you \$ _____ (no less than \$17,528,640) for Bonds bearing interest as follows (each rate a multiple of 1/8 or 1/100 of 1%). The Bonds are to be dated the date of delivery which is expected to be on or about May 8, 2024. **The premium or discount, if any, is subject to adjustment allowing the same gross spread per \$1,000 bond as bid herein.**

MATURITIES* - DECEMBER 15

\$2,170,000.....	2029	\$2,640,000.....	2033
2,280,000.....	2030	2,770,000.....	2034
2,390,000.....	2031	2,910,000.....	2035
2,510,000.....	2032		

The maturities may be aggregated into a term bond at the option of the bidder, in which case the mandatory redemption provisions shall be on the same schedule as above.

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

As evidence of our good faith, if we are the winning bidder, we will wire transfer the amount of **TWO PERCENT OF PAR** (the "Deposit") **WITHIN TWO HOURS** after the bid opening time to the District's good faith bank and under the terms provided in the Official Notice of Sale for the Bonds. Alternatively, we have wire transferred or enclosed herewith a check payable to the order of the Treasurer of the Board of Commissioners of the District (the "Board") in the amount of the Deposit under the terms provided in the Official Notice of Sale for the Bonds.

This bid is a firm offer for the purchase of the Bonds identified in the Official Notice of Sale, on the terms set forth in this bid form and the Official Notice of Sale, and is not subject to any conditions, except as permitted by the Official Notice of Sale. By submitting this bid, we confirm that we have an established industry reputation for underwriting new issuances of municipal bonds. If the Competitive Sale Requirements are not met, we select the following rule to establish the issue price of the maturities of the Bonds for which 10% is not sold to the Public on the date hereof, applied on a maturity-by-maturity basis: _____ 10% Test: the first price at which 10% of a maturity of the Bonds is sold to the Public for the following maturities: _____ Hold-the-Offering-Price Rule: the Initial Offering Price of that maturity for the following maturities: _____.

The Bonds are to be accompanied by the unqualified approving legal opinions of Chapman and Cutler LLP, Chicago, Illinois, Bond Counsel, and a certificate evidencing that no litigation is pending against the District which will affect the validity or security of the Bonds. Attorneys' fees, Rating Agency fees, Municipal Advisor fees, the cost of preparing and printing the Bonds, the fees of the Registrar, the cost of distributing the Official Notice of Sale, the Preliminary Official Statement and the Official Statement and miscellaneous expenses of the District incurred in connection with the offering and delivery of the Bonds shall all be the obligation of the District. The costs of issuance of the Bonds may be distributed by the Winning Bidder on behalf of the District from proceeds of the Bonds and by submitting this bid, we agree to send (an) additional wire(s) at closing to distribute such costs if so requested by the District.

Bidders Option Insurance

<p>We have purchased insurance from:</p> <p><u>Name of Insurer</u> (Please fill in)</p> <p>_____</p> <p>Premium: _____</p> <p>Maturities: (Check One)</p> <p><input type="checkbox"/> _____ Years</p> <p><input type="checkbox"/> All</p>
--

Form of Deposit (Check One)

Prior to Bid Opening:

Certified/Cashier's Check

Wire Transfer

Within TWO hours of Bidding:

Wire Transfer

Amount: \$353,400

Account Manager Information

Name _____

Address _____

By _____

City _____ State/Zip _____

Direct Phone (_____) _____

FAX Number (_____) _____

E-Mail Address _____

The foregoing bid was accepted and the Bonds sold pursuant to an ordinance adopted by the Board on April 10, 2024, as supplemented by a notification of sale, and receipt is hereby acknowledged of the Deposit which is being held in accordance with the terms of the annexed Official Notice of Sale.

LAKE COUNTY FOREST PRESERVE DISTRICT, LAKE COUNTY, ILLINOIS

Its _____

*Subject to change.

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

	Bid	Post Sale Revision
Gross Interest	\$	
Less Premium/Plus Discount	\$	
True Interest Cost	\$	
True Interest Rate	%	%
TOTAL BOND YEARS	155,461.08	
AVERAGE LIFE	8.798 Years	Years

OFFICIAL NOTICE OF SALE

\$17,670,000*

LAKE COUNTY FOREST PRESERVE DISTRICT Lake County , Illinois General Obligation Limited Tax Bonds, Series 2024

(Open Speer Auction)

The Lake County Forest Preserve District, Lake County, Illinois (the "District"), will receive electronic bids on the SpeerAuction ("SpeerAuction") website address "www.SpeerAuction.com" for its \$17,670,000* General Obligation Limited Tax Bonds, Series 2024 (the "Bonds"), on an all or none basis between 10:15 A.M. and 10:30 A.M., C.D.T., Wednesday, April 17, 2024. To bid, bidders must have: (1) completed the registration form on the SpeerAuction website, and (2) requested and received admission to the District's sale (as described below). Award will be made or all bids rejected at a meeting of the District on that date. The District reserves the right to change the date or time for receipt of bids. Any such change shall be made not less than twenty-four (24) hours prior to the revised date and time for receipt of the bids for the Bonds and shall be communicated by publishing the changes in the Amendments Page of the SpeerAuction webpage and through *Thomson Municipal News*.

The Bonds are valid and legally binding upon the District and are payable from any funds of the District legally available for such purpose, and all taxable property in the District is subject to the levy of taxes to pay the same without limitation as to rate. The amount of said taxes that will be extended to pay the Bonds is limited as provided by law.

Bidding Details

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

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

Rules of SpeerAuction

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

Establishment of Issue Price

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

- (b) The District intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining “competitive sale” for purposes of establishing the issue price of the Bonds) will apply to the initial sale of the Bonds (the “competitive sale requirements”) because:
- (i) the District shall disseminate this Official Notice of Sale to potential Underwriters in a manner that is reasonably designed to reach potential Underwriters;
 - (ii) all bidders shall have an equal opportunity to bid;
 - (iii) the District may receive bids from at least three Underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
 - (iv) the District anticipates awarding the sale of the Bonds to the bidder who submits a firm offer to purchase the Bonds at the lowest true interest cost, as set forth in this Official Notice of Sale.

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

- (c) In the event that the competitive sale requirements are not satisfied, the District shall so advise the winning bidder. **The District will not require bidders to comply with the “hold-the-offering-price rule” and therefore does not intend to use the initial offering price to the Public as of the Sale Date of any maturity of the Bonds as the issue price of that maturity, though the winning bidder may elect to apply the “hold the offering price rule” (as described below). Bids will not be subject to cancellation in the event that the competitive sale requirements are not satisfied. Unless a bidder intends to apply the “hold-the-offering-price rule” as described below, bidders should prepare their bids on the assumption that all of the maturities of the Bonds will be subject to the 10% test (as described below) in order to establish the issue price of the Bonds.** If the competitive sale requirements are not satisfied, the 10% test shall apply to determine the issue price of each maturity of the Bonds unless the winning bidder shall request that the “hold-the-offering-price rule” (as described below) shall apply. The winning bidder must notify Speer of its intention to apply the “hold-the-offering-price rule” at or prior to the time the Bonds are awarded.

- (i) If the winning bidder does not request that the “hold-the-offering-price rule” apply to determine the issue price of the Bonds, the following two paragraphs shall apply:

The District shall treat the first price at which 10% of a maturity of the Bonds (the “10% test”) is sold to the Public as the issue price of that maturity, applied on a maturity-by-maturity basis. The winning bidder shall advise the District if any maturity of the Bonds satisfies the 10% test as of the date and time of the award of the Bonds.

Until the 10% test has been satisfied as to each maturity of the Bonds, the winning bidder agrees to promptly report to the District the prices at which the unsold Bonds of that maturity have been sold to the Public. That reporting obligation shall continue, whether or not the closing date has occurred, until the 10% test has been satisfied as to the Bonds of that maturity or until all Bonds of that maturity have been sold to the Public. In addition, if the 10% test has not been satisfied with respect to any maturity of the Bonds prior to closing, then the purchaser shall provide the District with a representation as to the price of prices, as of the date of closing, at which the purchaser reasonably expects to sell the remaining Bonds of such maturity.

- (ii) If the winning bidder does request that the “hold-the-offering-price rule” apply to determine the issue price of the Bonds, the following three paragraphs shall apply:

The District may determine to treat (i) pursuant to the 10% test, the first price at which 10% of a maturity of the Bonds is sold to the Public as the issue price of that maturity and/or (ii) the initial offering price to the Public as of the Sale Date of any maturity of the Bonds as the issue price of that maturity (the “hold-the-offering-price rule”), in each case applied on a maturity-by-maturity basis. The winning bidder shall advise the District if any maturity of the Bonds satisfies the 10% test as of the date and time of the award of the Bonds. The District shall promptly advise the winning bidder, at or before the time of award of the Bonds, which maturities of the Bonds shall be subject to the 10% test or shall be subject to the hold-the-offering-price rule or both. Bids will *not* be subject to cancellation in the event that the District determines to apply the hold-the-offering-price rule to any maturity of the Bonds.

By submitting a bid, the winning bidder shall (i) confirm that the Underwriters have offered or will offer the Bonds to the Public on or before the date of award at the offering price or prices (the “initial offering price”), and (ii) agree, on behalf of the Underwriters participating in the purchase of the Bonds, that the Underwriters will neither offer nor sell unsold Bonds of any maturity to which the hold-the-offering-price rule shall apply to any person at a price that is higher than the initial offering price to the Public during the period starting on the Sale Date and ending on the earlier of the following:

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

- (d) The District acknowledges that, in making the representation set forth above, the winning bidder will rely on (i) the agreement of each Underwriter to comply with the hold-the-offering-price rule, as set forth in an agreement among Underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Bonds to the Public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an Underwriter is a party to a retail distribution agreement that was employed in connection with the initial sale of the Bonds to the Public, the agreement of each broker-dealer that is a party to such agreement to comply with the hold-the-offering-price rule, as set forth in the retail distribution agreement and the related pricing wires. The District further acknowledges that each Underwriter shall be solely liable for its failure to comply with its agreement regarding the hold-the-offering-price rule and that no Underwriter shall be liable for the failure of any other Underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a retail distribution agreement to comply with its corresponding agreement regarding the hold-the-offering-price applicable to the Bonds.
- (e) By submitting a bid, each bidder confirms that: (i) any agreement among Underwriters, any selling group agreement and each retail distribution agreement (to which the bidder is a party) relating to the initial sale of the Bonds to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such retail distribution agreement, as applicable, to (a) report the prices at which it sells to the Public the unsold Bonds of each maturity allotted to it until it is notified by the winning bidder that either the 10% test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the Public and (b) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder and as set forth in the related pricing wires which shall be at least until the 10% test has been satisfied as to the Bonds of that maturity or until the close of the fifth business day following the date of the award, and (ii) any agreement among Underwriters relating to the initial sale of the Bonds to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter that is a party to a retail distribution agreement to be employed in connection with the initial sale of the Bonds to the Public to require each broker-dealer that is a party to such retail distribution agreement to (a) report the prices at which it sells to the Public the unsold Bonds of each maturity allotted to it until it is notified by the winning bidder or such Underwriter that either the 10% test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the Public and (b) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder or such Underwriter and as set forth in the related pricing wires, which shall be at least until the 10% test has been satisfied as to the Bonds of that maturity or until the close of the fifth business day following the date of the award.
- (f) Sales of any Bonds to any person that is a Related Party to an Underwriter shall not constitute sales to the Public for purposes of this Official Notice of Sale. Further, for purposes of this Official Notice of Sale:
- (i) “Public” means any person other than an Underwriter or a Related Party,
 - (ii) “Underwriter” means (A) any person that agrees pursuant to a written contract with the District (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public including, specifically, the purchaser, and (b) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public),

- (iii) a purchaser of any of the Bonds is a “Related Party” to an Underwriter if the Underwriter and the purchaser are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and
- (iv) “Sale Date” means the date that the Bonds are awarded by the District to the winning bidder.

Rules

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

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

The Bonds will be in fully registered form in the denominations of \$5,000 and integral multiples thereof in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York (“DTC”), to which principal and interest payments on the Bonds will be paid. Individual purchases will be in book-entry only form. Interest on each Bond shall be paid by check or draft of the Registrar to the person in whose name such bond is registered at the close of business on the first day of the month next preceding any interest payment date. The principal of the Bonds shall be payable in lawful money of the United States of America at the principal office maintained for the purpose by the hereinafter defined Registrar in Chicago, Illinois. Semiannual interest is due June 15 and December 15 of each year commencing June 15, 2025, and is payable by Amalgamated Bank of Chicago, Chicago, Illinois (the “Registrar”). The Bonds are dated the date of delivery, expected to be on or about May 8, 2024.

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

MATURITIES* – DECEMBER 15

\$2,170,000	2029	\$2,640,000	2033
2,280,000	2030	2,770,000	2034
2,390,000	2031	2,910,000	2035
2,510,000	2032		

The maturities may be aggregated into a term bond at the option of the bidder, in which case the mandatory redemption provisions shall be on the same schedule as above.

The Bonds due December 15, 2029-2032, inclusive, are not subject to redemption prior to maturity. The Bonds due December 15, 2033-2035, inclusive, are callable in whole or in part at the option of the District on any date on or after December 15, 2032, at a price of par and accrued interest. If less than all the Bonds are called, they shall be redeemed in such principal amounts and from such maturities as determined by the District and within any maturity by lot.

All interest rates must be in multiples of one-eighth or one one-hundredth of one percent (1/8 or 1/100 of 1%), and not more than one rate for a single maturity shall be specified. The maximum coupon interest rate bid for each maturity shall not exceed 5%. The differential between the highest rate bid and the lowest rate bid shall not exceed three percent (3%). All bids must be for all of the Bonds and must be for not less than \$17,528,640.

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

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

The premium or discount, if any, is subject to pro rata adjustment if the maturity amounts of the Bonds are changed, allowing the same dollar amount of profit per \$1,000.

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

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

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

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

*Subject to change.

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

Amalgamated Bank of Chicago
Corporate Trust
30 North LaSalle Street
38th Floor
Chicago, IL 60602
ABA # 071003405
Credit To: 3281 Speer Bidding Escrow
RE: Lake County Forest Preserve District, Lake County, Illinois bid for
\$17,670,000* General Obligation Limited Tax Bonds, Series 2024

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

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

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

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

Bonds will be delivered to the successful purchaser against full payment in immediately available funds as soon as they can be prepared and executed, which is expected to be on or about May 8, 2024. Should delivery be delayed beyond sixty (60) days from the date of sale for any reason beyond the control of the District except failure of performance by the purchaser, the District may cancel the award or the purchaser may withdraw the Deposit and thereafter the purchaser's interest in and liability for the Bonds will cease.

The Official Statement, when further supplemented by an addendum or addenda specifying the maturity dates, principal amounts, and interest rates of the Bonds, and any other information required by law or deemed appropriate by the District, shall constitute a "Final Official Statement" of the District with respect to the Bonds, as that term is defined in the Rule. Any such addendum or addenda shall, on and after the date thereof, be fully incorporated herein and made a part hereof by reference. Alternatively, such final terms of the Bonds and other information may be included in a separate document entitled "Final Official Statement" rather than through supplementing the Official Statement by an addendum or addenda. By awarding the Bonds to any underwriter or underwriting syndicate, the District agrees that, no more than seven (7) business days after the date of such award, it shall provide, without cost to the senior managing underwriter of the syndicate to which the Bonds are awarded, up to 50 copies of the Final Official Statement to permit each "Participating Underwriter" (as that term is defined in the Rule) to comply with the provisions of such Rule. The District shall treat the senior managing underwriter of the syndicate to which the Bonds are awarded as its designated agent for purposes of distributing copies of the Final Official Statement to each Participating Underwriter. Any underwriter executing and delivering an Official Bid Form with respect to the Bonds agrees thereby that if its bid is accepted by the District it shall enter into a contractual relationship with all Participating Underwriters of the Bonds for purposes of assuring the receipt by each such Participating Underwriter of the Final Official Statement.

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

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

The District has authorized the printing and distribution of an Official Statement containing pertinent information relative to the District and the Bonds. Copies of such Official Statement or additional information may be obtained from Stephen A. Neaman, Finance Director, Lake County Forest Preserve District, 1899 W. Winchester Road, Libertyville, Illinois 60048 or an electronic copy of this Official Statement is available from the www.speerfinancial.com web site under "Debt Auction Center/Competitive Sales Calendar" from the Municipal Advisor to the District, Speer Financial, Inc., 230 W. Monroe Street, Suite 2630, Chicago, Illinois 60606, telephone (312) 346-3700.

/s/ **STEPHEN A. NEAMAN**
Finance Director
LAKE COUNTY FOREST PRESERVE DISTRICT
Lake County, Illinois

Exhibit A

Example Issue Price Certificate

CERTIFICATE OF PURCHASER

The undersigned, on behalf of _____ (the “Purchaser”), hereby certifies as set forth below with respect to the sale and issuance of the \$_____ General Obligation Limited Tax Bonds, Series 2024 (the “Bonds”), of the Lake County Forest Preserve District, Lake County, Illinois (the “District”).

I. GENERAL

On the Sale Date, the Purchaser purchased the Bonds from the District by submitting electronically an “Official Bid Form” responsive to an “Official Notice of Sale” and having its bid accepted by the District. The Purchaser has not modified the terms of the purchase since the Sale Date.

II. PRICE

1. Reasonably Expected Initial Offering Price.

(a) As of the Sale Date, the reasonably expected initial offering prices of the Bonds to the Public by the Purchaser are the prices listed in *Exhibit A* (the “*Expected Offering Prices*”). The Expected Offering Prices are the prices for the Maturities of the Bonds used by the Purchaser in formulating its bid to purchase the Bonds. Attached as *Exhibit B* is a true and correct copy of the bid provided by the Purchaser to purchase the Bonds.

(b) The Purchaser was not given an exclusive opportunity to review other bids prior to submitting its bid.

(c) The bid submitted by the Purchaser constituted a firm offer to purchase the Bonds.

2. As of the date of this certificate, for each Maturity of the Bonds, the first price at which at least 10% of such Maturity of the Bonds was sold to the Public is the respective price listed in *Exhibit A*.

3 Bids Not Received: 10% Test Applies

[3. With respect to each of the _____ Maturities of the Bonds.

(a) As of the date of this certificate, the Purchaser has not sold at least 10% of the Bonds of this Maturity at any price.

(b) As of the date of this certificate, the Purchaser reasonably expects that the first sale to the Public of an amount of Bonds of this Maturity equal to 10% or more of this

Maturity will be at or below the Expected Sale Price listed on the attached *Exhibit A* (the “*Expected First Sale Price*”).]

3 Bids Not Received: Hold-the-Offering-Price Rule Applies

[3. Hold-the-Offering-Price Maturities.

(a) The Purchaser offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in *Exhibit A* (the “*Initial Offering Prices*”) on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as *Exhibit C*.

(b) As set forth in the Official Notice of Sale and bid award, the Purchaser agreed in writing that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, it would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the “*Hold-the-Offering-Price Rule*”), and (ii) any selling group agreement would contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement would contain the agreement of each broker-dealer who is a party to the third-party distribution agreement, to comply with the Hold-the-Offering-Price Rule.

(c) No Underwriter (as defined below) has offered or sold any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity during the Holding Period.]

4. Defined Terms.

[(a) “*General Rule Maturities*” means those Maturities of the Bonds not listed in *Exhibit A* hereto as the “Hold-the-Offering-Price Maturities.”

(b) “*Hold-the-Offering-Price Maturities*” means those Maturities of the Bonds listed in *Exhibit A* hereto as the “Hold-the-Offering-Price Maturities.”

(c) “*Holding Period*” means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date (said fifth business day being _____, 2024), or (ii) the date on which the Purchaser has sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.]

(d) “*Maturity*” means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

(e) “*Public*” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a Related Party to an Underwriter.

(f) A person is a “*Related Party*” to an Underwriter if the Underwriter and the person are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other).

(g) “*Sale Date*” means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is _____, 2024.

(h) “*Underwriter*” means (i) any person that agrees pursuant to a written contract with the District (or with the Underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Purchaser’s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the District with respect to certain of the representations and with respect to compliance with the federal income tax rules affecting the Bonds, and by Chapman and Cutler LLP, Chicago, Illinois, Bond Counsel, in connection with rendering its opinion concerning interest on the Bonds, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the District from time to time relating to the Bonds.

IN WITNESS WHEREOF, I hereunto affix my signature, this ____ day of _____,
2024.

_____,
_____, _____

By: _____
Title: _____

EXHIBIT B
PURCHASER'S BID

**[EXHIBIT C
PRICING WIRES]**