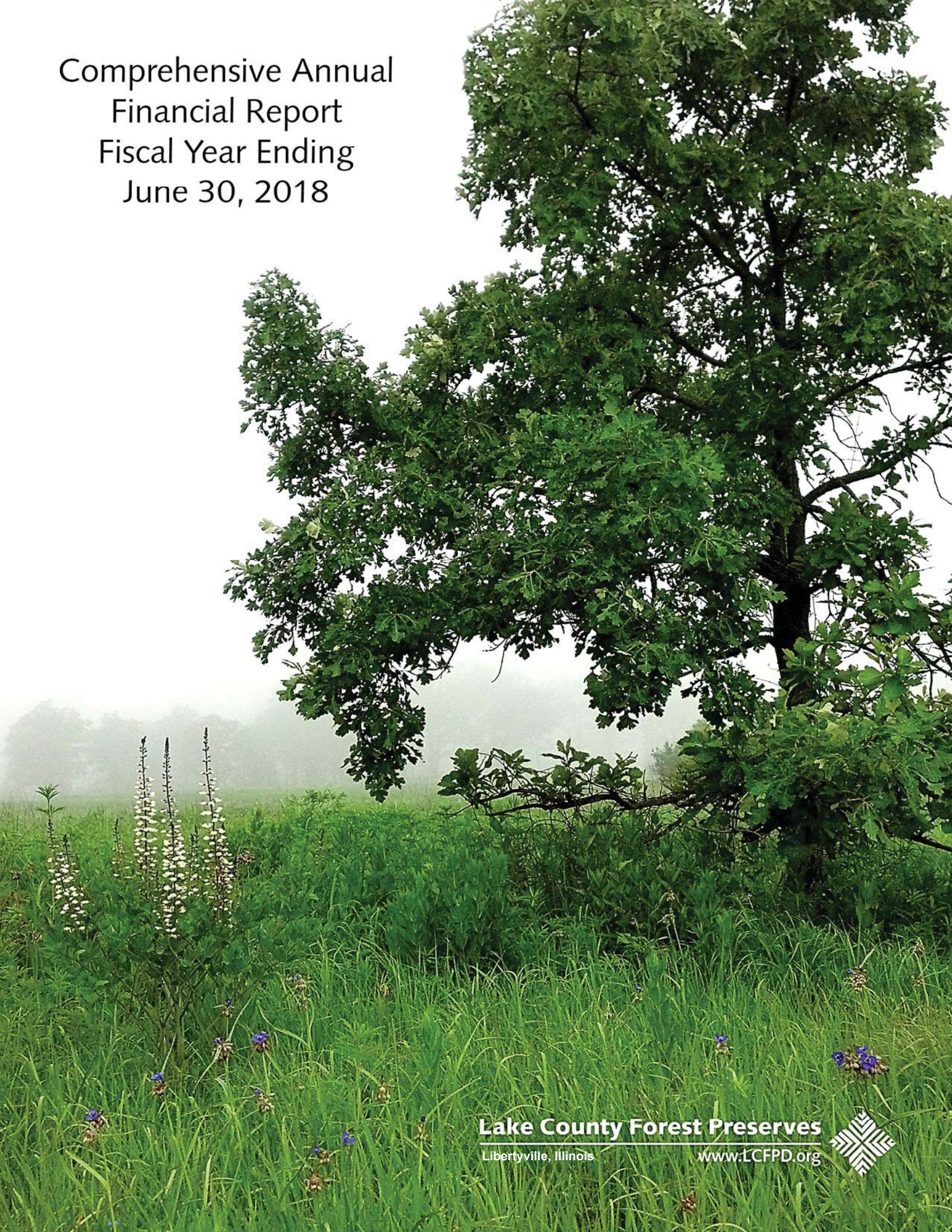


Comprehensive Annual
Financial Report
Fiscal Year Ending
June 30, 2018



Lake County Forest Preserves

Libertyville, Illinois

www.LCFPD.org



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

Comprehensive Annual Financial Report

As of and For the Year Ended June 30, 2018

Prepared by:

The Department of Finance

Stephen Neaman
Director of Finance

and

Christy Marantos
Finance Manager

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

Comprehensive Annual Financial Report
As of and For the Year Ended June 30, 2018

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

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

Comprehensive Annual Financial Report
As of and For the Year Ended June 30, 2018

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INTRODUCTORY SECTION



December 19, 2018

Dear Residents of Lake County:

The Lake County Forest Preserve District (the “District”) is pleased to submit its comprehensive annual financial report for the fiscal year ended June 30, 2018. 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 June 30, 2018. 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 Virchow Krause LLP, Certified Public Accountants, have issued an unmodified opinion on the District’s financial statements for the fiscal year ended June 30, 2018. 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 21-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 506 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.

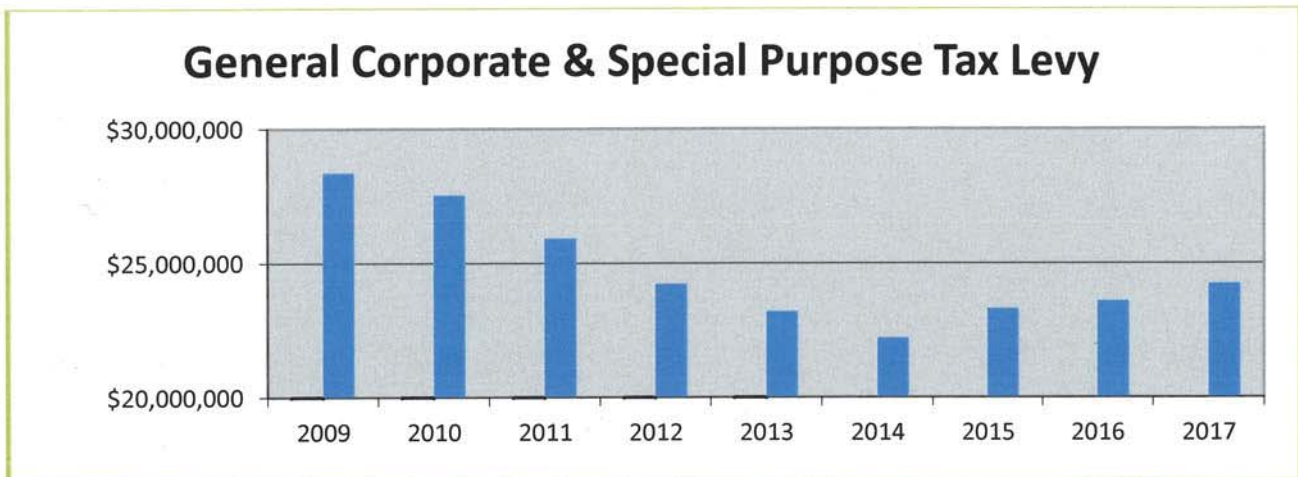
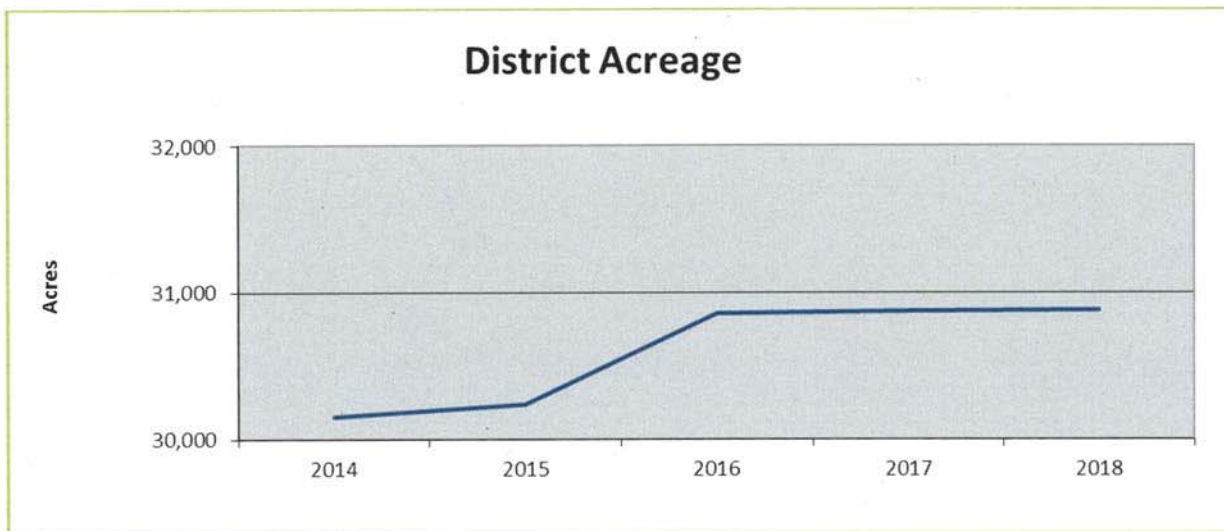
With 65 sites the District provides a full range of services including land preservation, planning, development, conservation, restoration, education, public safety, recreational activities, historical preservation, and cultural events. In addition to governmental activities, the business-type activities 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

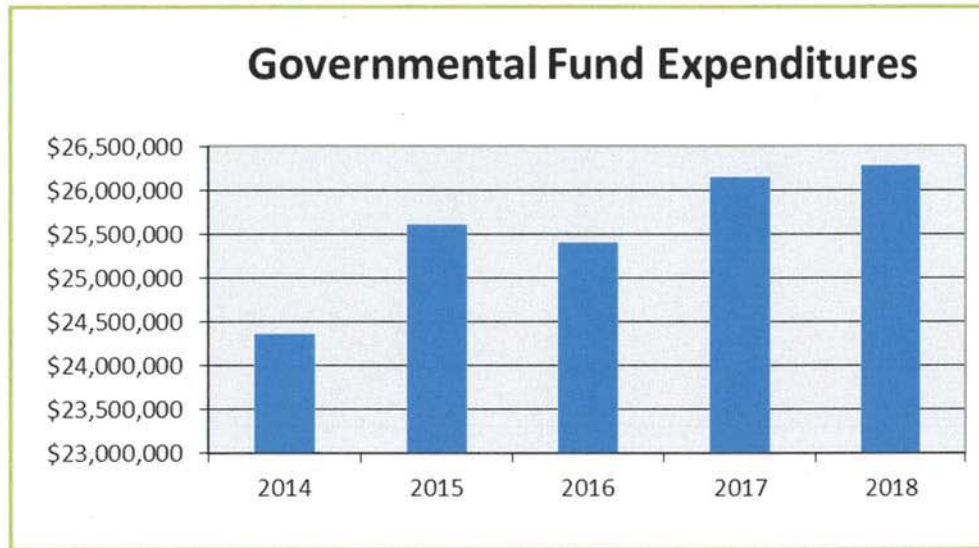
Our Forest Preserves are at the heart of what makes Lake County such a great place to live, work, and play. As the third largest county in the state, Lake County’s market valuation is approximately \$78.0 billion. Through the leadership of our Board of Commissioners and support of Lake County voters, 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.

Over the past five years, District land holdings have increased to over 30,882 acres. During this same time period the District has reduced staff by 11%.



In conjunction with the growth of the District, the voters approved a referendum to increase the operating tax levy rate in November 2002. The general corporate and special purpose tax levies have decreased from \$28.4 million for the 2009 tax levy to \$24.6 million for the 2017 tax levy. Over the past six years the tax levy has decreased \$3.8 million. The decrease was the result of declining property values brought on by the last recession. During the decline the District continued conservative budgeting practices and wise use of fiscal resources. Property values have stabilized over the past three years and increased by 14.8%. At the same time the overall tax levy has grown only by 2.4% as a result of continued fiscal conservatism.

Governmental fund expenditures, including maintenance and development, public safety, education, recreation, natural resources, and general government have increased from \$24.5 million in 2013 to \$26.2 million (7.4%) in 2018. 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.

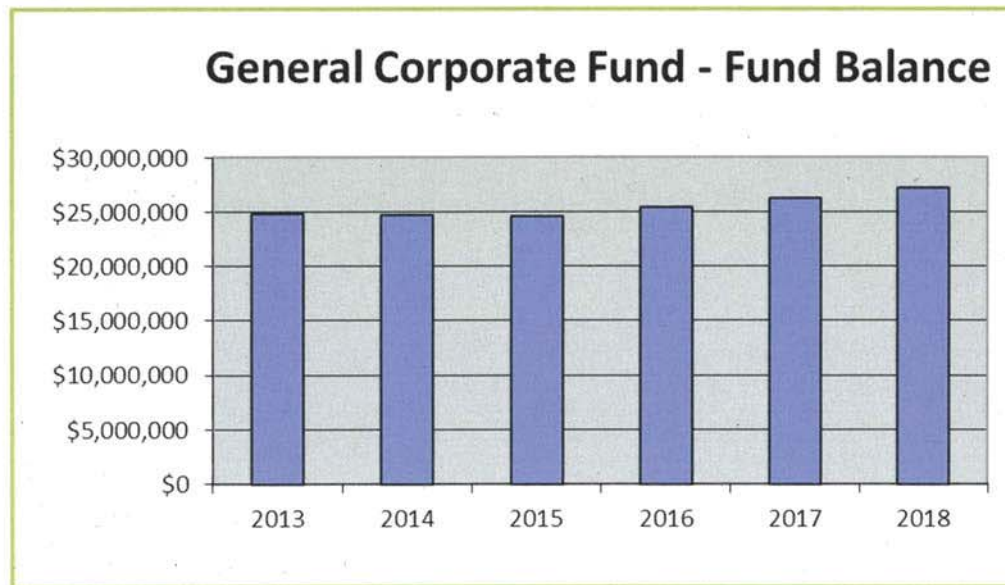


The District also has a ten-year capital improvement plan that is updated during the budget process. The District coordinates development of the capital improvement budget with the development of the operating budget. Future operating costs associated with new capital improvements are projected and included 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 fifteen 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 are currently no plans for another referendum.

The District last issued bonds in 2016 and received the highest possible rating of AAA from Standard

& Poor's and the highest possible rating of Aaa from Moody's. The District is one of very few forest preserve districts in the country rated AAA by Standard & Poor's. Standard & Poor'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 (50% of the ensuing year's fund budget). During 2013, the district did a onetime transfer \$5.5 million of General Corporate fund balance to the Debt Service Fund. These funds will be used to call outstanding debt certificates in 2018 and save taxpayers over \$675,000 in interest expense.

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 District's 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

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.

The District continues a long term financial planning program by projecting and evaluating revenue and expenses on a rolling ten year basis. Since 2008, declining property values have meant declining property tax revenues. These declines stopped with the 2015 property assessment. Property values grew by 3.49% in 2015, rose again in 2016 by 6.25% and increased 4.43% in 2017. Current projections for 2018 indicate an increase in the 2.0% to 2.5% range. These increases in property values will not automatically mean increases in property tax revenue. State caps on increases will be small for the next few years because of low inflation. Cap increases are tied to the annual rate of inflation, which were below 1% for the 2016 tax levy and 2.1% for 2017. The 2018 inflation rate is expected to remain at 2.1%. 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 identified 5 strategic directions as part of its approved Strategic Plan. The 5 directions are:

- Leadership
- Organizational Sustainability
- Conservation
- Communication, Education and Outreach
- Public Access and Connections

These directions will guide the financial decisions of the District the next 20 – 25 years.

FISCAL YEAR CHANGE – 18 MONTH BUDGET

On December 12, 2017, the Board of Commissioners approved a resolution calling for a change in the District's fiscal year. Under the Downstate Forest Preserve Act (70 ILCS 805/) section 13.3(d) "Any forest preserve district that determines to change its fiscal year may adopt an annual appropriation ordinance for a transition period of more or less than 12 months as may be necessary to effect such change, and appropriations made for such transition period shall terminate with the close of such period." Since its inception in 1958 the District has operated under a fiscal year that ran from July 1st

through June 30th. As the District grew over the years and added new programming and golf to its offered activities, the June 30th fiscal year end made budgeting more challenging and split many activities during their busy season. Property tax levies had to be projected out for two years to develop the annual budget since tax payments were collected in June and September of a given year. The Board changed to a calendar fiscal year from January 1st to December 31st which will begin on January 1, 2020. To bridge the gap, the Board adopted an 18 month budget starting on July 1, 2018 and ending on December 31, 2019.

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.

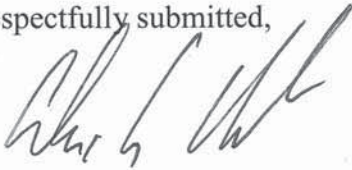
This year, we received two financial awards recognizing the quality of financial reporting:

- Distinguished Budget Presentation Award, Government Finance Officers Association, Annual Budget 2017/18, 24th consecutive year.
- Excellence in Financial Reporting, Government Finance Officers Association, Comprehensive Annual Financial Report 2017, 30th 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**

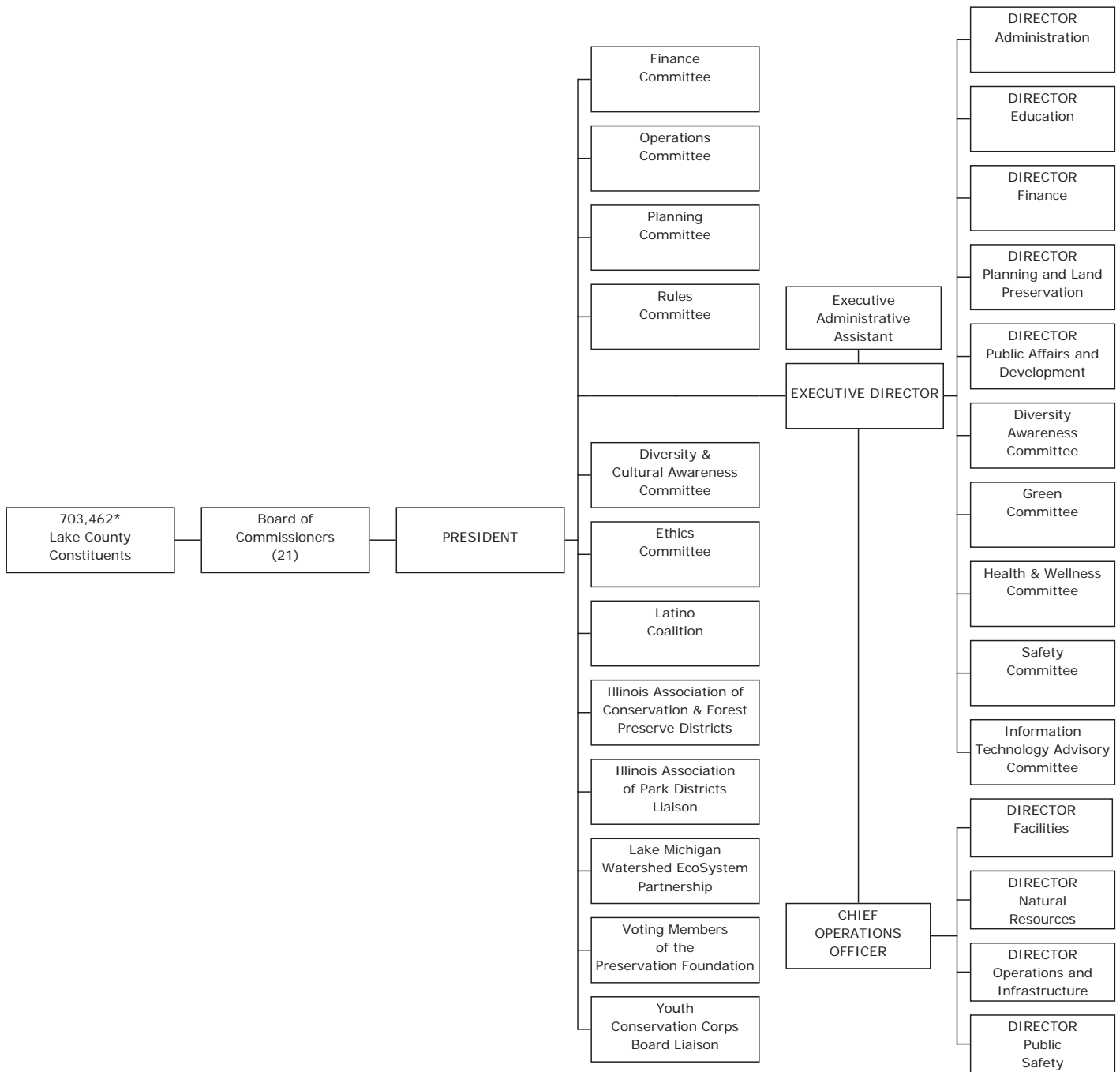
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2017

Christopher P. Morvill

Executive Director/CEO

LAKE COUNTY FOREST PRESERVE DISTRICT



*Denotes number of constituents from 2010 Census



LAKE COUNTY FOREST PRESERVE DISTRICT

Officers and Officials

Presidential Appointments

December 2016 – December 2018

OFFICERS AND OFFICIALS

Ann B. Maine

PRESIDENT

Linda Pedersen

VICE PRESIDENT

S. Michael Rummel

TREASURER

Julie Gragnani

SECRETARY

Jeff Werfel

ASSISTANT TREASURER

Maureen Shelton

ASSISTANT SECRETARY

Steve Neaman

DEPUTY TREASURER

Alex Ty Kovach

EXECUTIVE DIRECTOR

STANDING COMMITTEES

FINANCE COMMITTEE

S. Michael Rummel, *Chair*

Linda Pedersen, *Vice Chair*

Mary Ross Cunningham

Steve Carlson

Bill Durkin

Sandra Hart

Aaron Lawlor

PLANNING COMMITTEE

Carol Calabresa, *Chair*

Sidney Mathias, *Vice Chair*

Paul Frank

Sandra Hart

Linda Pedersen

Craig Taylor

Tom Weber

Jeff Werfel

Terry Wilke

OPERATIONS COMMITTEE

Craig Taylor, *Chair*

Mary Ross Cunningham, *Vice Chair*

Chuck Bartels

Steve Carlson

Michael Danforth

Bill Durkin

Diane Hewitt

Judy Martini

Brent Paxton

S. Michael Rummel

Vance Wyatt

RULES COMMITTEE

Jeff Werfel, *Chair*

Bill Durkin, *Vice Chair*

Sandra Hart

Sidney Mathias

Linda Pedersen

S. Michael Rummel

Vance Wyatt

SPECIAL COMMITTEES

DIVERSITY & CULTURAL AWARENESS

Sidney Mathias, *Chair*
Terry Wilke, *Vice Chair*
Mary Ross Cunningham
Ann B. Maine
Craig Taylor

ETHICS COMMITTEE

Chuck Bartels, *Chair*
Bill Durkin, *Vice Chair*
Carol Calabresa
Paul Frank
Linda Pedersen

OUTSIDE BOARD MEMBERS AND LIAISONS

ILLINOIS ASSOCIATION OF PARK DISTRICTS

Judy Martini, *Liaison*

LAKE MICHIGAN WATERSHED ECOSYSTEM PARTNERSHIP

Paul Frank, *Representative*

LATINO COALITION

Mary Ross Cunningham, *Representative*

MEMBERS OF THE PRESERVATION FOUNDATION OF THE LAKE COUNTY FOREST PRESERVES

Ann B. Maine
Carol Calabresa
Paul Frank
Linda Pedersen
Craig Taylor
S. Michael Rummel

YCC BOARD LIAISON

Tom Weber

OTHER APPOINTMENTS

CORPORATE COUNSEL AND PARLIAMENTARIAN

Matthew Norton
Burke, Warren, MacKay & Serritella, P.C.

OUTSIDE ETHICS ADVISOR

John B. Murphey, Partner
Rosenthal, Murphey, Coblenz & Donahue

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Lake County Forest Preserve District, Illinois, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the Lake County Forest Preserve District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Lake County Forest Preserve District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Lake County Forest Preserve District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Lake County Forest Preserve District, Illinois, as of June 30, 2018 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.

Emphasis of Matter

As discussed in Note O, the Lake County Forest Preserve District adopted the provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, effective July 1, 2017. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Lake County Forest Preserve District's basic financial statements. The supplementary information as listed in the table of contents are presented for purposes of additional analysis and are 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 are fairly stated in all material respects, in relation to the basic financial statements as a whole.

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

Other Information

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

Baker Tilly Virchow Krause, LLP

Oak Brook, Illinois
December 19, 2018



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

June 30, 2018

The Lake County Forest Preserve District (“*District*”) management’s discussion and analysis provides a narrative introduction, overview, and analysis of the basic financial statements. Since the management’s discussion and analysis focuses on the current year’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 18*).

FINANCIAL HIGHLIGHTS

- The District’s net position (see Table 1) increased by \$13,352,774 during the fiscal year ending June 30, 2018 (FY 2018). Governmental net position increased \$13,649,625 and business-type net position decreased \$296,851.
- The District’s total assets and deferred outflow of resources exceeded liabilities and deferred inflow of resources by \$581.2 million for the year ending June 30, 2018.
- Beginning net position has been restated due to the implementation of GASB Statement No. 75 Accounting and Financial Reporting for Postemployment Benefits Other Than Pension (OPEB). The restatement decreased beginning net position by \$910,738.
- The District reported a decrease in combined fund balance in the governmental funds of \$1.5 million for a total of \$83.4 million at the end of the year.
- The District added 9.58 acres of land during the year.

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 18) 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 19) 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 the 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 2018 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 year. 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 thirteen individual governmental funds. Information is presented separately in the governmental fund balance sheet (page 20) and in the governmental funds statement of revenues, expenditures, and changes in fund balances (page 21) for the General Fund, the Land Development Fund, the Debt Service Fund, the Land Acquisition Fund, and the Development Bond Projects Fund, which are considered to be major funds. Data from the remaining eight governmental funds are combined into a single, aggregated presentation. Detail of the non-major funds is presented in the Supplementary Information beginning on page 89.

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 23-25 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 government-wide and fund financial statements. The notes to the financial statements can be found on pages 29-76 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 \$581,175,654 at June 30, 2018. This was an increase of \$13,352,774 from last year's net position.

The largest portion of the District's net position, \$499,044,402, 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, \$47,026,359, 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 \$35,104,893 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 June 30, 2018 & 2017

	Governmental Activities		Business-type Activities		Total District	
	2018	2017	2018	2017	2018	2017
Current and other assets	\$111,430,986	\$117,028,047	\$2,073,287	\$2,088,689	\$113,504,273	\$119,116,736
Noncurrent assets	731,746,806	729,555,125	17,106,509	17,404,131	748,853,315	746,959,256
Total assets	843,177,792	846,583,172	19,179,796	19,492,820	862,357,588	866,075,992
Deferred loss on refundings	2,949,839	3,716,088	-	-	2,949,839	3,716,088
Pension actuarial adjustments	2,122,999	3,812,073	254,284	436,406	2,377,283	4,248,479
Deferred pension contributions	763,367	767,715	68,096	68,607	831,463	836,322
Accumulated decrease in fair value of hedging derivatives	484,205	1,218,588	-	-	484,205	1,218,588
OPEB valuation	51,868	-	5,153	-	57,021	-
Total Deferred Outflow Of Resources	6,372,278	9,514,464	327,533	505,013	6,699,811	10,019,477
Current liabilities	22,477,699	23,779,076	479,062	510,662	22,956,761	24,289,738
Noncurrent liabilities	256,397,567	280,853,540	567,537	1,303,419	256,965,104	282,156,959
Total liabilities	278,875,266	304,632,616	1,046,599	1,814,081	279,921,865	306,446,697
Pension deferrals	7,160,493	1,659,242	734,626	166,650	7,895,119	1,825,892
OPEB valuation	58,908	-	5,853	-	64,761	-
Total Deferred Inflow Of Resources	7,219,401	1,659,242	740,479	166,650	7,959,880	1,825,892
Net position:						
Net invested in capital assets	481,937,893	471,475,617	17,106,509	17,404,131	499,044,402	488,879,748
Restricted	47,026,359	44,458,730	-	100,842	47,026,359	44,559,572
Unrestricted	34,491,151	33,871,431	613,742	512,129	35,104,893	34,383,560
Total net position	\$563,455,403	\$549,805,778	\$17,720,251	\$18,017,102	\$581,175,654	\$567,822,880

The District's combined net position increased by \$13,352,774 during the fiscal year. Governmental activities net position increased by \$13,649,625. This increase was the result of operating revenues exceeding operating expenses. Total assets and deferred outflows of resources decreased by \$6,547,566 during the year, while liabilities and deferred inflows of resources decreased by \$20,197,191. The reduction in liabilities and deferred inflow of resources was due primarily to the retirement of bonds and a larger than expected reduction in net pension liability. This decreased was a result of higher than expected investment returns earned by the Illinois Municipal Retirement Fund. See Note L on page 59 for more information.

The business-type activities net position declined by \$296,851 during the year. This was due in part to operating expenses exceeding revenues and adjustments for the net pension liability. Weather and a reduced number of player rounds contributed to the decline.

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

Table 2
Lake County Forest Preserve District
Changes in Net Position for the Fiscal Years Ended June 30, 2018 & 2017

	Governmental Activities		Business-type Activities		Total District	
	2018	2017	2018	2017	2018	2017
Revenues:						
Program revenues:						
Charges for services	\$4,404,608	\$5,101,521	\$ 3,577,968	\$ 3,644,923	\$ 7,982,576	\$ 8,746,444
Operating grants and contributions	993,995	1,669,670	-	-	993,995	1,669,670
Capital grants and contributions	1,456,894	164,885	-	-	1,456,894	164,885
General revenues:						
Property and replacement taxes	49,443,288	48,918,789	-	-	49,443,288	48,918,789
Other	1,500,543	381,210	38,423	5,406	1,538,966	386,616
Total revenues	57,799,328	56,236,075	3,616,391	3,650,329	61,415,719	59,886,404
Expenses:						
General government	10,372,661	13,619,973	-	-	10,372,661	13,619,973
Educational	3,097,194	3,676,388	-	-	3,097,194	3,676,388
Public safety	2,939,687	3,251,044	-	-	2,939,687	3,251,044
Maintenance and development	10,300,076	11,216,471	-	-	10,300,076	11,216,471
Recreation	2,003,614	1,988,067	-	-	2,003,614	1,988,067
Natural resources	5,325,332	3,131,785	-	-	5,325,332	3,131,785
Interest	10,111,139	14,045,456	-	-	10,111,139	14,045,456
Golf courses	-	-	3,913,242	4,455,137	3,913,242	4,455,137
Total expenses	44,149,703	50,929,184	3,913,242	4,455,137	48,062,945	55,384,321
Change in net position before special item	13,649,625	5,306,891	(296,851)	(804,808)	13,352,774	4,502,083
Special item	-	(4,628,075)	-	-	-	(4,628,075)
Change in net position	13,649,625	678,816	(296,851)	(804,808)	13,352,774	(125,992)
Beginning Net Position - Restated	549,805,778	549,955,396	18,017,102	18,904,214	567,822,880	568,859,610
Ending Net Position	\$563,455,403	\$550,634,212	\$ 17,720,251	\$ 18,099,406	\$581,175,654	\$568,733,618

Note - FY2018 Beginning Net Position was changed with the implementation of GASB 75.

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). Now that it appears property values are increasing again, the annual increase will be limited to the change in the Consumer Price Index (CPI). The CPI increased by 0.7% for the 2016 tax levy, 2.1% for the 2017 and 2018 levies. Equalized assessed valuation of the county increased for the third year in a row since the end of the Great Recession. The increase for 2017 was 3.8%. Values are projected to

increase for the 2018 tax levy somewhere between 2.0% - 2.5%. Areas within the county with higher valued properties have seen flat or reduced values this past year.

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.

- *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 as other employers may already be recovering from the recession.
- *Inflation* – while overall inflation appears to be reasonably modest, 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 YEAR IMPACTS

GOVERNMENTAL ACTIVITIES

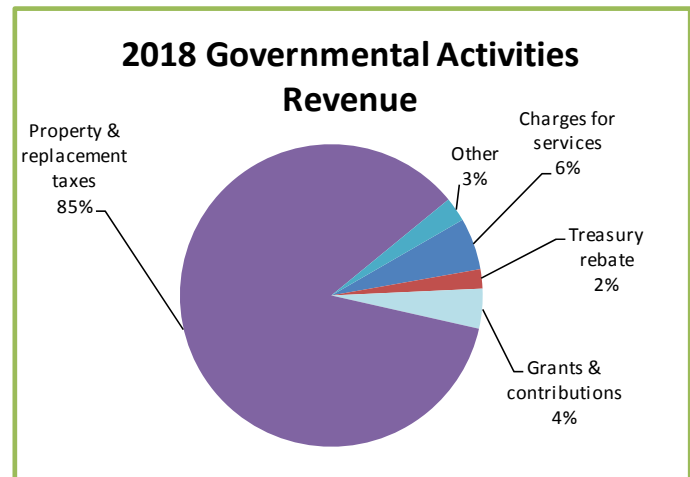
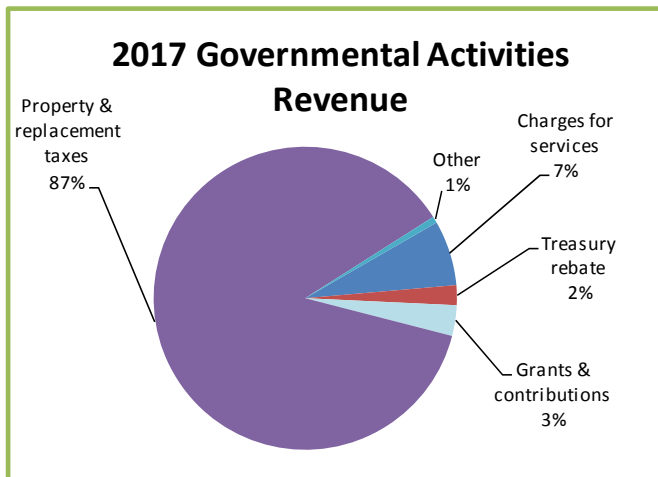
Revenues:

For the fiscal year ended June 30, 2018, total revenues from governmental activities were \$57.8 million, which represents an increase of \$1.6 million (2.8%) from the previous year.

- In FY 2017/18 property tax revenue increased by \$3,155,039. The general fund levy increased \$1,429,400, the development levy increased \$573,508, the retirement fund levy increased \$18,222 and the debt service levy decreased \$1,133,908. The general fund, development levy fund and retirement funds were anticipated to increase over the previous year from increased property values and allowable growth under the State’s property tax extension limitation law. The debt service fund was budgeted to see a decrease in the fiscal year that was large enough to reduce property tax revenues over all. A large number of early payments were received from tax payers looking to take advantage of Federal income tax deductions before the Federal tax laws changed. So tax revenues were higher than anticipated and will have an impact on the revenues for next fiscal year.
- Charges for services, including the US Treasury rebate, were \$4.4 million and represent 7.6% of total revenue. These charges include permits, concessionaire, easements, licenses, charges for service\sales and miscellaneous revenues. Revenues decreased \$696,913 from the previous year due mostly to

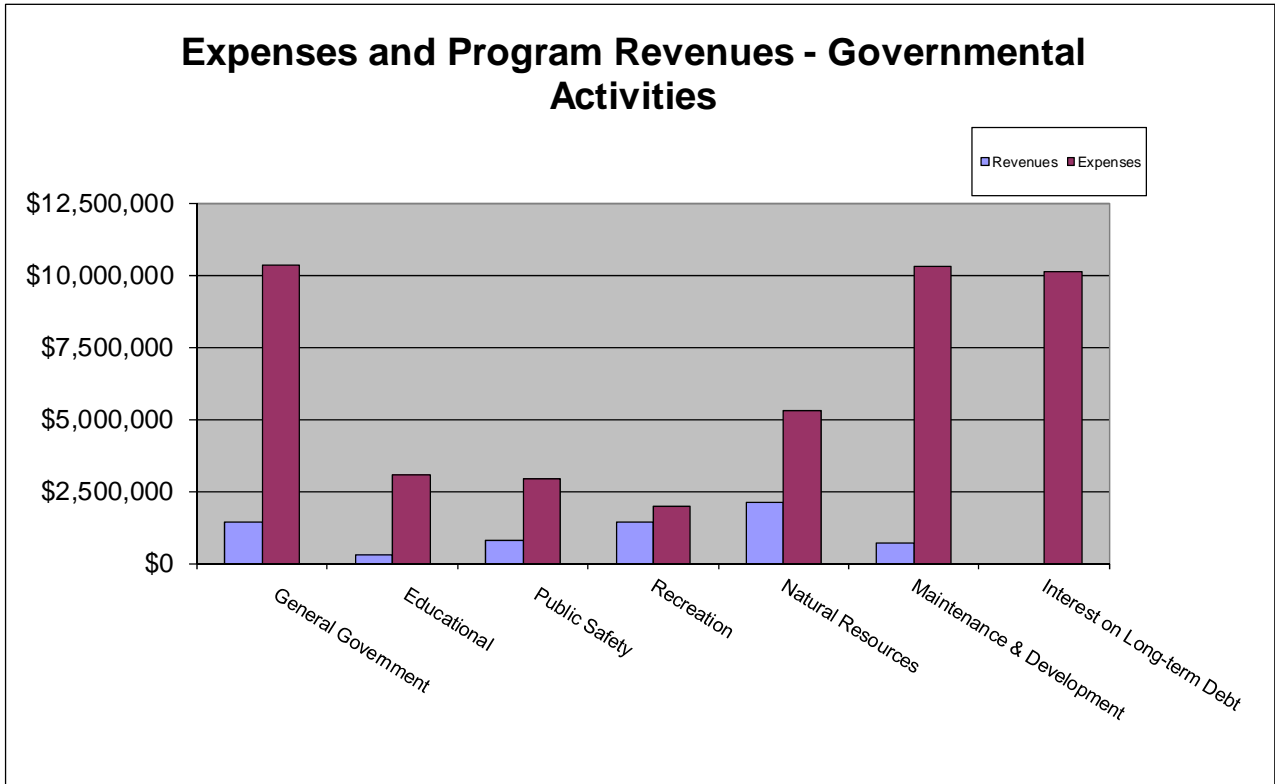
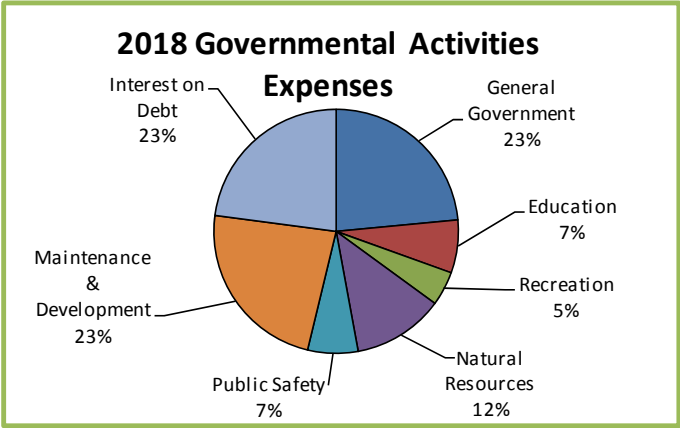
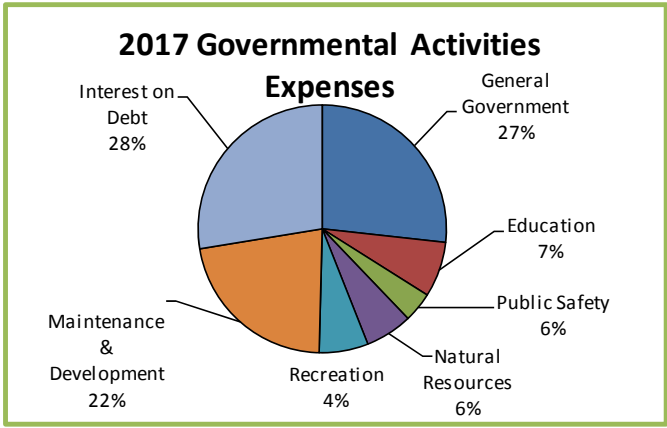
onetime miscellaneous revenues received during the previous year for wetland mitigation projects. Other revenues also decreased with permits (-\$53,211) and programs and admissions (-\$20,183) being down. The decline in permits was mostly attributable to permits for the dog exercise areas (-5.8%). General and large program fees were down (24.8%) along with beach admissions (15.9%). Bad weather in the spring and summer were partly to blame for the declines. Charges for service\sales were up (\$33,093) and concessionaire revenues were the same as the previous year.

- Grants and contributions increased \$616,334 and represent 4.2% of the revenue. This year the District received several state grants for habitat restoration projects and trail improvements. In total state grants increased by \$749,981 over last year. In addition federal grants for habitat restoration increased by \$181,693. Capital mitigation contributions were down during FY2018 and donations were down slightly.
- Other revenues increased \$1,119,333 and represent 2.6% of revenue. A majority of the increase was from interest earnings on investments. Rates of return increased during the fiscal year resulting in \$654,475 earnings over the previous year. Revenue from the sale of assets also increased by \$360,327. The District’s replacement cycles for vehicles and equipment converged to create a higher than normal replacement year, which resulted in higher than usual earnings on asset disposals.



Expenses:

Total governmental activity expenses were \$44.15 million for fiscal year 2018, a decrease of 13.3% or \$6.8 million. Most of the decrease (\$3.9 million) was from interest expense on bonds being lower due to a bond refinancing that occurred in the previous year. In addition to that, pension related expenses were lower due to higher than anticipated interest earning in the Illinois Municipal Retirement Fund. This reduced the District’s pension expense by \$1.4 million. The District issued G.O. Refunding bonds in FY2017 but did not issue any bonds during FY2018. Issuance costs expensed in FY2017 were approximately \$1.1 million. Depreciation expense was also down by \$350,167. General government activities, including land acquisition, represent 23% of expenses; and maintenance and development expenses represent 23%. Other functions of the District include Education (7%), Public Safety (7%), Natural Resources (12%), Recreation (5%) and interest and fiscal charges on long-term debt (23%).



BUSINESS-TYPE ACTIVITIES

Revenue:

Total operating revenues from golf course activities decreased \$66,955 or 1.8%. Greens fees decreased by 1.8% (\$39,071) compared to last year and cart rentals declined by 4.9% (\$32,285). Food and beverage concessions increased by 3.6% (13,198), pro shop sales increased 7.3% (10,516) and practice range revenue decreased 3.4% (\$4,906). Weather and a declining number of players were factors throughout the season.

Expenses:

Operating expenses for golf decreased by \$541,895 (12.2%). This was due mostly to personnel costs which decreased by 20.6% (\$497,559). The personnel decrease was driven largely by a reduction in pension liability adjustments (-\$315,881). Higher than anticipated investment income on pension investments by the Illinois

Municipal Retirement Fund reduced annual costs. In addition, staffing levels were reduced during the year. Commodity expenditures were down by 1.7% (\$12,799) due to lower chemical and fertilizer costs. Contractual expenditures were down by 6.4% (49,813) from reduced utility costs, unemployment costs and gas cart lease fees.

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 year.

As of June 30, 2018, the District's governmental funds reported combined ending fund balances of \$83.4 million (page 20), a decrease of \$1.5 million from June 30, 2017. The decrease was attributable mostly to bond proceeds being spent during the year on capital projects or land acquisition. Fund balance is categorized as follows: \$298,262 as non-spendable for inventory; \$50.3 million is subject to externally enforceable legal restrictions and therefore categorized as restricted; \$326,523 is categorized as committed for special projects; \$16.9 million is constrained by limitations the District has imposed and is categorized as assigned; and \$15.6 million constitutes unassigned fund balance in the General Fund.

The *General Fund* is the chief operating fund of the District. As of June 30, 2018, the total fund balance of the General Fund was \$27.1 million, of which \$15.6 million was unassigned, this compares to \$26.3 million and \$12.7 million, respectively, at June 30, 2017. The unassigned fund balance provides for cash flow and emergency needs that may arise. During the year the fund had an excess of revenues over expenditures and other sources and uses of funds of \$873,360 and the unassigned fund balance increased by \$3.3 million. The increase in unassigned fund balance was a result of long-term planning for capital maintenance. 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 reduced in the last budget cycle. Revenues increased by \$986,123 (5.0%). Property taxes increased by \$1,429,399 mostly due to early tax payments received from property owners hoping to take advantage of federal income tax deductions before the law changed. Property tax revenues were budgeted to increase by \$445,050 from increased tax caps and property values. Investment income increased by \$124,554, replacement taxes decreased by \$186,793, charges for services and sales declined \$10,425 and permits decreased \$53,211. Other revenues decreased by \$170,267 mostly from an intergovernmental agreement payment for wetland mitigation costs that were received in FY2017. Expenditures increased by \$947,747 from last year. Capital outlays increased \$314,496 from the previous year. During the year the District was remodeling its general headquarters in anticipation of relocating its museum. Department operating expenses increased \$630,051 (3.7%).

The *Land Development Fund* pays for restoration, improvement, and development of existing preserves. As of June 30, 2018 the total fund balance was \$11.3 million, all of which is restricted for development purposes. This fund provides partial funding for the District's Capital Improvement Plan. During the year the fund had an excess of revenues over expenses of \$120,438. The District spent \$1.6 million on capital outlays for the capital improvement plan. Tax revenues in the fund were up from the prior year by \$573,508 and investment income

was up \$86,000. Operating expenses for the year increased slightly by \$185,159 (3.6%) over the previous year. Of this increase, \$165,976 was related to salary and benefit increases.

The *Debt Service Fund* has a total fund balance of \$18.8 million, all of which is restricted for the payment of debt service. The fund balance increased \$2.2 million from 2017. Property tax revenues were up for the year by \$1.1 million as a result of tax collection timing. Principal and interest payments declined \$1.5 million from 2017. Early property tax payments were made this year by property owners hoping to take advantage of federal tax deductions before they changed for 2018. This will impact the recognized tax revenue for FY2019.

The *Land Acquisition Fund* has a total fund balance of \$4.0 million, all of which is restricted for land acquisition. During the year the District added 9.58 acres of land for \$582,953. The District issued the last \$8 million of referendum approved bonds during FY2016. It is expected that the remaining funds will be spent during the next fiscal year. There are currently no future plans for another referendum.

The *Development Bond Projects Fund* has a total fund balance of \$12.2 million, all of which is restricted for development projects. During the year the District spent \$5.3 million on development projects including trail connections, restoration projects and preserve improvements. The remaining funds are all programed into the District's 10 year capital improvement program and will be spent over the next few years. There currently are no plans for another referendum.

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 \$174,366.

Operating revenues for the proprietary funds decreased by 0.5% or \$23,986 over the prior year. Increases for equipment replacement fees in the internal service fund of \$42,970 offset by a reduction of \$66,956 in enterprise revenues. Greens fees were down \$45,363 and cart rentals were \$32,285 lower than last year. Weather and a reduction in rounds played were the reasons for reduced greens fee and cart rentals.

Operating expenses decreased by \$581,621 when compared to last year. The decrease was due mostly to a reduction in temporary personnel and pension liability adjustments.

The reduction in net position was the result of golf course operations not earning enough revenue to cover depreciation expense.

GENERAL FUND BUDGETARY HIGHLIGHTS

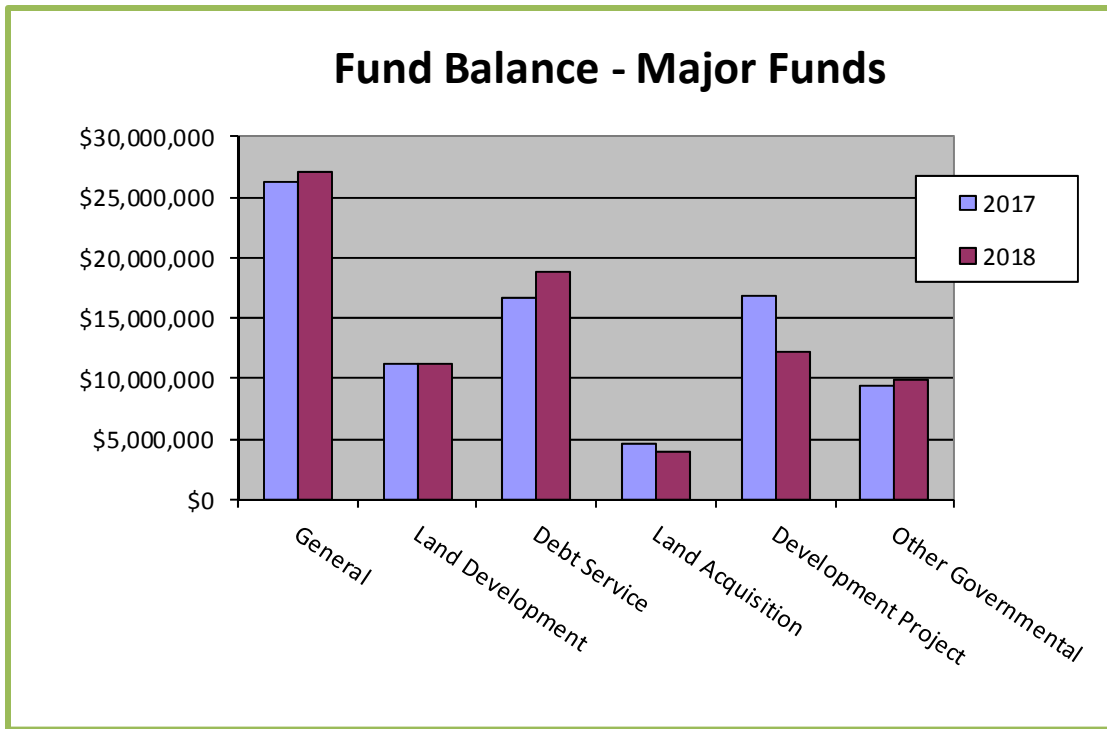
General Fund revenues were over budget \$1,544,586 for FY2018. Property tax revenues were \$1,006,978 over budget due to early property tax collections. Charges for sales and services and permits were over budget by \$26,150 and \$56,431 respectively as the District saw increased demand over what was anticipated. Replacement taxes were slightly below budget for the year by -\$4,686. These differences occurred in revenue categories that would reflect increased health in the overall economy; however, the State of Illinois redirected part of the replacement taxes towards their own budget. Interest income was \$26,734 over budget for the year due to increased interest earnings. Other revenues were up \$456,410 over budget mostly due to a payment received from an intergovernmental agreement for wetland mitigation (\$400,000). In addition the District received \$54,905 in unbudgeted insurance claims mostly related to flood damage that occurred during the fiscal year.

The District spent \$19.6 million or 84% of its \$23.4 million final budget. General government is under budget \$779,801 due to consulting (\$290,703), printing (\$25,329), other insurance (30,161), loss prevention (\$24,591) and miscellaneous contractals (\$343,455) coming in under budget. Education was under budget \$185,873 due to vacant positions, reduced operating supplies, utilities and miscellaneous contractual costs being lower than expected. The Public Safety function was under budget by \$122,802 due to reduced part time wages, lower than anticipated fees to Lake County and small tools and equipment costs. Recreation was \$131,664 below budget due to vacant full-time positions, lower seasonal part-time positions, utilities and repairs and maintenance on buildings lower than anticipated during the year. The Maintenance and Development function was under budget \$463,644 as a result of vacant positions during the year, gasoline and diesel, operating supplies, repairs and maintenance on buildings, grounds and equipment and disposal costs being less than expected. Capital outlay was under budget by \$2.1 million. Several projects came in under budget and several were delayed and are currently underway.

GOVERNMENTAL FUND BALANCES

Total governmental fund balances decreased by \$1.5 million. Spending on capital projects accounted for the decline.

- The General Fund balance increased by \$873,360 due to planned spending on capital projects not occurring and lower than expected operating expenditures. A much larger reduction of the fund balance was anticipated due to budgeted capital spending on projects. Project delays reduced anticipated spending.
- The Land Development Fund increased fund balance by \$120,438 due to spending on capital projects. The District had planned for a reduction to the Land Development fund balance in the amount of \$3.4 million for the revised budget due to \$4.3 million in capital project spending. Delays on projects occurred during the year.
- The Debt Service fund balance grew by \$2.2 million as a result of high than anticipated property tax revenue. Early tax payments resulted in total revenues being \$1.6 million over budget for the year.
- The Land Acquisition fund and Development Bond fund balances declined by \$531,026 and \$4.6 million respectively. Spending on land acquisition and planned capital improvement projects accounted for the reductions.
- Non-major funds increased by \$500,622 due to revenues exceeding expenditures, revenue from an intergovernmental agreement and funds put away for future capital improvements.



CAPITAL ASSET AND DEBT MANAGEMENT

At the end of fiscal year 2018 the District has invested \$836.5 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 year was \$8.1 million before the effects of depreciation. The majority of that change \$8.1 million, was from land improvements; building improvements and vehicle and equipment additions. Net land additions accounted for \$417,744. These increases were offset by the reduction of \$787,497 from construction in progress and a reduction in museum artifacts and collectables.

Table 3
Lake County Forest Preserve District
Capital Assets as of June 30, 2018 & 2017

	Governmental Activities		Business-type Activities		Total District	
	2018	2017	2018	2017	2018	2017
Land and land rights	\$ 574,632,880	\$ 574,217,136	\$ 6,818,464	\$ 6,818,464	\$581,451,344	\$ 581,035,600
Land/course improvements	55,207,038	49,308,437	7,447,373	7,447,373	62,654,411	56,755,810
Buildings	75,258,565	73,538,660	6,987,246	6,987,247	82,245,811	80,525,907
Other improvements	13,327,478	13,034,098	-	-	13,327,478	13,034,098
Vehicles, machinery, and eqpmt	12,283,482	11,999,943	3,539,014	3,363,874	15,822,495	15,363,817
Furniture and fixtures	713,581	654,611	44,987	44,987	758,568	699,598
Roads, trails, and bridges	58,114,142	58,038,610	1,566,152	1,566,152	59,680,294	59,604,762
Museum artifacts and collectibles	1,502,132	1,526,122	-	-	1,502,132	1,526,122
Construction in progress	19,108,373	19,895,870	-	-	19,108,373	19,895,870
Total capital assets	810,147,670	802,213,487	26,403,235	26,228,097	836,550,905	828,441,584
Less accumulated depreciation	78,419,599	72,658,362	9,296,726	8,823,966	87,716,325	81,482,328
Capital assets net of depreciation	<u>\$ 731,728,071</u>	<u>\$ 729,555,125</u>	<u>\$ 17,106,509</u>	<u>\$ 17,404,131</u>	<u>\$748,834,580</u>	<u>\$ 746,959,256</u>

More detailed information on capital asset activity can be found in the notes to the financial statements on pages 43-45.

Debt Outstanding

At the end of the current fiscal year, the District has \$262.0 million of general obligation bonds outstanding. The last \$25 million of bonds, approved under the 2008 \$185 million bond referendum, were issued during the fiscal year ending June 30, 2016.

Table 4
Lake County Forest Preserve District
Outstanding Debt as of June 30, 2018 & 2017

	Governmental Activities		Total District	
	2018	2017	2018	2017
General Obligation Bonds	<u>\$262,030,000</u>	<u>\$277,325,000</u>	<u>\$262,030,000</u>	<u>\$277,325,000</u>

The District did not issue any bonds during FY2018 for the first time in many years. The last of the 2008 referendum approved bonds were issued in 2015 and the District currently has no plans to seek additional referendum approved bonds. The District last issued refunding bonds on August 3, 2016. These bonds refunded three outstanding general obligation bonds totaling \$67.1 million. The present value savings resulting from this refinancing was \$9.4 million. The bonds 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 \$590.1 million which significantly exceeds the District's current outstanding general obligation debt of 262.0 million. Additional information on the District's long-term debt can be found in Note H, pages 48-55.

ECONOMIC FACTORS

Lake County is facing the same economic challenges as are all parts of the country; the unemployment rate through September 2018 is 3.7% and is below the State average of 3.8% and above the nation rate of 3.6%. Real estate values have stabilized and have begun growing again in the county. The 2017 Equalized Assessed Valuation (EAV) increased 4.43% from the previous year, following an increase in 2016 of 6.25% and 3.49% in 2015. This was only the third straight increase since 2008. As the third largest county in the state, Lake County has a market valuation of \$78.0 billion. The EAV is estimated to grow between 2% and 2.5% in 2018.

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.

The uncertainty of actions that might be imposed by the State of Illinois still exists. Such actions as imposing a property tax freeze or further reductions in the personal property replacement tax would have an impact on the Districts' operations. The District will continue to forecast the impact of such actions and develop strategies to deal with these changes should they occur.

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 June 30, 2018

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Current assets:				
Cash and investments	\$ 88,884,006	\$ 1,889,604	\$ 90,773,610	\$ 1,768,734
Property taxes receivable, net	21,282,399	-	21,282,399	-
Interest receivable	214,488	6,059	220,547	443
Grant receivable	614,198	-	614,198	-
Other receivable	137,633	49,393	187,026	122,832
Inventory	298,262	128,231	426,493	-
Total current assets	<u>111,430,986</u>	<u>2,073,287</u>	<u>113,504,273</u>	<u>1,892,009</u>
Noncurrent assets:				
Net pension asset	18,736	-	18,736	-
Capital assets (not being depreciated)	650,450,422	14,265,837	664,716,259	-
Capital assets (net of accumulated depreciation)	81,277,648	2,840,672	84,118,320	-
Total noncurrent assets	<u>731,746,806</u>	<u>17,106,509</u>	<u>748,853,315</u>	<u>-</u>
Total assets	<u>843,177,792</u>	<u>19,179,796</u>	<u>862,357,588</u>	<u>1,892,009</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred loss on refundings	2,949,839	-	2,949,839	-
Pension actuarial adjustments	2,122,999	254,284	2,377,283	-
Deferred pension contributions	763,367	68,096	831,463	-
Accumulated decrease in fair value of hedging derivatives	484,205	-	484,205	-
OPEB valuation	51,868	5,153	57,021	-
Total deferred outflows of resources	<u>6,372,278</u>	<u>327,533</u>	<u>6,699,811</u>	<u>-</u>
LIABILITIES				
Current liabilities:				
Accounts payable	2,675,168	209,340	2,884,508	7,263
Accrued payroll and payroll taxes	224,444	39,464	263,908	-
Other unearned revenue	428,528	187,241	615,769	-
Accrued interest payable	427,238	-	427,238	-
Derivative instrument-swap agreement	484,205	-	484,205	-
Other liabilities	1,212,566	38,616	1,251,182	-
Due within one year	17,025,550	4,401	17,029,951	-
Total current liabilities	<u>22,477,699</u>	<u>479,062</u>	<u>22,956,761</u>	<u>7,263</u>
Noncurrent liabilities:				
Net pension liability	2,219,424	366,412	2,585,836	-
Net OPEB liability	536,882	77,519	614,401	-
Due in more than one year	253,641,261	123,606	253,764,867	-
Total noncurrent liabilities	<u>256,397,567</u>	<u>567,537</u>	<u>256,965,104</u>	<u>-</u>
Total liabilities	<u>278,875,266</u>	<u>1,046,599</u>	<u>279,921,865</u>	<u>7,263</u>
DEFERRED INFLOW OF RESOURCES				
Pension actuarial adjustments	7,160,493	734,626	7,895,119	-
OPEB valuation	58,908	5,853	64,761	-
Total deferred inflows of resources	<u>7,219,401</u>	<u>740,479</u>	<u>7,959,880</u>	<u>-</u>
NET POSITION				
Net investment in capital assets	481,937,893	17,106,509	499,044,402	-
Restricted for:				
Enabling legislation-Audit and insurance	2,128,609	-	2,128,609	-
Enabling legislation-FICA and Illinois Municipal Retirement	2,175,880	-	2,175,880	-
Grants and Donations	861,328	-	861,328	-
Debt Service	27,914,836	-	27,914,836	-
Land and development	13,945,706	-	13,945,706	-
Temporarily	-	-	-	1,674,057
Permanently	-	-	-	29,742
Unrestricted	34,491,151	613,742	35,104,893	180,947
Total net position	<u>\$ 563,455,403</u>	<u>\$ 17,720,251</u>	<u>\$ 581,175,654</u>	<u>\$ 1,884,746</u>

Lake County Forest Preserve District
(A component unit of Lake County, Illinois)
Statement of Activities
For the Year Ended June 30, 2018

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	\$ 10,372,661	\$ 1,440,921	\$ -	\$ -	\$ (8,931,740)	\$ -	\$ (8,931,740)	\$ -
Maintenance & development	10,300,076	66,204	209,462	430,295	(9,594,115)	-	(9,594,115)	-
Public safety	2,939,687	798,484	-	-	(2,141,203)	-	(2,141,203)	-
Recreation	2,003,614	1,459,749	-	-	(543,865)	-	(543,865)	-
Natural resources	5,325,332	454,357	651,508	1,026,599	(3,192,868)	-	(3,192,868)	-
Education	3,097,194	184,893	133,025	-	(2,779,276)	-	(2,779,276)	-
Interest	10,111,139	-	-	-	(10,111,139)	-	(10,111,139)	-
Total governmental activities	<u>44,149,703</u>	<u>4,404,608</u>	<u>993,995</u>	<u>1,456,894</u>	<u>(37,294,206)</u>	<u>-</u>	<u>(37,294,206)</u>	<u>-</u>
Business-type activities:								
Enterprise golf courses	3,913,242	3,577,968	-	-	-	(335,274)	(335,274)	-
Total primary government	<u>\$ 48,062,945</u>	<u>\$ 7,982,576</u>	<u>\$ 993,995</u>	<u>\$ 1,456,894</u>	<u>\$ (37,294,206)</u>	<u>\$ (335,274)</u>	<u>\$ (37,629,480)</u>	<u>\$ -</u>
Component units:								
Preservation Foundation	<u>\$ 1,179,444</u>	<u>\$ -</u>	<u>\$ 1,189,549</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>10,105</u>
General revenues:								
Property and replacement taxes					49,443,288	-	49,443,288	-
Investment income					956,473	27,574	984,047	3,822
Insurance claim					162,981	5,981	168,962	-
Gain on disposal of capital assets					381,089	4,868	385,957	-
Total general revenues					<u>50,943,831</u>	<u>38,423</u>	<u>50,982,254</u>	<u>3,822</u>
Change in net position					13,649,625	(296,851)	13,352,774	13,927
Net position - beginning restated					549,805,778	18,017,102	567,822,880	1,870,819
Net position - ending					<u>\$ 563,455,403</u>	<u>\$ 17,720,251</u>	<u>\$ 581,175,654</u>	<u>\$ 1,884,746</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 June 30, 2018

	General Fund	Land Development Fund	Debt Service Fund	Land Acquisition Fund	Development Bond Projects Fund	Total Nonmajor Funds	Total Governmental Funds
ASSETS							
Cash and investments	\$ 27,543,213	\$ 11,385,515	\$ 17,722,589	\$ 4,025,729	\$ 13,720,276	\$ 10,198,916	\$ 84,596,238
Property taxes receivable, net	6,981,655	2,664,246	10,618,055	-	-	1,018,443	21,282,399
Grant receivable	-	285,188	-	-	260,575	68,435	614,198
Interest receivable	70,521	34,498	1,431	9,198	51,586	34,725	201,959
Inventory	298,262	-	-	-	-	-	298,262
Other receivable	98,694	11,980	-	1,782	5,520	5,457	123,433
Total assets	\$ 34,992,345	\$ 14,381,427	\$ 28,342,075	\$ 4,036,709	\$ 14,037,957	\$ 11,325,976	\$ 107,116,489
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities:							
Accounts payable	\$ 1,366,308	\$ 288,462	\$ -	\$ 11,411	\$ 736,369	\$ 253,614	\$ 2,656,164
Accrued payroll & payroll tax	161,769	36,152	-	1,165	-	25,358	224,444
Other liabilities	190,214	111,106	-	1,555	789,470	120,220	1,212,565
Other unearned revenue	1,902	-	-	-	-	-	1,902
Total liabilities	1,720,193	435,720	-	14,131	1,525,839	399,192	4,095,075
Deferred inflows of resources:							
Unavailable property tax revenue	6,129,009	2,389,587	9,523,433	-	-	913,451	18,955,480
Unavailable grant revenue	1,000	285,188	-	-	274,680	69,592	630,460
Total deferred inflow of resources	6,130,009	2,674,775	9,523,433	-	274,680	983,043	19,585,940
Total liabilities and deferred inflows of resources	7,850,202	3,110,495	9,523,433	14,131	1,800,519	1,382,235	23,681,015
Fund balances:							
Nonspendable	298,262	-	-	-	-	-	298,262
Restricted	2,128,609	11,270,932	18,818,642	4,022,578	12,237,438	1,844,245	50,322,444
Committed	322,582	-	-	-	-	3,941	326,523
Assigned	8,832,774	-	-	-	-	8,095,555	16,928,329
Unassigned	15,559,916	-	-	-	-	-	15,559,916
Total fund balances	\$ 27,142,143	\$ 11,270,932	\$ 18,818,642	\$ 4,022,578	\$ 12,237,438	\$ 9,943,741	\$ 83,435,474
Total liabilities, deferred inflow of resources and fund balances	\$ 34,992,345	\$ 14,381,427	\$ 28,342,075	\$ 4,036,709	\$ 14,037,957	\$ 11,325,976	\$ 107,116,489

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	728,179,568
Pension related items are reported in the government-wide statements but not in the Governmental fund financial statements.	(6,474,815)
Revenues in the Statement of Activities that do not provide current financial resources are deferred inflows of resources in the funds.	19,585,940
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.	(271,520,675)
OPEB liabilities, are not due and payable in the current period and, therefore, are not reported in the governmental funds.	(543,922)
Deferred losses on refundings of debt are not considered to represent a financial resource and, therefore, are not required in the funds.	2,949,839
The net position of the internal service funds are included in the governmental activities in the statement of net position.	7,843,996
Net position of governmental activities	\$ 563,455,403

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 June 30, 2018

	General Fund	Land Development Fund	Debt Service Fund	Land Acquisition Fund	Development Bond Project Fund	Total Nonmajor Funds	Total Governmental Funds
Revenues							
Property taxes	\$ 16,553,618	\$ 6,414,409	\$ 25,899,717	\$ -	\$ -	\$ 2,493,256	\$ 51,361,000
Replacement taxes	869,664	-	-	-	-	-	869,664
Investment income (loss)	243,834	126,312	240,780	51,927	172,200	74,004	909,057
Grants & contributions	47,338	458,097	-	-	485,135	1,018,357	2,008,927
Treasury rebate	-	-	1,202,456	-	-	-	1,202,456
Land and building rentals	213,635	-	-	-	-	594,057	807,692
Charges for services and sales	1,087,600	17	-	-	-	-	1,087,617
Permits	763,831	-	-	-	-	-	763,831
Easements and licenses	35,088	-	-	-	-	27,640	62,728
Programs and admissions	280,108	-	-	-	-	-	280,108
Other revenue	619,650	123,018	-	-	-	31,288	773,956
Total revenues	<u>20,714,366</u>	<u>7,121,853</u>	<u>27,342,953</u>	<u>51,927</u>	<u>657,335</u>	<u>4,238,602</u>	<u>60,127,036</u>
Expenditures							
Current:							
General government	6,197,225	-	1,950	-	-	2,562,214	8,761,389
Education	2,154,409	-	-	-	-	27,618	2,182,027
Public safety	2,724,436	-	-	-	-	-	2,724,436
Recreation	1,225,829	-	-	-	-	-	1,225,829
Maintenance & development	5,202,042	3,602,475	-	200,798	-	110,083	9,115,398
Natural resources	-	1,755,503	-	-	-	514,947	2,270,450
Debt service:							
Principal	430,000	-	14,865,000	-	-	-	15,295,000
Interest and fiscal charges	295,631	-	10,292,548	-	-	-	10,588,179
Capital outlay:							
Capital outlay	1,414,055	1,643,437	-	382,155	5,298,212	1,101,586	9,839,445
Total expenditures	<u>19,643,627</u>	<u>7,001,415</u>	<u>25,159,498</u>	<u>582,953</u>	<u>5,298,212</u>	<u>4,316,448</u>	<u>62,002,153</u>
Excess (deficiency) of revenues over (under) expenditures	1,070,739	120,438	2,183,455	(531,026)	(4,640,877)	(77,846)	(1,875,117)
Other financing sources (uses)							
Sale of capital assets	2,621	-	-	-	-	378,468	381,089
Transfers in	-	-	-	-	-	200,000	200,000
Transfers out	(200,000)	-	-	-	-	-	(200,000)
Total other financing sources (uses)	<u>(197,379)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>578,468</u>	<u>381,089</u>
Net change in fund balances	873,360	120,438	2,183,455	(531,026)	(4,640,877)	500,622	(1,494,028)
Fund balances, beginning of year	26,268,783	11,150,494	16,635,187	4,553,604	16,878,315	9,443,119	84,929,502
Fund balances, ending of year	<u>\$ 27,142,143</u>	<u>\$ 11,270,932</u>	<u>\$ 18,818,642</u>	<u>\$ 4,022,578</u>	<u>\$ 12,237,438</u>	<u>\$ 9,943,741</u>	<u>\$ 83,435,474</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)
Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended June 30, 2018

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

Net change in fund balances - total governmental funds. \$ (1,494,028)

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. 1,679,975

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.

Decrease in net pension liability 7,120,656
Deferred outflows related to pension (1,693,422)
Deferred inflows related to pension (5,501,251)

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. (2,770,416)

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. 15,772,041

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. 64,854

Internal service funds are reported separately in the fund financial statements. 471,217

Change in net position of governmental activities. \$ 13,649,625

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 June 30, 2018

	Business-type Activities		Governmental
	Enterprise Golf		Activities
	Courses		Internal Service Funds
ASSETS			
Current assets:			
Cash and investments	\$ 1,889,604		\$ 4,287,769
Interest receivable	6,059		12,529
Other receivable	49,393		14,200
Inventory	128,231		-
Total current assets	<u>2,073,287</u>		<u>4,314,498</u>
Noncurrent assets:			
Land	6,818,464		-
Land and course improvements	7,447,373		-
Buildings and improvements	6,987,246		-
Vehicles, machinery, & equipment	3,539,013		8,132,981
Furnitures and fixtures	44,987		-
Roads, trails and bridges	1,566,152		-
Less accumulated depreciation	<u>(9,296,726)</u>		<u>(4,584,479)</u>
Total noncurrent assets	<u>17,106,509</u>		<u>3,548,502</u>
Total assets	<u>19,179,796</u>		<u>7,863,000</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension actuarial adjustments	254,284		-
Deferred pension contributions	68,096		-
OPEB valuation	5,153		-
Total deferred outflows of resources	<u>327,533</u>		<u>-</u>
LIABILITIES			
Current liabilities:			
Accounts payable	209,340		19,004
Accrued payroll & payroll tax	39,464		-
Compensated absences payable	4,401		-
Other liabilities	38,616		-
Other unearned revenue	187,242		-
Total current liabilities	<u>479,063</u>		<u>19,004</u>
Noncurrent liabilities:			
Compensated absences payable	123,606		-
Net pension liability	366,412		-
Net OPEB liability	77,519		-
Total noncurrent liabilities	<u>567,537</u>		<u>-</u>
Total liabilities	<u>1,046,600</u>		<u>19,004</u>
DEFERRED INFLOW OF RESOURCES			
Pension actuarial adjustments	734,626		-
OPEB valuation	5,853		-
Total deferred inflows of resources	<u>740,479</u>		<u>-</u>
NET POSITION			
Net investment in capital assets	17,106,509		3,548,502
Unrestricted	613,742		4,295,494
Total net position	<u>\$ 17,720,251</u>		<u>\$ 7,843,996</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 Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Year Ended June 30, 2018

	<u>Business-type Activities</u>	<u>Governmental Activities</u>
	<u>Enterprise Golf Courses</u>	<u>Internal Service Funds</u>
OPERATING REVENUES		
Season passes	\$ 48,337	\$ -
Green fees	2,174,146	-
Equipment replacement charges	-	881,200
Gas cart rental	620,757	-
Hand cart rental	2,727	-
Club rental	8,394	-
Permanent starts	22,975	-
Practice range	140,881	-
Pro shop	153,669	-
Food & beverage concessions	319,774	-
Concessionaire and other	60,314	-
Land and building rentals	17,748	-
Other revenue	8,245	-
Total operating revenues	<u>3,577,968</u>	<u>881,200</u>
OPERATING EXPENSES		
Personal services	1,917,808	-
Commodities	562,802	34,719
Contractuals	729,464	37,832
Food & beverage concessions	85,672	-
Merchandise	92,531	-
Total operating expenses	<u>3,388,277</u>	<u>72,551</u>
Operating income (loss) before depreciation	<u>189,691</u>	<u>808,649</u>
Depreciation	<u>524,965</u>	<u>654,692</u>
Operating income(loss)	<u>(335,274)</u>	<u>153,957</u>
NONOPERATING REVENUES (EXPENSES)		
Gain on sale of capital assets	4,868	216,241
Insurance claim	5,981	14,200
Investment income	27,574	47,416
Total nonoperating revenues (expenses)	<u>38,423</u>	<u>277,857</u>
Income (loss) before contributions and transfers	(296,851)	431,814
Capital contributions	-	39,403
Change in net position	<u>(296,851)</u>	<u>471,217</u>
Total net position - beginning restated	<u>18,017,102</u>	<u>7,372,779</u>
Total net position - ending	<u>\$ 17,720,251</u>	<u>\$ 7,843,996</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 June 30, 2018

	Governmental	
	Business-type Activities	Activities
	Enterprise Golf Courses	Internal Service Funds
Cash flows from operating activities		
Receipts from customers and users	\$ 3,558,921	\$ -
Receipts from interfund services provided	-	881,200
Payments for interfund services provided	(23,220)	-
Payments to employees	(1,904,947)	-
Payments to suppliers of goods and services	(1,472,169)	(54,345)
Net cash provided by operating activities	<u>158,585</u>	<u>826,855</u>
Cash flows from capital and related financing activities		
Acquisition of capital assets	(227,344)	(1,116,552)
Proceeds from sale of capital assets	4,868	224,533
Settlement received from loss of capital assets	5,981	-
Net cash used by capital and related financing activities	<u>(216,495)</u>	<u>(892,019)</u>
Cash flows from investing activities		
Interest received	38,886	88,480
Purchase of investments	(44,891)	-
Proceeds from the sales of investments	-	167,292
Net cash provided/(used) by investing activities	<u>(6,005)</u>	<u>255,773</u>
Net increase/(decrease) in cash and cash equivalents	(63,915)	190,608
Cash and cash equivalents at beginning of year	<u>255,704</u>	<u>34,275</u>
Cash and cash equivalents at end of the year	<u>\$ 191,789</u>	<u>\$ 224,883</u>
Cash and cash equivalents per cash flow statements	\$ 191,789	\$ 224,883
Investments	1,697,815	4,062,885
Cash and investments per statement of net position	<u>\$ 1,889,604</u>	<u>\$ 4,287,768</u>
Reconciliation of operating income (loss) to net cash provided by operating activities:		
Operating Income (loss)	\$ (335,274)	\$ 153,957
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:		
Depreciation	524,965	654,692
Changes in assets, deferred outflows, liabilities and deferred inflows:		
Accounts payable	4,791	19,004
Other liabilities	(34,947)	(798)
Other unearned revenue	4,692	-
Compensated absences	8,989	-
Deferred pension contributions	4,079	-
Pension actuarial adjustments - deferred outflows	182,122	-
Pension actuarial adjustments - deferred inflows	567,976	-
Pension liability	(743,019)	-
OPEB actuarial adjustments - deferred outflows	(5,153)	-
OPEB actuarial adjustments - deferred inflows	5,853	-
OPEB liability	(4,785)	-
Other receivables	(19,046)	-
Inventories	544	-
Accrued payroll and payroll taxes	(3,202)	-
Net cash provided by operating activities	<u>\$ 158,585</u>	<u>\$ 826,855</u>
Noncash investing, capital, and financing activities		
Contribution of capital assets from other funds	\$ -	\$ 39,403
Decrease in fair value of investments	\$ (11,312)	\$ (41,065)

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 June 30, 2018

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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 June 30, 2018

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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 June 30, 2018

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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 June 30, 2018

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 June 30, 2018

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. However, 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. 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 June 30, 2018

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 June 30, 2018

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 *land acquisition fund* is a capital projects fund which accounts for financial resources from the issuance of general obligation bonds to be used for the purchase of land and costs related to negotiation and acquisition of land.

The *development bond projects fund* is a capital projects fund which accounts for financial resources from the issuance of general obligation bonds to be used for the purpose of improvements, renovations and construction of major capital projects.

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 June 30, 2018

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 June 30, 2018

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

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

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
As of and For the Year Ended June 30, 2018

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 June 30, 2018

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. 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.

14. Legal Compliance and Accountability

For the year ended June 30, 2018, the following funds that had an excess of actual expenditures over the final budget of:

Debt Service Fund	\$	2,048 *
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* Paying agent fees were higher than anticipated.

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 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	\$	(262,030,000)
Add: Discount/Premium on bond issues (to be amortized as interest expense)		(6,970,032)
Accrued interest payable		(427,238)
Other unearned revenue		(426,626)
Compensated absences		<u>(1,666,779)</u>
Net adjustment to reduce fund balance - total governmental funds to arrive at net position - governmental activities	\$	<u><u>(271,520,675)</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 June 30, 2018

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 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>728,179,568</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	\$ (2,200,688)
Deferred outflow related to pension expense	2,886,366
Deferred inflows related to pension expense	(7,160,493)

Net adjustment to reduce fund balance - total governmental funds to arrive at net position - governmental activities	\$ <u>(6,474,815)</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 property tax revenue	\$ 18,955,480
Unavailable grant revenue	630,460

Net adjustment to reduce fund balance - total governmental funds to arrive at net position - governmental activities	\$ <u>19,585,940</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.

Net OPEB liability	\$ (536,882)
Deferred outflow related to OPEB expense	51,868
Deferred inflows related to OPEB expense	(58,908)

Net adjustment to reduce fund balance - total governmental funds to arrive at net position - governmental activities	\$ <u>(543,922)</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>2,949,839</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 June 30, 2018

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 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." The details of this difference are as follows:

Capital outlay	\$ 7,790,500
Depreciation expense	<u>(6,110,525)</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>1,679,975</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	15,295,000
Amortization of issuance premium/discount	1,075,626
Amortization of deferred charges on refunding and bond accounting loss(net)	(766,249)
Accrued interest	(2,986)
Amortization of interest rate swap premium	<u>170,650</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>15,772,041</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 June 30, 2018

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)	\$	23,735
Accrued other postemployment benefits		<u>41,119</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>64,854</u></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	\$	7,120,656
Deferred outflow related to pension expense		(1,693,422)
Deferred inflows related to pension expense		<u>(5,501,251)</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>(74,017)</u></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:

Net change in property taxes	\$	(2,787,377)
Unavailable grants and contributions		<u>16,961</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>(2,770,416)</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 June 30, 2018

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 June 30, 2018, the District's cash and investments consisted of the following:

	Government - Wide
Cash and investments	\$ <u>90,773,611</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	\$ 16,660	n/a
Deposits with financial institutions	19,442,560	Custodial, credit
Institutional government money market	23,183,662	Credit
Investments	48,130,729	Credit, interest rate
	\$ <u>90,773,611</u>	and concentration of credit

As of June 30, 2018, the District had the following investments and maturities:

<u>Investment Type</u>	Investment Maturities (In Years)		
	Fair Value	Less than 1	1-5
Negotiable certificates of deposit	\$ 748,840	\$ 748,840	\$ -
Money market mutual funds	12,455,520	12,454,665	855
Municipal bonds	30,385,806	7,170,174	23,215,632
U.S. agency securities	4,540,563	1,295,697	3,244,866
Total investments	\$ <u>48,130,729</u>	\$ <u>21,669,375</u>	\$ <u>26,461,353</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 June 30, 2018

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 6/30/2018:

Investments and Derivative Instruments Measured at Fair Value

	6/30/2018	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				
U.S. agency securities	4,540,563	-	4,540,563	-
Municipal bonds	30,385,806	-	30,385,806	-
Negotiable certificates of deposit	748,840		748,840	
Money market mutual fund	12,455,520	12,455,520	-	-
Total debt securities	<u>\$ 48,130,729</u>	<u>\$ 12,455,520</u>	<u>\$ 35,675,209</u>	<u>\$ -</u>

Investment derivative instruments

Interest rate swap	<u>\$ 1,218,588</u>	<u>\$ -</u>	<u>\$ 1,218,588</u>	<u>\$ -</u>
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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.

Derivative instruments classified in Level 2 of the fair value hierarchy are valued using a market approach that considers benchmark interest rates.

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 June 30, 2018

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 June 30, 2018, Illinois Metropolitan Investment Convenience Fund was rated AAA by Standard and Poor's. The District's investment in FFCB, FHLB, FAMC and FNMA were rated Aaa by Moody's and the District's investment in Municipal Bonds were rated AAA (\$1,549,941), AA (\$18,943,146), A (\$9,094,710), MIG1 (\$797,928) 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 June 30, 2018, 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 June 30, 2018 the district owned a State of Florida bond 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 \$147,702 is included in property taxes receivable, net for the end of the year.

Since the 2017 tax levy is levied to finance the operations of the fiscal year beginning July 1, 2017, the levy is considered earned as of June 30, 2018.

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
As of and for the Year Ended June 30, 2018

NOTE E - CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2018 was as follows:

1. Governmental activities	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated				
Land and land rights	\$ 574,217,136	\$ 458,504	42,761	\$ 574,632,880
Land improvements	49,307,723	5,899,315	-	55,207,038
Museum artifacts and collectibles	1,526,122	-	23,990	1,502,132
Construction in progress	19,887,953	6,641,115	7,420,695	19,108,373
Total capital assets not being depreciated	644,938,934	12,998,934	7,487,446	650,450,422
Capital assets being depreciated				
Buildings and improvements	73,546,870	1,824,070	112,375	75,258,564
Other improvements	13,034,098	323,495	30,115	13,327,478
Vehicles, machinery, and equipment	11,999,943	1,288,016	1,004,477	12,283,482
Furniture and fixtures	654,611	58,970	-	713,581
Roads, trails, bridges and tunnels	58,039,033	75,109	-	58,114,142
Total capital assets being depreciated	157,274,554	3,569,659	1,146,967	159,697,246
Less accumulated depreciation for:				
Buildings and improvements	21,075,540	1,907,851	6,667	22,976,724
Other improvements	6,396,351	694,523	30,115	7,060,759
Vehicles, machinery, and equipment	8,384,973	770,191	967,198	8,187,966
Furniture and fixtures	637,938	7,772	-	645,710
Roads, trails, and bridges	36,163,560	3,384,880	-	39,548,440
Total accumulated depreciation	72,658,362	6,765,217	1,003,980	78,419,599
Total capital assets being depreciated, net	84,616,192	(3,195,558)	142,987	81,277,647
Governmental activities capital assets, net	\$ 729,555,126	\$ 9,803,376	\$ 7,630,432	\$ 731,728,070

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
As of and for the Year Ended June 30, 2018

NOTE E - CAPITAL ASSETS (Continued)

	Beginning Balance	Increases	Decreases	Ending Balance
2. Business-type activities				
Capital assets not being depreciated				
Land and land rights	\$ 6,818,464	\$ -	\$ -	\$ 6,818,464
Land improvements	7,447,373	-	-	7,447,373
Total capital assets not being depreciated	14,265,837	-	-	14,265,837
Capital assets being depreciated				
Buildings and improvements	6,987,246	-	-	6,987,246
Vehicles, machinery, and equipment	3,363,874	227,343	52,203	3,539,014
Furniture and fixtures	44,987	-	-	44,987
Roads, trails, and bridges	1,566,152	-	-	1,566,152
Total capital assets being depreciated	11,962,259	227,343	52,203	12,137,399
Less accumulated depreciation for:				
Buildings and improvements	5,633,474	262,068	-	5,895,542
Vehicles, machinery, and equipment	2,514,594	169,404	52,203	2,631,794
Furniture and fixtures	44,987	-	-	44,987
Roads, trails, and bridges	630,910	93,493	-	724,403
Total accumulated depreciation	8,823,965	524,965	52,203	9,296,726
Total capital assets being depreciated, net	3,138,294	(297,622)	-	2,840,672
Business-type activities capital assets, net	\$ 17,404,131	\$ (297,622)	\$ -	\$ 17,106,509

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
As of and for the Year Ended June 30, 2018

NOTE E - CAPITAL ASSETS (Continued)

3. Depreciation Expense

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

Governmental activities

General government	\$ 2,852,229
Education	722,062
Public safety	16,834
Recreation	769,909
Maintenance and development	609,759
Natural Resources	1,139,732
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	<u>654,692</u>

Total depreciation expense - governmental activities \$ 6,765,217

Business-type activities

Golf courses \$ 524,965

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
As of and for the Year Ended June 30, 2018

NOTE F - INTERFUND BALANCES AND TRANSFERS

The outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. There were no interfund balances at June 30, 2018.

The following transfers were made during fiscal year 2018:

To Fund:	From Fund:	Amount
Nonmajor Governmental Funds (Capital Facilities Improvement)	General Fund	\$ 200,000

Reason: Transfer of funds towards future infrastructure improvements

NOTE G - LEASES AND CONTRACTS

The golf courses and Independence Grove lease their golf carts under an operating lease. Rent expense was \$226,632 for the year ended June 30, 2018. Future minimum lease payments are:

Fiscal Year	Amount
2019	320,798
	\$ <u>320,798</u>

The District has numerous agreements for the leasing of District land for farming. Rental income for the year ended June 30, 2018 was \$441,666. Scheduled future minimum rental income is as follows:

Fiscal Year	Amount
2019	449,343
2020	232,061
2021	117,312
2022	117,312
	\$ 916,028

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
As of and for the Year Ended June 30, 2018

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 has thirteen years remaining and ends in 2030. Rental income for the year ended June 30, 2018 was \$13,886.12. Scheduled future minimum lease income is as follows:

<u>Fiscal Year</u>	<u>Amount</u>
2019	13,886
2020	13,886
2021	14,928
2022	14,928
2023	14,928
2024-2030	125,844
	<u>\$ 198,400</u>

The District assumed a body shop lease agreement on March 23, 2011, with the purchase of the Grossich property. The lease agreement ends in fiscal year 2019. Rental income for the year ended June 30, 2018 was \$152,390. Scheduled future minimum lease income is as follows:

<u>Fiscal Year</u>	<u>Amount</u>
2019	38,098
	<u>\$ 38,098</u>

The District leases their copiers under an operating lease. Rent expense was \$27,106 for the year ended June 30, 2018. Future minimum lease payments are:

<u>Fiscal Year</u>	<u>Amount</u>
2019	28,845
2020	18,856
2021	15,494
2022	6,267
2023	1,846
	<u>\$ 71,308</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 June 30, 2018

NOTE H - LONG-TERM DEBT

1. Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2018 was as follows:

	Beginning Balance "as restated" (due to GASB 75)	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities					
General obligation bonds	\$ 277,325,000	\$	\$ 15,295,000	\$ 262,030,000	\$ 15,975,000
Add unamortized amounts:					
Premium	8,093,728		1,079,454	7,014,274	857,366
Discount	(48,070)		(3,828)	(44,242)	(3,254)
Total bonds payable	<u>285,370,658</u>	<u>-</u>	<u>16,370,626</u>	<u>269,000,032</u>	<u>16,829,112</u>
Compensated absences	1,690,514	68,481	92,216	1,666,779	196,438
Net OPEB Liability	585,041	-	48,159	536,882	-
Net pension liability	<u>9,321,344</u>	<u>-</u>	<u>7,101,920</u>	<u>2,219,424</u>	<u>-</u>
Governmental activity long-term liabilities	<u>\$ 296,967,557</u>	<u>\$ 68,481</u>	<u>\$ 23,612,921</u>	<u>\$ 273,423,117</u>	<u>\$ 17,025,550</u>

As shown in Note L to the financial statements, the SLEP pension became a pension asset during the fiscal year.

Compensated absences, net OPEB and net pension liabilities included in the governmental activities are liquidated by the General, Development Levy, and Land Acquisition Funds.

	Beginning Balance "as restated" (due to GASB 75)	Additions	Reductions	Ending Balance	Due Within One Year
Business-type activities					
Compensated absences	\$ 119,018	\$ 8,989	\$ -	\$ 128,007	\$ 4,401
Net OPEB Liability	82,304	\$	\$ 4,785	77,519	-
Net pension liability	<u>1,109,431</u>		<u>743,019</u>	<u>366,412</u>	<u>-</u>
Business-type activity long-term liabilities	<u>\$ 1,310,753</u>	<u>\$ 8,989</u>	<u>\$ 747,804</u>	<u>\$ 571,938</u>	<u>\$ 4,401</u>

Compensated absences, net OPEB and net pension liabilities included in the business-type activities are liquidated by the Golf Course Fund.

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.

Prior year defeasance of debt. In prior years the District defeased general obligation bonds by placing the proceeds of the new bonds in an irrevocable trust account to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and liabilities for the defeased bonds are not included in the District's financial statements. At June 30, 2018, \$67,050,000 of defeased bonds remain outstanding.

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
As of and for the Year Ended June 30, 2018

NOTE H - LONG-TERM DEBT (Continued)

2. General Obligation Bonds

Debt outstanding as of June 30, 2018 consisted of the following:

	Interest Rate (%)	Final Maturity Date	Amounts	
			Issued	Outstanding
General obligation bonds:				
Series 2007A	4.52	2021	\$ 52,555,000	\$ 19,335,000
Series 2008A	3.25 - 5.00	2027	35,000,000	1,395,000
Series 2008B	3.25 - 5.00	2028	27,605,000	975,000
Series 2008C	3.25 - 5.00	2028	9,500,000	6,135,000
Series 2010A	4.71 - 6.00	2034	35,000,000	31,025,000
Series 2010B	4.20 - 5.51	2034	40,000,000	37,500,000
Series 2011	3.00 - 4.00	2035	24,995,000	24,545,000
Series 2013	2.00 - 3.00	2035	24,995,000	20,370,000
Series 2013B	5.00	2034	18,855,000	4,145,000
Series 2014A	2.00 - 3.00	2026	28,920,000	24,280,000
Series 2015	3.00 - 3.75	2033	25,010,000	25,010,000
Series 2016A	2.00 - 5.00	2028	43,915,000	43,385,000
Series 2016B	2.00 - 5.00	2028	24,200,000	23,930,000
				<u>\$262,030,000</u>

Advance Refunding:

On August 3, 2016, the District issued \$43,915,000 (series 2016A) in general obligation bonds with an average coupon rate of 2.841% to advance refund \$24,425,000 and \$18,845,000 of Series 2008A and 2008B respectively outstanding, with average coupon rates of 4.445% and 4.709. The net proceeds of the bonds were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the refunded . As a result, the refunded are considered defeased and the liability for those has been removed from the statement of net position

On August 3, 2016, the District issued \$24,200,000 (Series 2016B) in general obligation bonds with an average coupon rate of 2.846% to advance refund \$23,780,000 of Series 2009A outstanding, with an average coupon rates of 4.347%. The net proceeds of the bonds were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the refunded . As a result, the refunded are considered defeased and the liability for those has been removed from the statement of net position

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
As of and for the Year Ended June 30, 2018

NOTE H - LONG-TERM DEBT (Continued)

2. General Obligation Bonds (Continued)

On December 1, 2015, the District issued \$25,010,000 in General Obligation Land Acquisition and Development Bonds, Series 2015, with interest rates ranging from 3.00% to 3.75%. The net proceeds of \$25,730,560 (including a reoffering premium of \$932,697 and payment of \$212,137 in underwriting fees and other issuance costs) will be used to acquire and improve forest preserve lands in order to preserve and restore wildlife habitat, trail and greenway corridors, wetlands, prairies, and forests; to provide flood control; to create and improve public use areas for recreation, education and historical facilities; and to pay all related costs incidental to the issuance of bonds. Interest on the bonds will be payable semiannually on each December 15 and June 15, commencing on June 15, 2016. This represents the sixth and final issue authorized by the November 4, 2008, \$185 million bond referendum. As of June 30, 2018 \$15,060,330 remains unspent.

On July 2, 2014 the District issued \$28,920,000 in General Obligation Refunding Bonds, Series 2014A, to advance refund a portion, \$27,580,000, of the outstanding Series 2006A General Obligation Bonds, with interest rates ranging from 2.00% to 3.00%. The net proceeds of \$30,126,954 (including a reoffering premium of \$1,378,964 and payment of \$172,010 in underwriting fees and other issuances costs). The bonds were deposited in an irrevocable trust with an escrow agent to provide for certain future debt payments on the refunded outstanding General Obligation Bonds, Series 2006A, in the amount of \$30,120,599 from the bondholders. As a result, a portion of the liability for these bonds have been removed from the District's financial statements. The refunding resulted in an economic gain of approximately \$555,636 and did not increase the life of the bonds and decreasing future debt service requirements by approximately \$3,175,995.

On September 30, 2013, the District issued \$18,855,000 in General Obligation Refunding Bonds, Series 2013B, with an interest rate of 5.00%. The net proceeds of \$20,941,344 (including a reoffering premium of \$2,231,443 and payment of \$145,099 in underwriting fees and other issuance costs) along with \$229,475 of prior issued debt service funds from the District were used to purchase Serial Bonds. The bonds were deposited in an irrevocable trust with an escrow agent to provide for certain future debt service payments on refunded outstanding General Obligation Bonds, Series 2005A, in the amount of \$20,745,000 from the bondholders. As a result, the liability for these bonds have been removed from the District's financial statements. The refunding resulted in an economic gain of approximately \$176,013 and did not increase the life of the bonds and decreasing future debt service requirements by approximately \$1,547,710. The defeased 2005A bonds were subsequently called on December 15, 2013.

On February 26, 2013, the District issued \$24,995,000 in General Obligation Land Acquisition and Development Bonds, Series 2013, with interest rates ranging from 2.00% to 3.00%. The net proceeds of \$24,992,136 (including a reoffering premium of \$517,953 and payment of \$520,817 in underwriting fees and other issuance costs) will be used to acquire and improve forest preserve lands in order to preserve and restore wildlife habitat, trail and greenway corridors, wetlands, prairies, and forests; to provide flood control; to create and improve public use areas for recreation, education and historical facilities; and to pay all related costs incidental to the issuance of bonds. Interest on the bonds will be payable semiannually on each December 15 and June 15, commencing on June 15, 2013. This represents the fifth issue authorized by the November 4, 2008, \$185 million bond referendum. As of June 30, 2018 \$1,199,686 remains unspent.

On November 30, 2011, the District issued \$24,995,000 in General Obligation Land Acquisition and Development Bonds, Series 2011, with interest rates ranging from 3.00% to 4.00%. The net proceeds of \$24,717,923 (including a reoffering premium of \$253,018 and payment of \$530,095 in underwriting fees and other issuance costs) will be used to acquire and improve forest preserve lands in order to preserve and restore wildlife habitat, trail and greenway corridors, wetlands, prairies, and forests; to provide flood control; to create and improve public use areas for recreation, education and historical facilities; and to pay all related costs incidental to the issuance of bonds. Interest on the bonds will be payable semiannually on each December 15 and June 15, commencing on June 15, 2012. This represents the fourth issue authorized by the November 4, 2008, \$185 million bond referendum.

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
As of and for the Year Ended June 30, 2018

NOTE H - LONG-TERM DEBT (Continued)

2. General Obligation Bonds (Continued)

On July 29, 2010, the District issued \$40,000,000 in General Obligation Land Acquisition Bonds, Series 2010B, with interest rates ranging from 4.20% to 5.51%. The net proceeds of \$39,496,200 (including a reoffering discount of \$61,063 and payment of \$442,737 in underwriting fees and other issuance costs) will be used for land preservation and acquisition. Issued as Build America Bonds, 35% of the interest cost is rebated to the District by the U.S. Treasury. The total rebate over 25 years will be \$12,219,460. Interest on the bonds will be payable semiannually on each December 15 and June 15, commencing on June 15, 2011. This represents the third issue authorized by the November 4, 2008, \$185 million bond referendum.

On February 1, 2010, the District issued \$35,000,000 in General Obligation Land Acquisition and Development Bonds, Series 2010A, with interest rates ranging from 4.71% to 6.00%. The net proceeds of \$34,097,618 (including a reoffering premium of \$50,045 and payment of \$248,976 in underwriting fees and other issuance costs) will be used to acquire and improve forest preserve lands in order to preserve and restore wildlife habitat, trail and greenway corridors, wetlands, prairies, and forests; to provide flood control; to create and improve public use areas for recreation, education and historical facilities; and to pay all related costs incidental to the issuance of bonds. Issued as Build America Bonds, 35% of the interest cost is rebated to the District by the U.S. Treasury. The total rebate over 25 years will be \$11,651,367. Interest on the bonds will be payable semiannually on each December 15 and June 15, commencing on June 15, 2010. This represents the second issue authorized by the November 4, 2008, \$185 million bond referendum.

On December 16, 2008, the District issued \$9,500,000 in General Obligation Debt Certificates, Series 2008C, with interest rates ranging from 3.25% to 5.00%. The net proceeds of \$9,388,266 (including a discount of \$1,763 and payment of \$109,971 in underwriting fees and other issuance costs) will be used towards the construction of a new Operations and Public Safety building. Interest on the bonds will be payable semiannually on each December 15 and June 15, commencing on June 15, 2009.

On December 16, 2008, the District issued \$27,605,000 in General Obligation Land Acquisition and Development Bonds, Series 2008B, with interest rates ranging from 3.25% to 5.00%. The net proceeds of \$27,314,966 (including a discount of \$32,329 and payment of \$257,705 in underwriting fees and other issuance costs) will be used to acquire and improve forest preserve lands in order to preserve and restore wildlife habitat, trail and greenway corridors, wetlands, prairies, and forests; to provide flood control; to create and improve public use areas for recreation, education, and historical facilities; and to pay all related costs incidental to the issuance of the bonds. Interest on the bonds will be payable semiannually on each December 15 and June 15, commencing on June 15, 2009.

On May 1, 2008, the District issued \$35,000,000 in General Obligation Land Acquisition Bonds, Series 2008A, with interest rates ranging from 3.25% to 5.00%. The net proceeds of \$35,273,963 (including a reoffering premium of \$614,031 and payment of \$340,068 in underwriting fees and other issuance costs) will be used to acquire forest preserve lands in order to preserve and restore wildlife habitat, trail and greenway corridors, wetlands, prairies, and forests; and to pay all related costs incidental to the issuance of the bonds. Interest on the bonds will be payable semiannually on each December 15 and June 15, commencing on June 15, 2008.

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
As of and for the Year Ended June 30, 2018

NOTE H - LONG-TERM DEBT (Continued)

2. General Obligation Bonds (Continued)

On May 1, 2007, the District issued \$52,555,000 in General Obligation Refunding Bonds, Series 2007A, to advance refund a portion, \$48,825,000, of the outstanding Series 2000 General Obligation Bonds. The bonds bear interest at variable rates equal to a fixed spread (35%, 45%, or 48%) above 67% of the three-month LIBOR rate. The net of \$51,931,670 (after payments totaling \$623,330 in underwriting fees and other issuance costs) was used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the portion of the Series 2000 bonds that were refunded. As a result, a portion of the 2000 series are considered to be defeased and the liability has been removed from long-term debt. Concurrently with the issuance of the bonds, the District entered into a swap agreement to swap the variable rate interest payment for fixed payments at the rate of 4.52%. The savings from the swap was taken as a lump-sum payment in the amount of \$2,210,525 (after \$116,591 was used to purchase additional U.S. government securities deposited into escrow and a refund of \$9,116 of issuance costs from the variable rate bond issue was received). All exposure to variable interest rate risk was eliminated.

The annual requirements to amortize general obligation debt outstanding as of June 30, 2018, including interest payments are as follows:

Fiscal Year Ending December 31,	Governmental Activities	
	Principal	Interest
2019	\$ 31,670,000	\$ 14,693,908
2020	16,315,000	8,932,033
2021	16,875,000	8,266,343
2022	17,500,000	7,596,683
2023	18,160,000	6,891,470
2024-2028	100,105,000	24,673,002
2029-2033	51,495,000	9,688,977
2034-2035	9,910,000	581,549
	\$ 262,030,000	\$ 81,323,965

The schedule of the District's legal debt margin as of June 30, 2018 is as follows:

Assessed valuation 2016	\$ <u>26,005,064,391</u>
Statutory debt limitation (2.3% of assessed valuation)	\$ 598,116,481
Less general obligation bonds	<u>(262,030,000)</u>
Legal debt margin	\$ <u>336,086,481</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 June 30, 2018

NOTE H - LONG-TERM DEBT (Continued)

3. Derivative Instruments

The fair value balances and notional amounts of derivative instruments outstanding as of June 30, 2018, classified by type, and the changes in fair value of such derivative instruments for the year then ended as reported in the 2018 financial statements are as follows:

Cash Flow Hedges:	<u>Classification</u>	<u>Amount</u>	Fair Value at		<u>Notional</u>
			<u>Classification</u>	<u>Amount</u>	
Pay fixed interest rate swaps	Deferred outflow	\$ 484,205	Liability	\$ (484,205)	\$ 19,335,000

As a means of lowering its borrowing costs, the District had entered into three separate variable-to-fixed interest rate exchange agreements (swaps) in connection with its Series 2007A variable rate bond issue. Per the terms of the swaps, the District pays a fixed rate of interest to the swap provider in exchange for a variable rate of interest expected to match or closely approximate the variable rate of interest owed by the District to bondholders. At the time the swaps were entered into by the District, the District's fixed rate obligation in the swap was less than the fixed rate of interest obtainable by the District from issuing fixed rate bonds.

The swaps became effective May 1, 2007, and are associated with the 2007A Series bonds. One of the swaps terminated on December 15, 2013 and another on December 15, 2016.

Details of the derivative instrument still outstanding is as follows:

<u>Bond Series</u>	<u>Current Notional Amount</u>	<u>Effective Date</u>	<u>Termination Date</u>	<u>Fixed Rate Paid</u>	Standard & Poor's / Moody's	<u>Fair Value as of 6/30/2018</u>
					<u>Counterparty Credit Ratings</u>	
2007A	\$ 19,335,000	5/1/2007	12/15/2020	4.5200%	A+/AA/Aa3	\$ (484,205)

The notional amounts of the swaps match the outstanding principal amounts of the associated bonds. The District's swaps contain scheduled reductions to notional amounts that match the scheduled reductions in the associated "bonds payable" category. For the 2007A bonds, the District pays the counterparties a fixed rate of 4.520% and receives a variable payment as follows:

<u>Bond Series</u>	<u>Current Notional Amount</u>	<u>Pay Fixed</u>	<u>Receive Variable</u>
2007A	\$ 19,335,000	4.5200%	67% of 3 Mo USD LIBOR + 0.48%

Interest rate swaps are not normally valued through exchange-type markets with easily accessible quotation systems and procedures. The fair market values of the swaps were calculated by a financial advisor of the District using information obtained from generally recognized sources with respect to quotations, reporting of specific transactions and market conditions, and based on accepted industry standards and methodologies. The valuation provided as of June 30, 2018 is derived from proprietary models based upon well-recognized principles and estimates about relevant future market conditions. The fair values take into consideration the prevailing interest rate environment and the specific terms and conditions of each swap. All fair values were estimated using the zero-coupon discounting method. This method calculates the future payments required by the swap, assuming that the current forward rates implied by the yield curve are the market's best estimate of future spot interest rates. These payments are then discounted using the spot rates implied by the current yield curve for a hypothetical zero-coupon rate bond due on the date of each future net settlement payment on the swaps.

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NOTE H - LONG-TERM DEBT (Continued)

3. Derivative Instruments (Continued)

RISKS

Credit Risk

Counterparty credit risk is the risk that a swap is terminated and the counterparty fails to make a required termination payment. The termination payment is a market-based payment approximating the value of the swap at the time of termination. The District was not exposed to counterparty credit risk as of June 30, 2018 because the negative market values of each swap would render no payments owing by the counterparties in the event of a termination. If changes in interest rates were to create positive market values for the swaps in the future, the District would be exposed to counterparty credit risk in the amount of those positive market values. The swaps require full collateralization from the counterparty of any positive market value of the swaps in the event the counterparty's credit rating falls below a Standard & Poor's rating of A- or a Moody's Investor Services' rating of A3. The swap requires such collateral to be held by a third party custodian in the form of cash, debt obligations issued by the U.S. Treasury or debt issued by federally sponsored agencies. The swap outstanding as of June 30, 2018 is with one counterparty.

Basis Risk

Basis risk is the extent to which the District's variable rate interest payments to bondholders differs from the variable rate payments received from the swap counterparties. The District's variable rate interest payments to bondholders are paid quarterly based on 67% of the three month LIBOR rate, plus .48% for the principal portion maturing on December 15, 2020. The variable rate interest payments received from the swap counterparties are equal to the variable rate interest payments owed to bondholders, which renders this swap to be currently without basis risk.

Termination Risk

The District's swap agreements do not contain any out-of-the-ordinary termination provisions that would expose it to significant termination risk. Consistent with agreements of this type, the District and the counterparty each have the ability to terminate a swap agreement if the other party fails to perform under the terms of the agreement. The agreements allow either party to terminate in the event of a significant loss of creditworthiness by the other party. If a swap were to be terminated, the associated variable rate bonds would no longer be hedged and the District would be subject to variable rate risk, unless it entered into a new hedge following termination. In addition, if the swap were to have a negative market value at the time of termination, the District would be liable to the counterparty for a payment approximately equal to the market value of the swap.

Interest Rate Risk

Low interest rates contributed to the negative market valuations (fair values) included in the preceding chart for the District's swaps. At the time of the swaps, the synthetic fixed rates achieved by the swaps were less than the fixed rates that could have been achieved by issuing fixed rate bonds. The swaps' fair market values were estimated by a financial advisor of the District.

Rollover Risk

There is no rollover risk, given that the swap agreements have final maturities and amortizations that approximately match the final maturities and amortizations of the related bonds.

LAKE COUNTY FOREST PRESERVE DISTRICT
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NOTE H - LONG-TERM DEBT (Continued)

3. Derivative Instruments (Continued)

DERIVATIVE INSTRUMENT PAYMENTS AND HEDGED DEBT

As of June 30, 2018, total projected debt service requirements of the District's hedged debt and net receipts/payments on associated hedging derivative instruments are presented below. The projected amounts assume that the interest rates on variable-rate debt and reference rates on associated hedging derivative instruments as of June 30, 2018 will remain the same for their terms. As these rates vary, interest payments on variable-rate bonds and net receipts/payments on the associated hedging derivative instruments will vary. The hedging derivative instruments column reflects only the net receipts/payments on derivative instruments that qualify for hedge accounting. All of the District's derivative instruments as of June 30, 2018 qualified for hedge accounting.

Fiscal Year Ending December 31,	Hedged Debt Principal	Interest Paid to Bondholders	Hedging Derivative Instruments - Net (Receipts)/Payments	Total
2019	\$ 12,610,000	\$ 181,417	\$ 850,838	\$ 13,642,255
2020	6,725,000	53,367	250,603	7,028,970
2021	0	0	0	0
	<u>\$ 19,335,000</u>	<u>\$ 234,784</u>	<u>\$ 1,101,441</u>	<u>\$ 20,671,225</u>

LAKE COUNTY FOREST PRESERVE DISTRICT
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NOTE I - FUND BALANCE CLASSIFICATIONS

The District reported the following fund balance restrictions, commitments and assignments at June 30, 2018:

Restricted for:		Fund :
Audit and insurance costs	\$ 2,128,609	General Fund
Land acquisition and development	27,530,947	Land Development, Land Acquisition and Development Bond Projects
Debt service	18,818,642	Debt Service Fund
Grants and donations	301,460	Nonmajor governmental funds (Grants and Donations Fund)
FICA and IMRF costs	1,262,430	Nonmajor governmental funds (Retirement Fund)
Tree Replacement	280,356	Nonmajor governmental funds
Total restricted	<u>\$ 50,322,444</u>	
Committed for:		Fund :
Ft. Sheridan Cemetery	322,582	General Fund
Grants and donations	3,941	Nonmajor governmental funds (Grants and Donations Fund)
Total committed	<u>\$ 326,523</u>	
Assigned for:		Fund :
Wetlands	1,041,578	General Fund
Carry over	1,606,624	General Fund
Capital spending planned	6,184,571	General Fund
Special projects	4,072,557	Nonmajor governmental funds (Easements & Special Projects)
Land management and preparation	1,432,639	Nonmajor governmental funds (Land Preparation & Farmland Management)
State forfeiture funds	13,056	Nonmajor governmental funds (State Forfeiture)
Building improvements	2,252,737	Nonmajor governmental funds (Capital Facilities Improvement)
Grants and donations	324,565	Nonmajor governmental funds (Grants and Donations Fund)
Total assigned	<u>\$ 16,928,329</u>	

LAKE COUNTY FOREST PRESERVE DISTRICT
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NOTE J - 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, 2018 to January 1, 2019, 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, 2017, and the statement of revenues and expenses for the period ended December 31, 2017. The District's portion of the overall equity of the pool is 4.052%, or \$1,765,669.

Assets	\$	65,528,169
Deferred Outflow of Resources - Pension		1,031,198
Liabilities		22,979,446
Deferred Inflow of Resources - Pension		5,600
Member balances		43,574,321
Revenues		23,353,271
Expenditures		17,402,060

LAKE COUNTY FOREST PRESERVE DISTRICT
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NOTE J - RISK MANAGEMENT (Continued)

Since 88.70% 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 member balances are adjusted 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.

NOTE K - 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 June 30, 2018:

General Fund	\$	439,991
Land Development Fund		1,537,644
Development Bond Projects Fund		5,219,325
Nonmajor Governmental Funds		1,294,456
Internal Service Funds		151,918

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 June 30, 2018. The remaining commitments under these contracts approximate:

<u>Function</u>		
General Government	\$	4,725,388
Recreation		2,940
Natural resources		2,267,001
Internal Service		151,918
		7,147,247
	\$	7,147,247

LAKE COUNTY FOREST PRESERVE DISTRICT
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NOTE L - 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.

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

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

3. Employees Covered by Benefit Terms

As of December 31, 2017, the following employees were covered by the benefit terms:

	IMRF	SLEP
Retirees and Beneficiaries currently receiving benefits	186	8
Inactive Plan Members entitled to but not yet receiving	243	5
Active Plan Members	184	19
Total	613	32

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 2017 was 12.50% for IMRF and 15.72% for SLEP. The District's annual contribution rate for calendar year 2018 was 11.98% for IMRF and 14.96% for SLEP. For the fiscal year ended 2018, the District contributed \$1,478,319 for IMRF and \$241,155 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/asset was measured as of December 31, 2017. 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. Actuarial Assumptions

The following are the methods and assumptions used to determine the total pension liability at December 31, 2017 for both plans (IMFR and SLEP):

- * The **Actuarial Cost Method** used was Entry Age Normal.
- * The **Asset Valuation Method** used was 5-Year smoothed market; 20% corridor.
- * The **Inflation Rate** was assumed to be 2.75%
- * **Salary Increases** were expected to be 3.39% to 14.25%, including inflation.
- * The **Investment Rate of Return** was assumed to be 7.50%.

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NOTE L - DEFINED BENEFIT PENSION PLANS (Continued)

6. **Actuarial Assumptions** (Continued)

* **Projected Retirement Age** was from the Experience-base table of rates that are specific to the type of eligibility condition. Last updated for the 2017 valuation pursuant to an experience study from years 2014 to 2016.

* The IMRF-specific rates for **Mortality** (for non-disabled retirees) were developed from the fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match the current IMRF experience.

* For **Disabled Retirees**, an IMRF-specific mortality table was used with fully generated projection scale MP-2017 (base year 2015). The IMRF-specific rates were developed from the RP-2014 Disabled Retirees Mortality Table, applying the same adjustments that were applied for non-disabled lives.

* For **Active Members**, an IMRF-specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF-specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

* 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:

Asset Class	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
Domestic Equity	37%	8.30%
International Equity	18%	8.45%
Fixed Income	28%	3.05%
Real Estate	9%	6.90%
Alternative Investments	7%	4.25-12.45%
Cash Equivalents	1%	2.25%
Total	100%	

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NOTE L - DEFINED BENEFIT PENSION PLANS (Continued)

7. Single Discount Rate

A Single Discount Rate of 7.50% for IMRF and 7.50% 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). The years ending December 31, 2116 and 2117 are for the Regular Plan and SLEP Plan, respectively, the last years in the 2018 to 2117 projection period for which projected benefit payments are fully funded.

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.50%, the municipal bond rate is 3.31%, and the resulting single discount rate is 7.50%

8. Changes in Net Pension Liability/Asset

IMRF	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at July 1, 2017	\$ 68,703,709	\$ 59,049,096	\$ 9,654,613
Changes for the year:			
Service Cost	1,260,324	-	1,260,324
Interest on the Total Pension Liability	5,107,129	-	5,107,129
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	18,085	-	18,085
Changes of Assumptions	(2,070,694)	-	(2,070,694)
Contributions - Employer	-	1,482,330	(1,482,330)
Contributions - Employees	-	566,969	(566,969)
Net Investment Income	-	9,990,419	(9,990,419)
Benefit Payments, including Refunds of Employee Contributions	(2,477,640)	(2,477,640)	-
Other (Net Transfer)	-	(656,097)	656,097
Net Changes	1,837,204	8,905,981	(7,068,777)
Balances at June 30, 2018	\$ 70,540,913	\$ 67,955,077	\$ 2,585,836

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

8. **Changes in Net Pension Liability/Asset** (Continued)

<u>SLEP</u>	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at July 1, 2017	\$ 7,927,123	\$ 7,150,962	\$ 776,162
Changes for the year:			
Service Cost	303,110	-	303,110
Interest on the Total Pension Liability	597,637	-	597,637
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	(246,294)	-	(246,294)
Changes of Assumptions	(39,127)	-	(39,127)
Contributions - Employer	-	244,211	(244,211)
Contributions - Employees	-	116,458	(116,458)
Net Investment Income	-	1,163,948	(1,163,948)
Benefit Payments, including Refunds of Employee Contributions	(220,368)	(220,368)	-
Other (Net Transfer)	-	(114,393)	114,393
Net Changes	394,958	1,189,856	(794,898)
Balances at June 30, 2018	<u>\$ 8,322,081</u>	<u>\$ 8,340,817</u>	<u>\$ (18,736)</u>

9. **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 7.50% for IMRF and 7.50% 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 6.50%	7.50%	1% Higher 8.50%
Net Pension Liability	\$ 79,680,441	\$ 70,540,913	\$ 62,996,444
Plan Fiduciary Net Pension	67,955,077	67,955,077	67,955,077
Net Pension Liability/(Asset)	<u>\$ 11,725,364</u>	<u>\$ 2,585,836</u>	<u>\$ (4,958,633)</u>

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

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

<u>SLEP</u>	Current Single Discount Rate Assumption		
	1% Lower 6.50%	7.50%	1% Higher 8.50%
Net Pension Liability	\$ 9,503,052	\$ 8,322,081	\$ 7,358,183
Plan Fiduciary Net Pension	8,340,817	8,340,817	8,340,817
Net Pension Liability/(Asset)	<u>\$ 1,162,235</u>	<u>\$ (18,736)</u>	<u>\$ (982,634)</u>

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

For the year ended June 30, 2018 the District recognized pension expense of \$1,801,081. At June 30, 2018 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	\$ 156,888	\$ 753,071
Changes of assumptions	27,297	1,618,733
Net difference between projected and actual earnings on pension plan investments.	<u>1,880,918</u>	<u>4,481,922</u>
Total deferred amounts to be recognized in pension expense in future periods	<u>2,065,103</u>	<u>6,853,726</u>
Pension Contributions made subsequent to the Measurement the measurement date	714,460	
Total Deferred Amounts Related to Pensions	<u>\$ 2,779,563</u>	<u>\$ 6,853,726</u>

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

10. Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions (Continued)

<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	\$ 55,836	\$ 499,979
Changes of Assumptions	38,367	40,091
Net difference between projected and pension plan investments.	217,977	501,323
Total Deferred Amounts to be recognized in pension expense in future periods	312,180	1,041,393
Pension Contributions made subsequent to the Measurement the measurement date	117,003	-
Total Deferred Amounts Related to Pensions	\$ 429,183	\$ 1,041,393

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
Year Ending June 30,	
2018	\$ (1,108,647)
2019	(1,118,807)
2020	(1,440,690)
2021	(1,120,479)
2022	-
Thereafter	-
Total	\$ (4,788,623)

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

10. Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions (Continued)

<u>SLEP</u>	Net Deferred
Year Ending June 30,	Outflows of
2018	Resources
2019	\$ (107,775)
2020	(124,332)
2021	(214,095)
2022	(201,719)
Thereafter	(79,097)
Total	<u>(2,195)</u>
	<u>\$ (729,213)</u>

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

	<u>2018</u>	<u>2017</u>
Investment rate of return - IMRF	7.50%	7.50%
Investment rate of return - SLEP	7.50%	7.50%
Municipal bond rate	3.31%	3.78%
Adjustment factor for market value - IMRF	0.000082077	0.002057409
Adjustment factor for market value - SLEP	0.000082077	0.002057409

NOTE M - 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 year 2018, the District's contribution, which was 100% implicit, was \$80,643.

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As of and for the Year Ended June 30, 2018

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

3. Employees Covered by Benefit Terms

At July 1, 2017, the actuarial valuation date, the following employees were covered by the benefit terms:

Active employees	174
Inactive Employees Entitled But Not Yet Receiving Benefits	-
Inactive Employees Currently Receiving Benefits	11
	185

4. Total OPEB Liability

The District's total OPEB liability of \$614,401 was measured as of 6/30/2017, and was determined by an actuarial valuation as of that date.

Inflation	3.00%
Health Care Trend Rates	
Initial Health Care Cost Trend Rate	
- Medical Plans	5.50%
- Dental Plans	2.00%
Ultimate Health Care Cost Trend Rate	
- Medical Plans	5.00%
- Dental Plans	NA
Election at Retirement	100.00%
Discount Rate	3.18%

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 June 14, 2018.

Rates of Mortality, Retirement and Disability were from those found in the December 31, 2017 IMRF Actuarial Valuation Report.

The actuarial assumptions used in the July 1, 2017 valuation were based on the results of actual and anticipated experience.

5. Changes in Total OPEB Liability

Changes in the District's total OPEB liability for the year ended June 30, 2018 was as follows:

	Total OPEB Liability
Balance at June 30, 2017	\$ 667,345
Service Cost	16,531
Interest	19,939
Difference between Expected and Actual Experience	(58,645)
Changes in Assumptions and Other Inputs	4,697
Benefit Payments	(80,643)
Other Changes	45,177
Net Changes	(52,944)
Balance at June 30, 2018	\$ 614,401

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
As of and for the Year Ended June 30, 2018

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

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 (2.18%) or 1-percentage-point higher (4.18%) than the current discount rate:

Discount Rate	1% Increase	Current Discount Rate	1% Decrease
Total OPEB Liability	\$ <u>590,761</u>	\$ <u>614,401</u>	\$ <u>638,791</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>651,979</u>	\$ <u>614,401</u>	\$ <u>580,301</u>

7.

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

For the year ended June 30, 2018, the District recognized a reduction of OPEB expense of \$45,204. 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	\$ -	\$ 51,747
Changes in assumptions	57,021	13,014
	\$ <u>57,021</u>	\$ <u>64,761</u>

The amount reported as deferred outflows resulting from contributions subsequent to the measurement date in the above table will be recognized as a reduction in the total OPEB liability for the year ending June 30, 2019. The remaining amounts reported as deferred outflows and inflows of resources related to OPEB (\$57,021 and \$64,761) will be recognized in OPEB expense as follows:

The amounts reported as deferred outflows and inflows of resources related to OPEB (\$57,021 and \$64,761) will be recognized in OPEB expense as follows:

Fiscal Year	Outflows	Inflows
2019	\$ 11,402	\$ 12,950
2020	7,601	8,633
2021	7,601	8,633
2022	7,601	8,633
2023	7,601	8,633
Thereafter	<u>15,215</u>	<u>17,279</u>
Total	\$ <u>57,021</u>	\$ <u>64,761</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 June 30, 2018

NOTE N - RESTATEMENT OF NET POSITION

Net position has been restated due to the implementation of GASB Statement No. 75. The restatement is necessary to record the prior year net OPEB liability.

	Governmental Activities	Business Type Activities/Golf Courses Fund
Net position as previously report, June 30, 2017	\$ 550,634,212	\$ 18,099,406
Adjustment to record the net OPEB liability as of June 30, 2017	(585,041)	(82,304)
Adjustment to remove the OPEB obligation reported as of June 30, 2017	<u>(243,393)</u>	<u>-</u>
Net position as restated, June 30, 2017	<u>\$ 549,805,778</u>	<u>\$ 18,017,102</u>

NOTE O - IMPLEMENTATION OF GASB 75

In June 2015, the GASB issued statement No. 75 - Accounting and Financial Reporting for Postemployment Benefits Other than Pensions. This Statement replaces the requirements of Statements No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions, as amended, and No. 57, OPEB Measurements by Agency Employers and Agent Multiple-Employer Plans, for OPEB. This standard was implemented July 1, 2017.

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
As of and for the Year Ended June 30, 2018

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. 84, *Fiduciary Activities* will be effective for District beginning with its year ending June 30, 2019. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported.

GASB Statement No. 87, *Leases* will be effective for District beginning with its year ending December 31, 2020. 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.

GASB Statement No. 88, *Certain Disclosures Related to Debt* will be effective for District beginning with its year ending December 31, 2019. The objective of this Statement is to improve the information that is disclosed in notes to governmental financial statements related to debt, including direct borrowings and direct payments. It also clarifies which liabilities governments should include when disclosing information related to debt.

GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period* will be effective for District beginning with its year ending December 31, 2020. The objectives of this Statement (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period.

GASB Statement No. 90, *Majority Equity Interests* will be effective for District beginning with its year ending December 31, 2020. The objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units.

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 June 30, 2018

NOTE Q - COMPONENT UNIT

This report contains the Preservation Foundation of the Lake County Forest Preserves (Foundation), which is included as a component unit. Financial information is presented as a discrete column in the statement of net position and statement of activities.

In addition to the basic financial statements and the preceding notes to financial statements which apply, the following additional disclosures are considered necessary for a fair presentation.

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 CodificationTM*, 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 position

Net position, revenues, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net position of the Foundation are classified and reported as follows:

Unrestricted Net Position - Net position that is not subject to donor-imposed stipulations.

Temporarily Restricted Net Position - Net position subject to donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the Foundation pursuant to those stipulations.

Permanently Restricted Net Position - Net position subject to donor-imposed stipulations that they be maintained permanently by the Foundation. Generally, the donors of these assets permit the Foundation to use all or part of the income earned on related investment for general or specific purposes.

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.

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
As of and for the Year Ended June 30, 2018

1. Nature of Activities and Summary of Significant Accounting Policies (Cont.)

Investments

The Foundation's authorized investments are limited to approved banks and specifically authorized instruments including bonds, notes, bills, other full faith and credit U.S. government securities, and interest-bearing investments (certificates of deposit). At June 30, 2018 and 2017, all investments held at year-end consisted solely of certificates of deposit ("CDs") with maturities greater than three months at the date of purchase and are reported at amortized cost in the statements of financial position.

Land held for resale

In fiscal year 2014, the Foundation received a donation of land for which it intends to sell. Land held for resale is recorded at the lower of cost or fair value less costs to sell. The Foundation has recorded this land at \$456,000 at June 30, 2018 and 2017, which was determined through independent evaluations of the current market value.

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 statements of activities. The allowance for uncollectable pledges is based on management's estimate of the collectability of identified receivables.

Contributions

The Foundation reports gifts of cash and other assets as temporarily or permanently restricted support if they are received with donor stipulations that limit their use. Gifts of cash and other assets that are received without donor stipulations limiting the use of the donated assets are reported as unrestricted support. When a temporary donor restriction expires (when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions.

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, 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 \$406,475 and \$364,454 for the years ended June 30, 2018 and 2017, respectively. There were no amounts of in-kind contributions received from sources other than the District for both the years ended June 30, 2018 and 2017.

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
As of and for the Year Ended June 30, 2018

1. Nature of Activities and Summary of Significant Accounting Policies (Cont.)

Functional allocation of expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

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 provisions as of June 30, 2018 or 2017. 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

The Financial Accounting Standards Board ("FASB") has issued Accounting Standards Update ("ASU") 2016-14, Not-for-Profit Entities (Subtopic 958): Presentation of Financial Statements of Not-for-Profit Entities ASU 2016-14 is intended to simplify and improve current asset classification requirements and the information presented in financial statements and notes about a not-for-profit entity's liquidity, financial performance, expense classifications and cash flows. ASU 2016-14 is effective for fiscal years beginning after December 15, 2017 (fiscal year 2019). Management is currently evaluating the impact of ASU 2016-14 on the Foundation's financial statements.

During June 2018 the FASB issued ASU 2018-08, Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made. The new guidance is intended to clarify and improve accounting guidance for contribution received and contributions made. The amendments in the ASU should assist entities in (1) evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) or as exchange (reciprocal) transactions subject to other guidance and (2) determining whether a contribution is conditional. For not-for-profit entities that have conduit debt, ASU 2018-08 is effective for fiscal years beginning after June 15, 2018. All other entities should apply the amendments for fiscal years beginning after December 15, 2018 (fiscal year 2020). The Foundation is currently assessing the impact that ASU 2018-08 will have on its results of operations, financial position and cash flow.

Subsequent events

The Foundation has evaluated subsequent events for potential recognition and/or disclosure through November 14, 2018, the date the financial statements were approved and available to be issued.

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
As of and for the Year Ended June 30, 2018

2. Pledges Receivable

Pledges receivable at June 30, 2018 and June 30, 2017 consisted of the following:

	2018	2017
Gross unconditional promises to give	\$ 132,206	\$ 26,080
Less: unamortized discount	(9,374)	-
Net unconditional promises to give	122,832	26,080
Amounts due in:		
Less than one year	\$ 42,206	\$ 26,080
One to five years	90,000	-
	132,206	26,080

3. Temporarily Restricted Net Position

Temporarily restricted net position represent funds received and committed to various future projects. The balances of such projects are as follows:

	2018	2017
Restricted by purpose		
Education	\$ 103,153	\$ 62,009
Natural Resources	1,348,464	1,454,281
Facilities	4,500	6,500
Operations and infrastructure	22,200	4,730
Planning and land preservation	13,217	170,755
Fall Golf Classic	30,459	22,710
Fred Fest	24,549	14,777
Gratitude in the woods	4,663	1,013
Restricted by time:		
Pledges receivable	122,832	-
	\$ 1,674,037	\$ 1,736,775

The following net assets were released from restrictions during the years ended June 30, 2018 and 2017.

	2018	2017
Restricted by purpose	\$ 713,095	\$ 511,276
Restricted by time	-	-
	\$ 713,095	\$ 511,276

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
As of and for the Year Ended June 30, 2018

4. Functional Allocation of Expenses

Expenses consisted of the following for the years ended June 30, 2018 and 2017:

	2018			
	Program	Management and General	Fundraising	Total
Grants	\$ 735,336	\$ -	\$ -	735,336
Investment fees	-	181	3,470	3,651
Professional services	0	1,111	32,871	33,982
In-kind contribution of:				
Salaries	-	106,719	183,749	290,468
Benefits	-	20,133	34,246	54,379
Commodities	-	3,659	3,659	7,318
Professional services	-	22,535	22,535	45,070
Rent	-	-	9,240	9,240
	\$ 735,336	\$ 154,338	\$ 289,770	\$ 1,179,444

	2017			
	Program	Management and General	Fundraising	Total
Grants	\$ 598,554	\$ -	\$ -	598,554
Investment fees	-	-	2,829	2,829
Professional services	31,407	382	-	31,789
In-kind contribution of:				
Salaries	-	89,642	178,750	268,392
Benefits	-	17,337	19,395	36,732
Commodities	-	2,467	2,467	4,934
Professional services	-	22,688	22,688	45,376
Rent	-	-	9,020	9,020
	\$ 629,961	\$ 132,516	\$ 235,149	\$ 997,626

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 June 30, 2018 and 2017 were \$683,046 and \$514,151, respectively.

5. Endowment

Permanently restricted net assets at June 30, 2018 consist of three separate donor restricted endowment funds. The first fund supports education programs each year. A second fund supports the Middlefork Savanna. The third fund is used toward the general operations of the Foundation.

The Foundation 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. As a result of this interpretation, the Foundation classifies as permanently restricted net assets (a) the original value of the gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable gift instrument at the time the accumulation is added to the fund.

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
As of and for the Year Ended June 30, 2018

5. Endowment (Cont.)

The remaining portion of the donor-restricted endowment fund that is not classified as permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Foundation 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 purpose 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

Endowment net assets composition by types of fund consists of the following as of June 30, 2018:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowment funds	\$ -	\$ -	\$ 29,742	\$ 29,742
Total endowment net assets	\$ -	\$ -	\$ 29,742	\$ 29,742

Changes in endowment net assets for the year ended June 30, 2018 are as follows:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets June 30, 2018	\$ -	\$ -	\$ -	\$ -
Contributions	-	-	29,742	29,742
Endowment net assets June 30, 2018	\$ -	\$ -	\$ 29,742	\$ 29,742

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 June 30, 2018

IMRF Plan					
Fiscal Year Ending June 30,	Actuarial Determined Contribution	Actual Contribution	Unfunded Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll
2009	\$ 1,114,070	\$ 1,114,070	\$ -	\$ 11,883,631	9.37%
2010	\$ 1,183,610	\$ 1,183,610	\$ -	\$ 12,477,639	9.49%
2011	\$ 1,226,552	\$ 1,226,552	\$ -	\$ 12,300,089	9.97%
2012	\$ 1,389,675	\$ 1,389,675	\$ -	\$ 11,741,436	11.84%
2013	\$ 1,384,274	\$ 1,384,274	\$ -	\$ 11,731,773	11.80%
2014	\$ 1,466,946	\$ 1,466,946	\$ -	\$ 11,725,454	12.51%
2015	\$ 1,342,098	\$ 1,348,256	\$ (6,158)	\$ 11,660,280	11.56%
2016	\$ 1,413,407	\$ 1,425,772	\$ (12,365)	\$ 11,967,886	11.91%
2017	\$ 1,433,385	\$ 1,433,385	\$ -	\$ 11,559,556	12.40%
2018	\$ 1,466,007	\$ 1,482,330	\$ (16,323)	\$ 11,728,058	12.64%

Notes to Schedule:

*Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2017 Contributions Rate**

Methods and Assumptions Used to Determine 2017 Contribution Rates:

Actuarial Cost Method:	Aggregate entry age = normal
Amortization Method:	Level percentage of payroll, closed
Remaining Amortization Period:	26-year closed period
Asset Valuation Method:	5-year smoothed market; 20% corridor
Wage Growth:	3.50%
Price Inflation:	2.75%, approximate; No explicit price inflation assumption is used in this valuation
Salary Increases:	3.39% to 14.25%, including inflation
Investment Rate of Return:	7.50%
Retirement Age:	Experience-based table of rates that are specific to the type of eligibility condition; last updated for the 2017 valuation pursuant to an experience study of the period 2014 to 2016.
Mortality:	For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Other Information:

Notes: There were no benefit changes during the year

*Based on Valuation Assumptions used in the December 31, 2015, actuarial valuation; note two year lag between valuation and rate setting.

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.

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 June 30, 2018

Sheriff's Law Enforcement Personnel Plan					
Fiscal Year Ending June 30,	Actuarial Determined Contribution	Actual Contribution	Unfunded Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll
2009	\$ 213,205	\$ 213,205	\$ -	\$ 1,197,489	17.80%
2010	\$ 219,620	\$ 219,620	\$ -	\$ 1,276,223	17.21%
2011	\$ 223,977	\$ 223,977	\$ -	\$ 1,336,635	16.76%
2012	\$ 254,674	\$ 254,674	\$ -	\$ 1,322,593	19.26%
2013	\$ 244,967	\$ 244,967	\$ -	\$ 1,328,962	18.43%
2014	\$ 305,717	\$ 305,717	\$ -	\$ 1,429,152	21.39%
2015	\$ 243,924	\$ 243,924	\$ -	\$ 1,349,139	18.08%
2016	\$ 269,724	\$ 269,725	\$ (1)	\$ 1,523,005	17.71%
2017	\$ 232,580	\$ 232,838	\$ (258)	\$ 1,481,399	15.72%
2018	\$ 242,545	\$ 244,211	\$ (1,666)	\$ 1,542,909	15.83%

Notes to Schedule:

*Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2017 Contributions Rate**

Methods and Assumptions Used to Determine 2017 Contribution Rates:

Actuarial Cost Method:	Aggregate entry age = normal
Amortization Method:	Level percentage of payroll, closed
Remaining Amortization Period:	26-year closed period
Asset Valuation Method:	5-year smoothed market; 20% corridor
Wage Growth:	3.5%
Price Inflation:	2.75%, approximate; No explicit price inflation assumption is used in this valuation
Salary Increases:	3.39% to 14.25%, including inflation
Investment Rate of Return:	7.50%
Retirement Age:	Experience-based table of rates that are specific to the type of eligibility condition; last updated for the 2017 valuation pursuant to an experience study of the period 2014 to 2016.
Mortality:	For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Other Information:

Notes: There were no benefit changes during the year

*Based on Valuation Assumptions used in the December 31, 2015, actuarial valuation; note two year lag between valuation and rate setting.

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.

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 June 30, 2018

	<u>IMRF Plan</u>			
	<u>June 30, 2018</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>June 30, 2015</u>
Total Pension Liability				
Service Cost	\$ 1,260,324	\$ 1,291,502	\$ 1,239,731	\$ 1,325,778
Interest on the Total Pension Liability	5,107,129	4,950,228	4,606,110	4,157,410
Difference between Expected and Actual Assumption Changes	18,085	(1,775,155)	908,311	685,889
Benefit Payments and Refunds	(2,070,694)	(261,369)	172,527	1,865,732
Net Changes in Total Pension Liability	(2,477,640)	(2,247,711)	(2,114,789)	(1,739,464)
Total Pension Liability-beginning	1,837,204	1,957,495	4,811,890	6,295,345
Total Pension Liability-ending (a)	<u>\$ 68,703,709</u>	<u>\$ 66,746,214</u>	<u>\$ 61,934,324</u>	<u>\$ 55,638,979</u>
	<u>\$ 70,540,913</u>	<u>\$ 68,703,709</u>	<u>\$ 66,746,214</u>	<u>\$ 61,934,324</u>
Plan Fiduciary Net Pension				
Employer Contributions	\$ 1,482,330	\$ 1,433,385	\$ 1,425,772	\$ 1,348,256
Employee Contributions	566,969	523,115	571,942	524,758
Pension Plan Net Investment Income	9,990,419	3,860,273	279,649	3,212,918
Benefit Payments and Refunds	(2,477,640)	(2,247,711)	(2,114,789)	(1,739,464)
Other	(656,097)	(88,016)	(582,838)	37,835
Net Change in Plan Fiduciary Net Pension	8,905,981	3,481,046	(420,264)	3,384,303
Plan Fiduciary Net Pension-beginning	59,049,096	55,568,050	55,988,314	52,604,011
Plan Fiduciary Net Pension-ending (b)	<u>\$ 67,955,077</u>	<u>\$ 59,049,096</u>	<u>\$ 55,568,050</u>	<u>\$ 55,988,314</u>
Net Pension Liability/(Asset)-ending (a)-(b)	2,585,836	9,654,613	11,178,164	5,946,010
Plan Fiduciary Net Pension as a Percentage of Total Pension Liability	96.33%	85.95%	83.25%	90.40%
Covered Payroll	\$ 11,728,058	\$ 11,559,556	\$ 11,967,886	\$ 11,660,280
Net Pension Liability as a Percentage of Covered Pavroll	22.05%	83.52%	93.40%	50.99%

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:

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Investment rate of return - IMRF	7.50%	7.50%	7.47%	7.49%
Adjustment factor for market value - IMRF	0.000082077	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 June 30, 2018

<u>Sheriff's Law Enforcement Personnel Plan (SLEP)</u>				
	<u>June 30, 2018</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>June 30, 2015</u>
Total Pension Liability				
Service Cost	\$ 303,110	\$ 301,447	\$ 279,680	\$ 258,894
Interest on the Total Pension Liability	597,637	565,718	509,679	478,256
Difference between Expected and Actual	(246,294)	(251,481)	96,246	(257,596)
Assumption Changes	(39,127)	(10,575)	10,181	72,653
Benefit Payments and Refunds	(220,368)	(160,492)	(138,327)	(148,924)
Net Changes in Total Pension Liability	394,958	444,617	757,459	403,283
Total Pension Liability-beginning	7,927,123	7,482,506	6,725,047	6,321,764
Total Pension Liability-ending (a)	<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	\$ 244,211	\$ 232,838	\$ 269,725	\$ 243,924
Employee Contributions	116,458	111,214	127,394	101,186
Pension Plan Net Investment Income	1,163,948	458,218	32,483	360,257
Benefit Payments and Refunds	(220,368)	(160,492)	(138,327)	(148,924)
Other	(114,393)	9,611	(158,994)	3,085
Net Change in Plan Fiduciary Net Pension	1,189,856	651,389	132,281	559,528
Plan Fiduciary Net Pension-beginning	7,150,961	6,499,572	6,367,291	5,807,763
Plan Fiduciary Net Pension-ending (b)	<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)	(18,736)	776,162	982,934	357,756
Plan Fiduciary Net Pension as a Percentage of				
Total Pension Liability	100.23%	90.21%	86.86%	94.68%
Covered Payroll	\$ 1,542,909	\$ 1,481,399	\$ 1,523,005	\$ 1,348,139
Net Pension Liability as a Percentage of Covered				
Pavroll	-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:

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Investment rate of return - SLEP	7.50%	7.50%	7.49%	7.50%
Adjustment factor for market value - SLEP	0.000082077	0.002057409	0.000163582	0.00739151

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
Schedule of Changes in Net OPEB Liability and Related Ratios
For the Year Ended June 30, 2018

	2018
Total OPEB liability	
Service cost	\$ 16,531
Interest	19,939
Changes of benefit terms	-
Differences between expected and actual experience	(58,645)
Changes of assumptions	4,697
Benefit payments, including refunds of member contributions	(80,643)
Other changes	45,177
Net change in total OPEB liability	(52,944)
Total OPEB liability - beginning	667,345
Total OPEB liability - ending (a)	\$ 614,401
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	-
Plan fiduciary net position - beginning	-
Plan fiduciary net position - ending (b)	\$ -
District's net OPEB liability - ending (a) - (b)	\$ 614,401
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%
Covered-employee payroll	\$ 12,946,486
District's net pension liability as a percentage of covered-employee payroll	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 June 30, 2018

	<u>2018</u>
Actuarially determined contribution	\$ -
Contributions in relation to the actuarially determined contribution	-
Contribution deficiency (excess)	<u>\$ -</u>
Covered-employee payroll	\$ 12,946,486
Contributions as a percentage of covered-employee payroll	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.

Valuation date:

Actuary valuations are as of June 30 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	8.5 years
Asset valuation method	Market value
Election at retirement	15.00%
Salary increases	4.00%
Investment rate of return	3.18%
Healthcare cost trend rate - initial	5.50%
Healthcare cost trend rate - ultimate	5.00%
Mortality	RP-2014 CHBCA

Other information:

There were no benefit changes during the year.

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

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
For the Year Ended June 30, 2018

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Property taxes	\$ 15,546,640	\$ 15,546,640	\$ 16,553,618	\$ 1,006,978
Replacement taxes	874,350	874,350	869,664	(4,686)
Investment income	217,100	217,100	243,834	26,734
Grants & contributions	38,500	38,500	47,338	8,838
Land and building rentals	193,480	193,480	213,635	20,155
Charges for services and sales	1,061,450	1,061,450	1,087,600	26,150
Permits	707,400	707,400	763,831	56,431
Easements and licenses	34,800	34,800	35,088	288
Programs and admissions	332,820	332,820	280,108	(52,712)
Other revenue	163,240	163,240	619,650	456,410
Total revenues	<u>19,169,780</u>	<u>19,169,780</u>	<u>20,714,366</u>	<u>1,544,586</u>
Expenditures				
Current:				
General government	6,927,700	6,977,026	6,197,225	(779,801)
Education	2,313,030	2,340,282	2,154,409	(185,873)
Public safety	2,843,080	2,847,238	2,724,436	(122,802)
Recreation	1,356,300	1,357,493	1,225,829	(131,664)
Maintenance & development	5,659,910	5,665,686	5,202,042	(463,644)
Debt service:				
Principal	430,000	430,000	430,000	-
Interest	295,630	295,630	295,631	1
Capital outlay	767,490	3,520,368	1,414,055	(2,106,313)
Total expenditures	<u>20,593,140</u>	<u>23,433,723</u>	<u>19,643,627</u>	<u>(3,790,096)</u>
Excess (deficiency) of revenues over expenditures	<u>(1,423,360)</u>	<u>(4,263,943)</u>	<u>1,070,739</u>	<u>5,334,682</u>
Other financing sources (uses)				
Sale of capital assets	5,000	5,000	2,621	(2,379)
Transfers out	(200,000)	(200,000)	(200,000)	-
Total other financing sources (uses)	<u>(195,000)</u>	<u>(195,000)</u>	<u>(197,379)</u>	<u>(2,379)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures	<u>(1,618,360)</u>	<u>(4,458,943)</u>	873,360	<u>5,332,303</u>
Fund balances, beginning of year			<u>26,268,783</u>	
Fund balances, end of year			<u>\$ 27,142,143</u>	

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

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

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
For the Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Property taxes	\$ 6,062,540	\$ 6,062,540	\$ 6,414,409	\$ 351,869
Investment income	95,000	95,000	126,312	31,312
Grants & contributions	321,430	321,430	458,097	136,667
Other revenue	1,000	26,000	123,035	97,035
Total revenues	<u>6,479,970</u>	<u>6,504,970</u>	<u>7,121,853</u>	<u>616,883</u>
Expenditures				
Current:				
Maintenance & development	3,723,910	3,736,421	3,602,475	(133,946)
Natural resources	1,851,000	1,931,038	1,755,503	(175,535)
Capital outlay	1,547,500	4,266,581	1,643,437	(2,623,144)
Total expenditures	<u>7,122,410</u>	<u>9,934,040</u>	<u>7,001,415</u>	<u>(2,932,625)</u>
Deficiency of revenues over expenditures	<u>\$ (642,440)</u>	<u>\$ (3,429,070)</u>	120,438	<u>\$ 3,549,508</u>
Fund balances, beginning of year			11,150,494	
Fund balances, end of year			<u>\$ 11,270,932</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 June 30, 2018

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 May, 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 July 1. The budget includes proposed expenditures and the means of financing them. The Board adopts the budget at its regular May 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. The State Forfeiture Fund was created during the year and did not have a budget.
- e. As of June 30, 2018, there was a budget amendment for \$17,794,009 to reflect carryover projects budgeted but not completed in fiscal year 2017. There were several budget amendments totaling \$3,001,964 for grants awarded to the District during the year. In addition, there were budget amendments totaling \$342,800 for increased capital spending 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)
Debt Service Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
For the Year Ended June 30, 2018

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Property taxes	\$ 24,459,770	\$ 24,459,770	\$ 25,899,717	\$ 1,439,947
Investment income (loss)	38,010	38,010	240,780	202,770
Treasury rebate	1,199,880	1,199,880	1,202,456	2,576
Total revenues	<u>25,697,660</u>	<u>25,697,660</u>	<u>27,342,953</u>	<u>1,645,293</u>
Expenditures				
Debt service:				
Principal	14,865,000	14,865,000	14,865,000	-
Interest and fiscal charges	10,292,450	10,292,450	10,294,498	2,048
Total expenditures	<u>25,157,450</u>	<u>25,157,450</u>	<u>25,159,498</u>	<u>2,048</u>
Excess of revenues under expenditures	<u>540,210</u>	<u>540,210</u>	<u>2,183,455</u>	<u>1,643,245</u>
Other financing sources (uses)				
Proceeds from debt issued	-	-	-	-
Premium on issuance of debt	-	-	-	-
Payment to escrow agency	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources (uses) under expenditures	<u>\$ 540,210</u>	<u>\$ 540,210</u>	2,183,455	<u>\$ 1,643,245</u>
Fund balances, beginning of year			<u>16,635,187</u>	
Fund balances, end of year			<u>\$ 18,818,642</u>	

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

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
For the Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Investment income	<u>\$ 21,000</u>	<u>\$ 21,000</u>	<u>\$ 51,927</u>	<u>\$ 30,927</u>
Expenditures				
Current:				
Maintenance & development	227,540	227,540	200,798	(26,742)
Capital outlay	<u>3,264,000</u>	<u>3,284,790</u>	<u>382,155</u>	<u>(2,902,635)</u>
Total expenditures	<u>3,491,540</u>	<u>3,512,330</u>	<u>582,953</u>	<u>(2,929,377)</u>
Deficiency of revenues over expenditures	<u>(3,470,540)</u>	<u>(3,491,330)</u>	(531,026)	<u>2,960,304</u>
Fund balances, beginning of year			<u>4,553,604</u>	
Fund balances, end of year			<u>\$ 4,022,578</u>	

Lake County Forest Preserve District
(A component unit of Lake County, Illinois)
Development Bond Projects Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
For the Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Investment income	\$ 90,000	\$ 90,000	\$ 172,200	\$ 82,200
Grants & contributions	\$ -	\$ 177,514	\$ 485,135	307,621
Total revenues	<u>90,000</u>	<u>267,514</u>	<u>657,335</u>	<u>389,821</u>
Expenditures				
Current:				
Capital outlay	<u>8,099,740</u>	<u>18,004,896</u>	<u>5,298,212</u>	<u>(12,706,684)</u>
Deficiency of revenues over expenditures	<u>\$ (8,009,740)</u>	<u>\$ (17,914,896)</u>	\$ (4,640,877)	<u>\$ 12,788,884</u>
Fund balances, beginning of year			16,878,315	
Fund balances, end of year			<u>\$ 12,237,438</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.

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 June 30, 2018

	Special Revenue			
	Retirement Fund	State Forfeiture Fund	Easements & Special Projects Fund	Land Preparation Fund
ASSETS				
Cash and investments	\$ 1,353,801	\$ 13,056	\$ 4,109,200	\$ 985,535
Property taxes receivable, net	1,018,443	-	-	-
Interest receivable	63	-	23,887	1,332
Grants receivable	-	-	-	-
Other receivable	-	-	-	-
Total assets	<u>\$ 2,372,308</u>	<u>\$ 13,056</u>	<u>\$ 4,133,087</u>	<u>\$ 986,866</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 181,154	\$ -	\$ -	\$ 1,913
Accrued payroll & payroll tax	14,741	-	-	-
Other liabilities	532	-	60,530	7,953
Total liabilities	<u>196,427</u>	<u>-</u>	<u>60,530</u>	<u>9,866</u>
Deferred inflows of resources				
Unavailable property tax revenue	913,451	-	-	-
Unavailable grant revenue	-	-	-	1,157
Total deferred inflows of resources	<u>913,451</u>	<u>-</u>	<u>-</u>	<u>1,157</u>
Total liabilities and deferred inflows of resources	<u>1,109,878</u>	<u>-</u>	<u>60,530</u>	<u>11,023</u>
Fund balances				
Restricted	1,262,430	-	-	-
Committed	-	-	-	-
Assigned	-	13,056	4,072,557	975,843
Unassigned	-	-	-	-
Total fund balances	<u>1,262,430</u>	<u>13,056</u>	<u>4,072,557</u>	<u>975,843</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,372,308</u>	<u>\$ 13,056</u>	<u>\$ 4,133,087</u>	<u>\$ 986,866</u>

Lake County Forest Preserve District
(A component unit of Lake County, Illinois)
Combining Balance Sheet
Nonmajor Governmental Funds
As of June 30, 2018

Special Revenue			Capital Projects		
Farmland Management Fund	Tree Replacement Fund	Donations and Grant Fund	Total	Capital Facilities Improvement Fund	Total Nonmajor Governmental Funds
\$ 503,693	\$ 285,174	\$ 704,635	\$ 7,955,092	\$ 2,243,823	\$ 10,198,916
-	-	-	1,018,443	-	1,018,443
269	-	260	25,812	8,914	34,725
-	-	68,435	68,435	-	68,435
-	-	5,457	5,457	-	5,457
<u>\$ 503,962</u>	<u>\$ 285,174</u>	<u>\$ 778,787</u>	<u>\$ 9,073,239</u>	<u>\$ 2,252,737</u>	<u>\$ 11,325,976</u>
\$ 41,738	\$ 4,818	\$ 28,809	258,432	\$ -	\$ 258,432
-	-	10,621	25,362	-	25,362
5,428	-	40,956	115,398	-	115,398
<u>47,166</u>	<u>4,818</u>	<u>80,385</u>	<u>399,192</u>	<u>-</u>	<u>399,192</u>
-	-	-	913,451	-	913,451
-	-	68,435	69,592	-	69,592
-	-	68,435	983,043	-	983,043
<u>47,166</u>	<u>4,818</u>	<u>148,820</u>	<u>1,382,235</u>	<u>-</u>	<u>1,382,235</u>
-	280,356	301,460	1,844,245	-	1,844,245
-	-	3,941	3,941	-	3,941
456,796	-	324,565	5,842,818	2,252,737	8,095,555
-	-	-	-	-	-
<u>456,796</u>	<u>280,356</u>	<u>629,967</u>	<u>7,691,004</u>	<u>2,252,737</u>	<u>9,943,741</u>
<u>\$ 503,962</u>	<u>\$ 285,174</u>	<u>\$ 778,787</u>	<u>\$ 9,073,239</u>	<u>\$ 2,252,737</u>	<u>\$ 11,325,976</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 June 30, 2018

	Special Revenue				
	Retirement Fund	State Forfeiture Fund	Easements & Special Projects Fund	Land Preparation Fund	Farmland Management Fund
Revenues					
Property taxes	\$ 2,493,256	\$ -	\$ -	\$ -	\$ -
Investment income	18,548	166	21,661	6,459	6,019
Grants & contributions	-	-	-	-	3,149
Land and building rentals	-	-	-	152,390	441,666
Easements and licenses	-	-	27,640	-	-
Other revenue	-	65	310,000	13,886	12,691
Total revenues	<u>\$ 2,511,804</u>	<u>\$ 231</u>	<u>\$ 359,301</u>	<u>\$ 172,736</u>	<u>\$ 463,525</u>
Expenditures					
Current:					
General government	2,562,214	-	-	-	-
Education	-	-	-	-	-
Maintenance & development	-	-	-	13,908	-
Natural resources	-	-	-	-	454,641
Capital outlay	-	-	168,252	-	-
Total expenditures	<u>2,562,214</u>	<u>-</u>	<u>168,252</u>	<u>13,908</u>	<u>454,641</u>
Excess (deficiency) of revenues over expenditures	<u>(50,410)</u>	<u>231</u>	<u>191,049</u>	<u>158,828</u>	<u>8,885</u>
Other financing sources (uses)					
Sale of capital assets	-	-	-	-	-
Transfers in	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(50,410)	231	191,049	158,828	8,885
Fund balances - beginning	1,312,840	12,825	3,881,508	817,015	447,911
Fund balances - ending	<u>\$ 1,262,430</u>	<u>\$ 13,056</u>	<u>\$ 4,072,557</u>	<u>\$ 975,843</u>	<u>\$ 456,796</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 June 30, 2018

Tree Replacement Fund	Special Revenue		Capital Projects	Total Nonmajor Governmental Funds
	Donations and Grant Fund	Total	Capital Facilities Improvement Fund	
\$ -	\$ -	\$ 2,493,256	\$ -	\$ 2,493,256
4,431	4,958	62,242	11,762	74,005
-	1,015,208	1,018,356	-	1,018,356
-	-	594,056	-	594,056
-	-	27,640	-	27,640
-	4,646	341,289	-	341,289
<u>\$ 4,431</u>	<u>\$ 1,024,812</u>	<u>\$ 4,536,839</u>	<u>\$ 11,762</u>	<u>\$ 4,548,602</u>
-	-	2,562,214	-	2,562,214
-	27,618	27,618	-	27,618
-	96,175	110,081	-	110,081
-	60,307	514,948	-	514,948
64,363	868,971	1,101,587	-	1,101,587
<u>64,363</u>	<u>1,053,071</u>	<u>4,316,448</u>	<u>-</u>	<u>4,316,448</u>
(59,931)	(28,259)	220,392	11,762	232,155
-	68,468	68,468	-	68,468
-	-	-	200,000	200,000
-	68,468	68,468	200,000	268,468
(59,931)	40,209	288,860	211,762	500,623
340,287	589,758	7,402,144	2,040,975	9,443,119
<u>\$ 280,356</u>	<u>\$ 629,967</u>	<u>\$ 7,691,004</u>	<u>\$ 2,252,737</u>	<u>\$ 9,943,741</u>

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

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
For the Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Property taxes	\$ 2,300,860	\$ 2,300,860	\$ 2,493,256	\$ 192,396
Investment income	5,550	5,550	18,548	12,998
Total revenues	<u>2,306,410</u>	<u>2,306,410</u>	<u>2,511,804</u>	<u>205,394</u>
Expenditures				
Current:				
General government	<u>2,629,420</u>	<u>2,629,420</u>	<u>2,562,214</u>	<u>(67,206)</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (323,010)</u>	<u>\$ (323,010)</u>	(50,410)	<u>\$ 272,600</u>
Fund balances, beginning of year			<u>1,312,840</u>	
Fund balances, end of year			<u>\$ 1,262,430</u>	

Lake County Forest Preserve District
(A component unit of Lake County, Illinois)
Easements & Special Projects Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
For the Year Ended June 30, 2018

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Investment income	\$ 45,000	\$ 45,000	\$ 21,661	\$ (23,339)
Easements and licenses	-	-	27,640	27,640
Sale of land	-	-	310,000	310,000
Total revenues	<u>45,000</u>	<u>45,000</u>	<u>359,301</u>	<u>314,301</u>
Expenditures				
Current:				
General government	10,000	10,000	-	(10,000)
Capital outlay	-	2,090,800	168,252	(1,922,548)
Total expenditures	<u>10,000</u>	<u>2,100,800</u>	<u>168,252</u>	<u>(1,932,548)</u>
Excess (deficiency) of revenues over expenditures	<u>\$ 35,000</u>	<u>\$ (2,055,800)</u>	191,049	<u>\$ 2,246,849</u>
Fund balances, beginning of year			<u>3,881,508</u>	
Fund balances, end of year			<u>\$ 4,072,557</u>	

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

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
For the Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Investment income	\$ 8,000	\$ 8,000	\$ 6,459	\$ (1,541)
Land and building rentals	152,400	152,400	152,390	(10)
Other revenue	47,020	47,020	13,886	(33,134)
Total revenues	<u>207,420</u>	<u>207,420</u>	<u>172,736</u>	<u>(34,684)</u>
Expenditures				
Current:				
Maintenance & development	<u>100,000</u>	<u>100,000</u>	<u>13,908</u>	<u>(86,092)</u>
Excess of revenues over expenditures	<u>\$ 107,420</u>	<u>\$ 107,420</u>	158,828	<u>\$ 51,408</u>
Fund balances, beginning of year			<u>817,015</u>	
Fund balances, end of year			<u>\$ 975,843</u>	

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

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
For the Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Investment income	\$ 1,000	\$ 1,000	\$ 6,019	\$ 5,019
Grants & contributions	-	-	3,149	3,149
Land and building rentals	464,350	464,350	441,666	(22,684)
Other revenue	22,300	22,300	12,691	(9,609)
Total revenues	<u>487,650</u>	<u>487,650</u>	<u>463,525</u>	<u>(24,125)</u>
Expenditures				
Current:				
Natural resources	<u>669,850</u>	<u>928,482</u>	<u>454,641</u>	<u>(473,841)</u>
Excess (deficiency) of revenues over expenditures	<u>(182,200)</u>	<u>(440,832)</u>	8,885	<u>449,717</u>
Fund balances, beginning of year			<u>447,911</u>	
Fund balances, end of year			<u>\$ 456,796</u>	

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

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
For the Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Investment income	\$ 1,500	\$ 1,500	\$ 4,431	\$ 2,931
Total revenues	<u>1,500</u>	<u>1,500</u>	<u>4,431</u>	<u>2,931</u>
Expenditures				
Capital outlay	<u>24,970</u>	<u>190,066</u>	<u>64,363</u>	<u>(125,703)</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (23,470)</u>	<u>\$ (188,566)</u>	(59,931)	<u>\$ 128,635</u>
Fund balances, beginning of year			<u>340,287</u>	
Fund balances, end of year			<u>\$ 280,356</u>	

Lake County Forest Preserve District
(A component unit of Lake County, Illinois)
Donations and Grant Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
For the Year Ended June 30, 2018

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Investment income	\$ 7,550	\$ 7,550	\$ 4,958	\$ (2,592)
Grants & contributions	384,480	2,384,480	1,015,208	(1,369,272)
Other revenue	-	-	4,646	4,646
Total revenues	<u>392,030</u>	<u>2,392,030</u>	<u>1,024,812</u>	<u>(1,367,218)</u>
Expenditures				
Current:				
Education	16,770	16,770	27,618	10,848
Maintenance & development	130,990	130,990	96,175	(34,815)
Natural resources	84,000	149,241	60,307	(88,934)
Capital outlay	<u>147,470</u>	<u>2,755,933</u>	<u>868,971</u>	<u>(1,886,962)</u>
Total expenditures	<u>379,230</u>	<u>3,052,934</u>	<u>1,053,071</u>	<u>(1,999,863)</u>
Other financing sources				
Sale of capital assets	-	-	68,468	68,468
Excess (deficiency) of revenues over expenditures	<u>\$ 12,800</u>	<u>\$ (660,904)</u>	40,209	<u>\$ 701,113</u>
Fund balances, beginning of year			589,758	
Fund balances, end of year			<u>\$ 629,967</u>	

Lake County Forest Preserve District
(A component unit of Lake County, Illinois)
Capital Facilities Improvement Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
For the Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Investment income	<u>\$ 18,000</u>	<u>\$ 18,000</u>	<u>\$ 11,762</u>	<u>\$ (6,238)</u>
Expenditures				
Capital outlay	<u>150,000</u>	<u>150,000</u>	<u>-</u>	<u>(150,000)</u>
Excess (deficiency) of revenues over expenditures	<u>(132,000)</u>	<u>(132,000)</u>	<u>11,762</u>	<u>143,762</u>
Other financing sources				
Transfers in	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures	<u>\$ 68,000</u>	<u>\$ 68,000</u>	<u>211,762</u>	<u>\$ 143,762</u>
Fund balances, beginning of year			<u>2,040,975</u>	
Fund balances, end of year			<u>\$ 2,252,737</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 June 30, 2018

	Vehicle Replacement Fund	IT Replacement Fund	Equipment Replacement Fund	Total Government Activities
ASSETS				
Current assets:				
Cash and investments	\$ 1,490,892	\$ 1,087,986	\$ 1,708,891	\$ 4,287,769
Interest receivable	5,939	3,450	3,140	12,529
Other receivable	14,200	-	-	14,200
Total current assets	<u>1,511,031</u>	<u>1,091,435</u>	<u>1,712,032</u>	<u>4,314,498</u>
Noncurrent assets:				
Vehicles, machinery, and equipment	4,367,936	906,807	2,858,238	8,132,981
Less accumulated depreciation	<u>(2,218,433)</u>	<u>(566,208)</u>	<u>(1,799,838)</u>	<u>(4,584,479)</u>
Total noncurrent assets	<u>2,149,503</u>	<u>340,599</u>	<u>1,058,400</u>	<u>3,548,502</u>
Total assets	<u>3,660,534</u>	<u>1,432,034</u>	<u>2,770,432</u>	<u>7,863,000</u>
LIABILITIES				
Current liabilities:				
Accounts payable	-	19,004	-	19,004
NET POSITION				
Net investment in capital assets	2,149,503	340,599	1,058,400	3,548,502
Unrestricted	<u>1,511,031</u>	<u>1,072,432</u>	<u>1,712,032</u>	<u>4,295,494</u>
Total net position	<u>\$ 3,660,534</u>	<u>\$ 1,413,030</u>	<u>\$ 2,770,432</u>	<u>\$ 7,843,996</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 June 30, 2018

	Vehicle Replacement Fund	IT Replacement Fund	Equipment Replacement Fund	Total Governmental Activities
Operating Revenues				
Equipment replacement charges	\$ 374,080	\$ 224,030	\$ 283,090	\$ 881,200
Operating expenses				
Commodities	-	34,719	-	34,719
Contractuals	-	37,832	-	37,832
Total operating expenses	-	72,551	-	72,551
Operating income before depreciation	374,080	151,479	283,090	808,649
Depreciation	386,546	62,015	206,132	654,692
Operating income (loss)	(12,466)	89,465	76,958	153,957
Nonoperating revenues (expenses)				
Gain on sale capital asset	165,687	2,233	48,322	216,241
Insurance claim	14,200	-	-	14,200
Investment income (loss)	20,167	7,984	19,264	47,416
Total nonoperating revenues (expenses)	200,054	10,217	67,585	277,857
Income before capital contributions	187,589	99,682	144,543	431,814
Contributions of capital assets	-	10,416	28,987	39,403
Change in net position	187,589	110,098	173,530	471,217
Total net position, beginning of year	3,472,945	1,302,932	2,596,902	7,372,779
Total net position, end of year	\$ 3,660,534	\$ 1,413,030	\$ 2,770,432	\$ 7,843,996

Lake County Forest Preserve District
(A component unit of Lake County, Illinois)
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2018

	Vehicle Replacement Fund	IT Replacement Fund	Equipment Replacement Fund	Total Governmental Activities
Cash flows from operating activities:				
Receipts from interfund services provided	374,080	224,030	283,090	881,200
Payments to suppliers of goods and services	-	(54,345)		(54,345)
Net cash provided by operating activities	<u>374,080</u>	<u>169,685</u>	<u>283,090</u>	<u>826,855</u>
Cash flows from capital and related financing activities:				
Acquisition of capital assets	(742,065)	(79,350)	(295,137)	(1,116,552)
Transfers	(144,795)		144,795	(0)
Proceeds from sale of capital assets	171,808	2,233	50,493	224,533
Net cash provided (used) by capital and related financing activities	<u>(715,053)</u>	<u>(77,117)</u>	<u>(99,850)</u>	<u>(892,020)</u>
Cash flows from investing activities:				
Interest received	27,908	18,877	41,696	88,480
Proceeds from sale of investments	148,120	(1,922)	21,094	167,292
Purchase of investments	-	-	-	-
Net cash provided (used) by investing activities	<u>176,028</u>	<u>16,954</u>	<u>62,790</u>	<u>255,773</u>
Increase (decrease) in cash and cash equivalents	(164,945)	109,523	246,030	190,608
Cash and cash equivalents at beginning of year	<u>27,944</u>	<u>28</u>	<u>6,304</u>	<u>34,275</u>
Cash and cash equivalents at end of year	<u>\$ (137,002)</u>	<u>\$ 109,551</u>	<u>\$ 252,334</u>	<u>\$ 224,883</u>
Cash and cash equivalents per statement of cash flow	\$ (137,002)	\$ 109,551	\$ 252,334	\$ 224,883
Investments	1,627,893	978,435	1,456,557	4,062,885
Cash and investments per statement of net position	<u>\$ 1,490,892</u>	<u>\$ 1,087,986</u>	<u>\$ 1,708,891</u>	<u>\$ 4,287,768</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	\$ (12,466)	\$ 89,465	\$ 76,958	\$ 153,957
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	386,546	62,015	206,132	654,692
Changes in assets and liabilities:				
Accounts payable	-	18,206	-	18,206
Net cash provided (used) by operating activities	<u>\$ 374,080</u>	<u>\$ 169,685</u>	<u>\$ 283,090</u>	<u>\$ 826,855</u>
Noncash investing, capital, and financing activities				
Contribution of capital assets from other funds	\$ -	\$ -	\$ 39,403	\$ 39,403
Decrease in fair value of investments	\$ (7,741)	\$ (10,892)	\$ (22,432)	\$ (41,065)

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 June 30, 2018

	Countryside Golf Course	Brae Loch Golf Course	Thunderhawk Golf Course	2018 Total Golf Courses
Operating revenues				
Season passes	\$ 32,363	\$ 15,974	\$ -	\$ 48,337
Greens fees	1,062,000	278,054	834,092	2,174,146
Gas cart rental	330,874	74,313	215,570	620,757
Hand cart rental	2,048	424	255	2,727
Club rental	2,835	510	5,049	8,394
Permanent starts	8,820	1,800	12,355	22,975
Practice range	100,529	-	40,352	140,881
Pro shop	33,068	7,049	113,552	153,669
Food & beverage concessions	232,379	87,395	-	319,774
Concessionaire and other	-	-	60,314	60,314
Land and building rentals	-	17,748	-	17,748
Miscellaneous	3,978	2,256	2,011	8,245
Total operating revenues	<u>1,808,893</u>	<u>485,523</u>	<u>1,283,551</u>	<u>3,577,968</u>
Operating expenses				
Personal services	1,026,872	283,087	607,849	1,917,808
Commodities	278,525	76,566	207,710	562,801
Contractuals	338,347	133,386	257,731	729,464
Food & beverage concessions	62,774	22,899	-	85,672
Merchandise	18,442	3,369	70,720	92,531
Total operating expenses	<u>1,724,960</u>	<u>519,307</u>	<u>1,144,010</u>	<u>3,388,277</u>
Operating income before depreciation	83,933	(33,783)	139,542	189,691
Depreciation	<u>130,994</u>	<u>86,037</u>	<u>307,934</u>	<u>524,965</u>
Operating loss	<u>(47,061)</u>	<u>(119,820)</u>	<u>(168,393)</u>	<u>(335,274)</u>
Nonoperating revenues				
Gain on sale of capital assets	-	4,868	-	4,868
Insurance claim	5,981	-	-	5,981
Investment income	24,506	3,068	-	27,574
Total nonoperating revenues	<u>30,487</u>	<u>7,935</u>	<u>-</u>	<u>38,422</u>
Change in net position	(16,574)	(111,885)	(168,393)	(296,851)
Total net position - beginning restated	9,972,647	2,307,866	5,736,589	18,017,102
Total net position - ending	<u>\$ 9,956,073</u>	<u>\$ 2,195,981</u>	<u>\$ 5,568,197</u>	<u>\$ 17,720,251</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>
<i>Financial Trends</i> These schedules contain trend information to help the reader understand how the government's financial performance has changed over time.	104 - 109
<i>Revenue Capacity</i> These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.	110 - 114
<i>Debt Capacity</i> 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.	115 - 117
<i>Demographic and Economic Information</i> These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.	118 - 119
<i>Operating Information</i> 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.	120 - 122

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 Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Government Activities										
Net investment in capital assets	\$ 481,937,893	\$ 471,475,617	\$ 465,679,539	\$ 451,716,433	\$ 431,029,147	\$ 424,561,937	\$ 391,810,639	\$ 350,693,993	\$ 282,908,856	\$ 263,075,279
Restricted	47,026,359	44,458,730	49,881,710	31,154,167	36,912,046	38,296,424	34,612,354	43,578,309	78,841,058	82,492,672
Unrestricted	34,491,151	34,699,865	34,394,147	57,355,174	53,684,022	52,892,754	59,467,197	54,472,556	33,872,265	29,813,809
Total Governmental activities net position	<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>	<u>\$ 485,890,190</u>	<u>\$ 448,744,858</u>	<u>\$ 395,622,179</u>	<u>\$ 375,381,760</u>
Business Activities										
Net investment in capital assets	\$ 17,106,509	\$ 17,404,131	\$ 17,812,663	\$ 18,231,845	\$ 18,390,800	\$ 18,656,267	\$ 35,672,025	\$ 56,178,296	\$ 56,393,498	\$ 56,943,761
Restricted	-	100,842	100,842	100,842	100,842	100,842	100,842	100,842	169,042	178,713
Unrestricted	613,742	594,433	990,708	1,076,308	2,297,685	2,463,295	2,223,253	2,604,430	2,972,384	2,364,848
Total Business-Type activities net position	<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>	<u>\$ 37,996,120</u>	<u>\$ 58,883,568</u>	<u>\$ 59,534,924</u>	<u>\$ 59,487,322</u>
Total Government										
Net investment in capital assets	\$ 499,044,402	\$ 488,879,748	\$ 483,492,202	\$ 469,948,278	\$ 449,419,947	\$ 443,218,204	\$ 427,482,664	\$ 406,872,289	\$ 339,302,354	\$ 320,019,040
Restricted	47,026,359	44,559,572	49,982,552	31,255,009	37,012,888	38,397,266	34,713,196	43,679,151	79,010,100	82,671,385
Unrestricted	35,104,893	35,294,298	35,384,855	58,431,482	55,981,707	55,356,049	61,690,450	57,076,986	36,844,649	32,178,657
Total Government activities net position	<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>	<u>\$ 523,886,310</u>	<u>\$ 507,628,426</u>	<u>\$ 455,157,103</u>	<u>\$ 434,869,082</u>
Component Unit										
Restricted	\$ 1,703,799	\$ 1,736,775	\$ 1,571,339	\$ 1,933,021	\$ 980,764	\$ 368,887	\$ 168,555	\$ 95,945		
Unrestricted	180,947	134,044	150,328	214,799	188,520	152,464	92,150	53,572		
Total Component Unit	<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>	<u>\$ 260,705</u>	<u>\$ 149,517</u>		

Note: Component Unit was not reported prior to fiscal year 2011.

Note: Fiscal year 2018 GASB 75 was implemented.

Note: Fiscal year 2014 shows restated net asset amount.

Note: Fiscal year 2013 shows restated net asset amount.

Note: Fiscal year 2010 shows restated net asset amount.

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

Change in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)
(continued)

	Fiscal Year									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Expenses										
Government activities:										
General government	\$ 10,372,661	\$ 13,619,975	\$ 13,445,895	\$ 11,380,328	\$ 14,554,928	\$ 8,033,932	\$ 11,929,450	\$ 9,489,224	\$ 7,409,288	\$ 10,763,460
Education	3,097,194	3,676,388	3,029,456	3,117,454	4,603,866	4,233,592	4,188,552	5,060,967	5,249,465	5,654,384
Public safety	2,939,687	3,251,044	3,255,082	2,756,093	2,570,971	2,910,119	2,525,746	2,508,055	2,758,995	2,688,627
Recreation	2,003,614	1,988,067	2,049,972	2,605,463	-	-	-	-	-	-
Natural resources	5,325,332	3,131,785	2,805,038	3,281,471	-	-	-	-	-	-
Maintenance and development	10,300,076	11,216,471	11,562,175	11,518,483	13,275,338	12,941,342	13,040,659	10,311,294	12,774,971	12,779,216
Interest	10,111,139	14,045,456	11,666,122	12,637,812	13,068,915	14,302,560	13,970,117	13,814,330	11,749,056	10,543,850
Total governmental activities expenses	\$ 44,149,703	\$ 50,929,186	\$ 47,813,740	\$ 47,297,104	\$ 48,074,018	\$ 42,421,545	\$ 45,654,524	\$ 41,183,870	\$ 39,941,775	\$ 42,429,537
Business-type activities:										
Golf courses	\$ 3,913,242	\$ 4,455,137	\$ 4,371,272	\$ 4,382,538	\$ 4,262,428	\$ 5,384,473	\$ 4,165,194	\$ 4,209,516	\$ 4,514,159	\$ 4,363,137
Fox River Recreational Area	-	-	-	-	-	-	-	403,777	282,918	293,619
Total business-type activities expenses	3,913,242	4,455,137	4,371,272	4,382,538	4,262,428	5,384,473	4,165,194	4,613,293	4,797,077	4,656,756
Total government expenses	\$ 48,062,944	\$ 55,384,323	\$ 52,185,012	\$ 51,679,642	\$ 52,336,446	\$ 47,806,018	\$ 49,819,718	\$ 45,797,163	\$ 44,738,852	\$ 47,086,293
Component unit:										
Total component unit expenses	\$ 1,179,444	\$ 997,626	\$ 1,466,212	\$ 481,294	\$ 508,623	\$ 319,044	\$ 292,210	\$ 335,053		
Program Revenue										
Government activities:										
Charges for services										
General government	\$ 1,440,921	\$ 1,506,264	\$ 1,432,615	\$ 1,488,705	\$ 1,855,676	\$ 1,914,725	\$ 1,852,911	\$ 2,589,873	\$ 1,684,887	\$ 1,450,580
Education	184,893	193,259	223,164	235,101	417,543	390,317	461,300	414,919	475,185	509,833
Public safety	798,484	903,797	841,925	714,236	679,740	661,238	628,147	623,165	612,529	567,000
Recreation	1,459,749	1,454,170	1,488,305	1,411,869	-	-	-	-	-	-
Natural resources	454,357	971,571	513,379	469,308	-	-	-	-	-	-
Maintenance and development	66,204	72,460	62,469	76,221	1,329,165	1,122,334	1,275,353	890,912	223,998	243,042
Operating grants and contributions	993,995	1,669,670	858,079	1,539,483	1,986,083	1,372,069	1,506,804	1,568,036	1,514,747	1,171,012
Capital grants and contributions	1,456,894	164,885	1,498,914	-	-	-	-	638,546	490,040	-
Total government activities program revenues	\$ 6,855,497	\$ 6,936,076	\$ 6,918,850	\$ 5,934,923	\$ 6,268,207	\$ 5,460,683	\$ 5,724,515	\$ 6,725,451	\$ 5,001,386	\$ 3,941,467
Business-type activities:										
Charges for services										
Golf courses	\$ 3,577,968	\$ 3,644,923	\$ 3,835,294	\$ 3,704,524	\$ 3,870,213	\$ 3,860,639	\$ 4,284,472	\$ 4,011,583	\$ 4,408,887	\$ 4,644,378
Fox River Recreational Area	-	-	-	-	-	-	-	179,027	248,771	219,129
Total business-type activities program revenues	3,577,968	3,644,923	3,835,294	3,704,524	3,870,213	3,860,639	4,284,472	4,190,610	4,657,658	4,863,507
Total government program revenues	\$ 10,433,465	\$ 10,580,999	\$ 10,754,144	\$ 9,639,447	\$ 10,138,420	\$ 9,321,322	\$ 10,008,987	\$ 10,916,061	\$ 9,659,044	\$ 8,804,974
Component unit:										
Operating grants and contributions	\$ 1,189,549	\$ 1,143,428	\$ 1,039,242	\$ 1,451,448	\$ 1,156,229	\$ 579,438	\$ 399,415	\$ 438,785		
Total component unit revenues	\$ 1,189,549	\$ 1,143,428	\$ 1,039,242	\$ 1,451,448	\$ 1,156,229	\$ 579,438	\$ 399,415	\$ 438,785		

LAKE COUNTY FOREST PRESERVE DISTRICT

(A component unit of Lake County, Illinois)

Change in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)
(continued)

	Fiscal Year									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Net (expense)/revenue										
Government activities	\$ (37,294,206)	\$ (43,993,110)	\$ (40,894,890)	\$ (41,362,181)	\$ (41,805,811)	\$ (36,960,862)	\$ (39,930,009)	\$ (34,458,419)	\$ (34,940,389)	\$ (38,488,070)
Business-type activities	(335,274)	(810,214)	(535,978)	(678,014)	(392,215)	(1,523,834)	119,278	(422,683)	(139,419)	206,751
Total government net expenses	<u>\$ (37,629,480)</u>	<u>\$ (44,803,324)</u>	<u>\$ (41,430,868)</u>	<u>\$ (42,040,195)</u>	<u>\$ (42,198,026)</u>	<u>\$ (38,484,696)</u>	<u>\$ (39,810,731)</u>	<u>\$ (34,881,102)</u>	<u>\$ (35,079,808)</u>	<u>\$ (38,281,319)</u>
Component unit net expenses	<u>\$ 10,105</u>	<u>\$ 145,802</u>	<u>\$ (426,970)</u>	<u>\$ 970,154</u>	<u>\$ 647,606</u>	<u>\$ 260,394</u>	<u>\$ 107,205</u>			

General Revenues and Other Changes in Net Position

Government activities:										
Property and replacement taxes	\$ 49,443,288	\$ 48,918,789	\$ 49,671,082	\$ 48,475,881	\$ 50,877,208	\$ 52,935,570	\$ 54,670,750	\$ 57,801,955	\$ 61,260,618	\$ 60,753,092
Investment income (loss)	956,473	301,998	934,459	597,546	(734,871)	163,852	374,524	839,431	1,111,140	1,637,583
Gain on sale of capital assets	381,089	20,762	18,971	200	5,096	250	35,755	83,474	-	-
Insurance claim	162,981	35,050	-	36,554	-	-	-	-	-	-
Donation of capital assets	-	-	-	10,042,565	-	-	-	-	-	-
Litigation proceeds	-	23,400	-	-	-	-	-	-	-	-
Other	-	-	-	-	92,255	612,168	944,747	-	-	-
Contributions of capital assets	-	-	-	-	-	15,680,000	20,390,725	-	(28,846)	(15,813)
Transfers	-	-	-	809,994	211,442	426,820	658,840	248,942	248,942	248,942
Total government activities	<u>\$ 50,943,831</u>	<u>\$ 49,299,999</u>	<u>\$ 50,624,512</u>	<u>\$ 59,962,740</u>	<u>\$ 50,451,130</u>	<u>\$ 69,818,660</u>	<u>\$ 77,075,341</u>	<u>\$ 58,973,802</u>	<u>\$ 62,591,854</u>	<u>\$ 62,623,804</u>
Business-type activities:										
Investment income (loss)	27,574	2,841	16,994	13,627	(48,436)	11,696	11,042	14,585	25,617	45,362
Transfers of capital assets	-	-	-	1,467	-	(15,680,000)	(20,390,725)	-	28,846	15,813
Gain on sale of capital assets	4,868	2,565	14,202	26,260	-	7,254	4,534	5,684	-	-
Proceeds from loss of capital assets	-	-	-	-	197,428	835,988	27,263	-	381,500	-
Other	5,981	-	-	65,422	23,588	-	-	-	-	-
Transfers	-	-	-	(809,994)	(211,442)	(426,820)	(658,840)	(248,942)	(248,942)	(248,942)
Total business-type activities	<u>38,423</u>	<u>5,406</u>	<u>31,196</u>	<u>(703,218)</u>	<u>(38,862)</u>	<u>(15,251,882)</u>	<u>(21,006,726)</u>	<u>(228,673)</u>	<u>187,021</u>	<u>(187,767)</u>
Total government general revenues	<u>\$ 50,982,254</u>	<u>\$ 49,305,405</u>	<u>\$ 50,655,708</u>	<u>\$ 59,259,522</u>	<u>\$ 50,412,268</u>	<u>\$ 54,566,778</u>	<u>\$ 56,068,615</u>	<u>\$ 58,745,129</u>	<u>\$ 62,778,875</u>	<u>\$ 62,436,037</u>
Component unit										
Investment income	\$ 3,822	\$ 3,350	\$ 817	\$ 8,382	\$ 327	\$ 252	\$ 3,983	\$ 3,448		
Total component unit activities	<u>\$ 3,822</u>	<u>\$ 3,350</u>	<u>\$ 817</u>	<u>\$ 8,382</u>	<u>\$ 327</u>	<u>\$ 252</u>	<u>\$ 3,983</u>	<u>\$ 3,448</u>		

Special Item - Government activities

(4,628,075)

Change in Net Position

Government activities	\$ 13,649,625	\$ 678,814	\$ 9,729,622	\$ 18,600,559	\$ 8,645,319	\$ 32,857,798	\$ 37,145,332	\$ 24,515,383	\$ 27,651,465	\$ 24,135,734
Business-type activities	(296,851)	(804,808)	(504,782)	(1,381,232)	(431,077)	(16,775,716)	(20,887,448)	(651,356)	47,602	18,984
Total government	<u>\$ 13,352,774</u>	<u>\$ (125,994)</u>	<u>\$ 9,224,840</u>	<u>\$ 17,219,327</u>	<u>\$ 8,214,242</u>	<u>\$ 16,082,082</u>	<u>\$ 16,257,884</u>	<u>\$ 23,864,027</u>	<u>\$ 27,699,067</u>	<u>\$ 24,154,718</u>
Component unit	<u>\$ 13,927</u>	<u>\$ 149,152</u>	<u>\$ (426,153)</u>	<u>\$ 978,536</u>	<u>\$ 647,933</u>	<u>\$ 260,646</u>	<u>\$ 111,188</u>	<u>\$ 3,448</u>		

Note: Component Unit was not reported prior to fiscal year 2011.

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

Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	Fiscal Year									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
General Fund										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-	-	-	-	-	-	-
Nonspendable	298,262	286,667	311,120	290,083	291,503	333,412	335,382	306,637	323,556	290,461
Restricted	2,128,609	2,322,772	3,217,596	2,604,645	2,810,629	3,197,392	3,504,205	3,661,583	3,557,560	3,595,227
Committed	322,582	-	-	-	-	-	-	-	-	-
Assigned	8,832,774	10,974,613	1,118,096	1,213,078	1,361,027	2,375,770	676,476	993,367	637,821	866,980
Unassigned	15,559,916	12,684,731	20,778,151	20,481,708	20,190,741	18,870,948	24,653,981	21,511,431	18,281,959	14,390,323
Total general fund	<u>\$ 27,142,143</u>	<u>\$ 26,268,783</u>	<u>\$ 25,424,963</u>	<u>\$ 24,589,514</u>	<u>\$ 24,653,900</u>	<u>\$ 24,777,522</u>	<u>\$ 29,170,044</u>	<u>\$ 26,473,018</u>	<u>\$ 22,800,896</u>	<u>\$ 19,142,991</u>
All Other Governmental Funds										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-	-	-	-	-	-	-
Nonspendable	-	-	-	-	-	-	-	-	-	-
Restricted	48,193,835	50,740,045	53,992,836	51,000,419	61,554,245	68,366,184	63,423,644	47,085,263	83,132,600	93,800,115
Committed	3,941	7,907,849	8,698,357	8,411,922	6,662,481	2,603,836	2,511,107	969,275	-	-
Assigned	8,095,555	-	-	-	3,475	3,391,499	3,983,125	2,325,997	2,818,856	2,353,563
Unassigned	-	12,825	-	-	-	-	-	-	-	-
Total all other governmental funds	<u>\$ 56,293,331</u>	<u>\$ 58,660,719</u>	<u>\$ 62,691,193</u>	<u>\$ 59,412,341</u>	<u>\$ 68,220,201</u>	<u>\$ 74,361,519</u>	<u>\$ 69,917,876</u>	<u>\$ 50,380,535</u>	<u>\$ 85,951,456</u>	<u>\$ 96,153,678</u>

Note: District implemented GASB 54 in fiscal year 2009. Prior to fiscal year 2009, data not available.

LAKE COUNTY FOREST PRESERVE DISTRICT

(A component unit of Lake County, Illinois)

Changes in Fund Balances of Governmental Funds

Last Ten Fiscal Years

(Modified Accrual Basis of Accounting)

	Fiscal Year									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Revenues										
Property taxes	\$ 51,361,000	\$ 48,205,964	\$ 48,940,332	\$ 48,613,020	\$ 50,750,129	\$ 52,965,213	\$ 55,449,558	\$ 58,340,185	\$ 60,472,752	\$ 59,779,205
Replacement taxes	869,664	1,056,457	956,518	1,044,818	971,506	960,346	939,909	1,021,720	787,866	973,887
Investment income (loss)	909,057	295,710	900,562	564,760	(716,055)	151,612	360,089	804,206	1,036,786	1,577,462
Grants and contributions	2,008,927	1,379,274	2,958,978	1,444,091	1,265,568	1,372,069	1,506,804	1,891,012	2,004,787	1,171,012
Treasury rebate	1,202,456	1,198,594	1,199,881	1,193,444	1,194,731	1,231,423	1,291,801	1,211,776	225,428	-
Land and building rental	807,692	829,589	832,665	897,861	890,442	847,335	878,676	643,052	601,223	553,997
Charges for services and sales	1,087,617	1,124,647	1,115,365	1,032,403	1,027,406	806,533	878,133	586,548	587,809	750,690
Permits	763,831	817,042	766,286	637,718	622,939	594,944	578,879	588,748	573,329	526,619
Easements and licenses	62,728	55,636	13,000	13,049	12,000	12,500	41,092	1,004,248	194,327	108,657
Programs and admissions	280,108	300,291	319,953	322,335	321,589	302,957	399,422	407,353	393,416	382,659
Other revenue	773,956	834,173	333,679	335,186	305,272	905,091	1,094,455	117,505	417,777	444,637
Total revenue	\$ 60,127,036	\$ 56,097,377	\$ 58,337,219	\$ 56,098,685	\$ 56,645,527	\$ 60,150,023	\$ 63,418,818	\$ 66,616,353	\$ 67,295,500	\$ 66,268,825
Expenditures										
General government	\$ 8,761,389	\$ 8,381,502	\$ 8,210,300	\$ 7,790,496	\$ 7,531,843	\$ 7,463,797	\$ 7,280,101	\$ 7,675,859	\$ 7,511,785	\$ 7,790,804
Education	2,182,027	2,643,302	1,912,345	2,144,845	3,229,950	3,436,225	3,398,107	3,766,151	4,060,282	4,251,123
Public safety	2,724,436	2,631,381	2,549,104	2,365,078	2,291,130	2,488,251	2,132,924	2,186,454	2,127,797	2,083,124
Recreation	1,225,829	1,194,374	1,310,157	1,745,869						
Natural resources	9,115,398	2,304,931	2,177,197	2,039,432						
Maintenance and development	2,270,450	8,992,783	9,027,881	9,359,617	11,310,784	11,079,573	11,199,964	11,184,966	11,290,090	10,672,927
Debt service										
Principal	15,295,000	15,330,000	15,240,000	15,770,000	15,400,000	15,210,000	16,560,000	20,430,000	21,185,000	16,694,438
Interest	10,588,179	10,971,407	12,492,115	12,658,502	14,005,447	13,953,924	14,011,680	13,817,684	11,759,428	19,843,863
Bond issuance costs	-	1,077,844	212,136	172,010	129,254	520,817	530,095	439,980	248,976	616,605
Paying agent fees	-	6,725	6,586	6,391	6,154	6,267	6,085	6,735	6,035	6,070
Capital outlay	9,839,445	6,856,636	27,027,793	11,895,470	9,553,306	31,880,071	12,008,108	79,238,414	50,952,701	40,130,080
Total expenditures	\$ 62,002,153	\$ 60,390,885	\$ 80,165,614	\$ 65,947,710	\$ 63,457,868	\$ 86,038,925	\$ 67,127,064	\$ 138,746,243	\$ 109,142,094	\$ 102,089,034
Excess (deficiency) of revenues over (under) expenditures	\$ (1,875,117)	\$ (4,293,508)	\$ (21,828,395)	\$ (9,849,025)	\$ (6,812,341)	\$ (25,888,902)	\$ (3,708,246)	\$ (72,129,890)	\$ (41,846,594)	\$ (35,820,209)

LAKE COUNTY FOREST PRESERVE DISTRICT

(A component unit of Lake County, Illinois)

Changes in Fund Balances of Governmental Funds

Last Ten Fiscal Years

(Modified Accrual Basis of Accounting)

	Fiscal Year									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Other Financing Sources (Uses)										
Issuance of debt	\$ -	\$ 68,115,000	\$ 25,010,000	\$ 28,920,000	\$ 18,855,000	\$ 24,995,000	\$ 24,995,000	\$ 40,000,000	\$ 35,000,000	\$ 72,105,000
Premium on bonds issued	-	5,306,563	932,697	1,378,964	2,220,864	517,953	253,018	-	50,045	9,032
Discount on bonds issued	-	-	-	-	-	-	-	(60,963)	-	(10,546)
Payments to escrow agent	-	(72,335,470)	-	(30,120,599)	(20,745,000)	-	-	-	-	-
Litigation proceeds	-	-	-	-	-	-	-	-	-	1,750,000
Capital contributions	-	20,761	-	-	-	-	-	-	-	-
Transfers in	200,000	200,000	275,508	1,006,657	2,690,062	6,335,786	2,298,904	2,211,080	3,489,146	5,255,576
Transfers out	(200,000)	(200,000)	(275,508)	(208,443)	(2,478,620)	(5,908,966)	(1,640,064)	(1,962,138)	(3,240,204)	(5,006,634)
Proceeds from sale of capital assets	381,089	-	-	200	5,095	250	35,755	43,112	3,290	3,196
Total other financing sources (uses)	381,089	1,106,854	25,942,697	976,779	547,401	25,940,023	25,942,613	40,231,091	35,302,277	74,105,624
Net change in fund balance	(\$1,494,028)	(\$3,186,654)	\$4,114,302	(\$8,872,246)	(\$6,264,940)	\$51,121	\$22,234,367	(\$31,898,799)	(\$6,544,317)	\$38,285,415
Debt service as a percentage of non-capital expenditures	47.9%	49.1%	50.2%	49.9%	51.4%	55.6%	54.5%	61.1%	56.4%	55.2%

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				Railroad 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)	Equalized Assessed Value (1)					
2008	26,692,708,236	4,080,157,970	1,070,167,624	148,207,853	14,408,385	1,519,276,839	30,486,373,229	0.199	96,026,552,859	33.33%
2009	26,444,355,479	4,076,868,901	1,078,670,211	130,000,960	15,632,006	1,594,160,150	30,170,722,053	0.200	95,304,177,027	33.33%
2010	25,050,610,799	3,958,617,907	1,053,939,231	145,507,804	21,734,420	1,545,711,200	28,684,698,965	0.198	90,700,300,525	33.33%
2011	21,563,532,150	3,935,653,823	1,047,870,275	143,531,351	21,759,448	1,445,186,184	26,712,347,047	0.201	80,137,842,519	33.33%
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%

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		
Tax Rates (per \$100)																	
	Operating	Debt															
2008	0.092	0.109	0.453	0.012-2.491	1.001-3.066	3.064-5.691	0.965-4.403	0.196-0.278	0.029-0.372	0.019-0.275	0.032-0.192	0.019-0.707	0.150-0.447	0.124-0.677	0.010-0.042	0.042	
2009	0.094	0.106	0.464	0.012-2.616	1.069-3.195	3.272-5.986	0.998-4.423	0.200-0.312	0.031-0.364	0.007-0.193	0.032-0.194	0.020-0.703	0.161-0.452	0.127-0.688	0.011-0.012	0.042	
2010	0.096	0.102	0.505	0.013-2.721	1.101-3.497	3.438-6.921	1.095-4.879	0.218-0.305	0.033-0.372	0.008-0.206	0.035-0.216	0.022-0.767	0.170-0.450	0.111-0.754	0.011-0.013	0.045	
2011	0.097	0.104	0.554	0.014-3.236	1.910-3.824	3.661-8.175	1.168-5.818	0.240-0.340	0.033-0.397	0.006-0.321	0.039-0.241	0.024-0.894	0.185-0.475	0.129-0.875	0.012-0.014	0.047	
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	
Tax Levies as Extended (000s Omitted)																Total	
2008	28,048	32,620	139,241	195,289	457,612	254,721	612,314	60,993	28,611	23,984	13,804	65,200	52,547	66,557	623	3,357	2,035,521
2009	28,360	31,981	139,992	197,195	467,285	259,417	620,979	62,011	28,852	24,222	13,840	66,361	53,138	67,811	671	3,325	2,065,440
2010	27,539	29,258	145,939	183,636	479,976	268,807	633,710	63,776	28,966	24,419	14,325	67,440	54,160	71,750	681	3,406	2,097,788
2011	25,911	27,781	149,067	186,657	489,143	274,039	647,109	65,349	28,218	23,571	14,592	68,142	55,240	69,014	678	3,358	2,127,869
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	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	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	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	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	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	2,335,744

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									
		2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Comparative Tax Rates											
General corporate	.060	0.057	0.057	0.059	0.059	0.060	0.060	0.059	0.059	0.059	0.057
Audit fund	0.005	0.001	0.001	0.001	0.001	0.000	0.000	0.000	0.000	0.000	0.000
Liability insurance	no limit	0.003	0.003	0.004	0.004	0.003	0.003	0.003	0.004	0.003	0.004
Land development levy	0.025	0.023	0.024	0.025	0.025	0.025	0.025	0.025	0.025	0.025	0.025
Retirement fund - IMRF/FICA	no limit	0.009	0.010	0.011	0.010	0.013	0.011	0.010	0.008	0.007	0.006
Subtotal (subject to tax cap)		0.093	0.095	0.100	0.099	0.101	0.099	0.097	0.096	0.094	0.092
Debt service	no limit	0.094	0.098	0.108	0.112	0.117	0.113	0.104	0.102	0.106	0.107
Total tax rates		0.187	0.193	0.208	0.211	0.218	0.212	0.201	0.198	0.200	0.199
Comparative tax extensions											
General corporate		\$ 14,737,330	\$ 14,272,956	\$ 13,860,001	\$ 13,367,526	\$ 13,780,764	\$ 14,683,606	\$ 15,760,285	\$ 16,923,972	\$ 17,800,726	\$ 17,377,233
Audit fund		118,063	118,941	107,575	222,845	-	-	-	-	-	-
Liability insurance		893,794	885,637	935,593	891,380	689,038	734,180	801,370	1,147,388	905,122	1,219,455
Land development levy		6,140,316	5,947,065	5,775,040	5,569,765	5,741,985	6,118,169	6,678,087	7,171,175	7,542,681	7,621,593
Retirement fund - IMRF/FICA		2,347,217	2,364,553	2,634,755	2,167,982	2,985,832	2,691,994	2,671,235	2,294,776	2,111,951	1,829,182
Subtotal (subject to tax cap)		24,236,720	23,589,152	23,312,964	22,219,498	23,197,619	24,227,950	25,910,977	27,537,311	28,360,479	28,047,463
Debt service		24,471,546	24,446,631	25,417,581	25,339,554	26,872,489	27,654,125	27,780,841	29,258,393	31,980,965	32,620,419
Total tax extensions		\$ 48,708,266	\$ 48,035,783	\$ 48,730,545	\$ 47,559,052	\$ 50,070,108	\$ 51,882,075	\$ 53,691,818	\$ 56,795,704	\$ 60,341,444	\$ 60,667,882

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>	2018			2009		
		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	\$172,252	0.66 %	1	\$167,748	0.55 %
Gurnee Mill/Gurnee Properties Associates	Retail Outlet Mall	2	53,235	0.20	2	58,541	0.19
Discover Properties LLC	Real Estate Brokerage	3	44,020	0.17			
Wal-Mart Stores Inc.	Discount Department Store	4	34,760	0.13			
Marvin F. Poer & Company	Property Tax Consultants	5	32,403	0.12			
Midwest Family Housing LLC	Real Estate Developers	6	30,967	0.12			
Scott Dressing Sr Mgr Taxation	Pharmaceutical	7	29,836	0.11			
Baxter Healthcare Corporation	Pharmaceutical	8	29,546	0.11	8	31,728	0.10
Colliers International	Commercial Real Estate	9	29,302	0.11			
Property Tax Services Co.	Amusements	10	25,748	0.10	10	29,487	0.10
Long Ridge Office Portfolio	Non Residential Building Operator				3	41,040	0.13
Van Vlissingen & Company	Real Estate Developers				4	38,372	0.13
WW Grainger / Marvin F. Poer & Company	Property Tax Consultants				5	38,162	0.13
JBC Funds Parkway North LLC	Real Estate Service & Advisory				6	38,032	0.12
Hewitt Associates	Real Estate Developers				7	33,176	0.11
Walgreen Co.	Pharmaceutical				9	29,989	0.10
Totals			\$482,069	1.83 %		\$506,275	1.66 %

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 Fiscal Years

Fiscal Year	Levy Year	Total Tax Levy for Fiscal Year	<u>Collection within the Fiscal Year of the Levy</u>			<u>Total Collections to Date</u>	
			Amount	Percentage of Levy	Collections in Subsequent Years	Amount	Percentage of Levy
2008	2007	59,029,901	31,134,843	52.74%	27,734,281	58,869,124	99.73%
2009	2008	60,667,883	31,134,843	51.32%	28,514,725	59,649,568	98.32%
2010	2009	60,341,444	31,734,147	52.59%	28,482,494	60,216,641	99.79%
2011	2010	56,795,704	28,177,978	49.61%	26,902,683	55,080,661	96.98%
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 (1)	61.08%	n/a	29,752,785	61.08%

Sources: Lake County Illinois Tax Extension Division.

(1) Collections through August 16, 2018. Second installment of 2017 levy due September 1, 2018.

LAKE COUNTY FOREST PRESERVE DISTRICT

(A component unit of Lake County, Illinois)

Legal Debt Margin Information

Last Ten Fiscal Years

	Fiscal Year									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Debt limit	\$598,116,481	\$572,741,547	\$539,044,329	\$520,877,414	\$528,262,606	\$562,871,655	\$614,383,982	\$659,748,076	\$693,926,607	\$701,186,584
Total net debt applicable to limit	262,030,000	277,325,000	275,314,516	265,677,803	279,700,395	295,828,991	291,993,138	282,115,206	260,190,363	243,221,363
Legal debt margin	<u>\$ 336,086,481</u>	<u>\$ 295,416,547</u>	<u>\$ 263,729,813</u>	<u>\$ 255,199,611</u>	<u>\$ 248,562,211</u>	<u>\$ 267,042,574</u>	<u>\$ 322,390,844</u>	<u>\$ 377,632,870</u>	<u>\$ 433,736,244</u>	<u>\$ 457,965,221</u>
Total net debt applicable to the limit as a percentage of debt limit	43.81%	48.42%	51.07%	51.01%	52.95%	52.56%	47.53%	42.76%	37.50%	34.69%

Legal Debt Margin Calculation for Fiscal Year 2018

Net Assessed Value (2017)	\$26,005,064,391
Debt limit (2.3% of net assessed valuation)	<u>598,116,481</u>
Amount of debt applicable to debt limit	<u>262,030,000</u>
Legal debt margin	<u><u>\$336,086,481</u></u>

LAKE COUNTY FOREST PRESERVE DISTRICT

(A component unit of Lake County, Illinois)

Ratio of Outstanding Debt by Type
Last Ten Fiscal 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	Installment Certificates	Capital Leases					
2009	266,875,437	-	-	266,875,437	39,488,486	0.68%	723,591	369
2010	274,823,238	-	-	274,823,238	39,789,801	0.69%	728,086	377
2011	294,444,006	-	-	294,444,006	37,515,642	0.78%	703,462	419
2012	303,245,171	-	-	303,245,171	39,305,689	0.77%	706,260	429
2013	316,521,234	-	-	316,521,234	41,191,114	0.77%	711,155	445
2014	300,679,325	-	-	300,679,325	42,780,828	0.70%	703,019	428
2015	258,667,445	-	-	258,667,445	46,069,226	0.56%	706,327	366
2016	268,555,143	-	-	268,555,143	49,151,975	0.55%	707,461	380
2017	252,497,321	-	-	252,497,321	51,291,371	0.49%	710,368	355
2018	244,803,313	-	-	244,803,313	n/a	n/a	709,599	345

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.

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 Fiscal Years

Fiscal Year	Net General Bonded Debt	Equalized Assessed Value	Percentage of Debt to Equalized Assessed Value of Property	Population (1)	Net General Bonded Debt Per Capita
2009	266,875,437	29,368,109,714	0.909%	723,591	369
2010	274,823,238	30,486,373,229	0.901%	728,086	377
2011	294,444,006	30,170,722,053	0.976%	703,462	419
2012	303,245,171	28,684,698,965	1.057%	706,260	429
2013	316,521,234	26,712,347,047	1.185%	711,155	445
2014	300,679,325	24,472,676,727	1.229%	703,019	428
2015	258,667,445	22,646,844,107	1.142%	706,327	366
2016	268,555,143	23,402,263,963	1.148%	707,461	380
2017	252,497,321	24,865,503,380	1.015%	710,368	355
2018	244,803,313	25,970,797,692	0.943%	709,599	345

Sources:

(1) U.S. Census, Economic Development Intelligence System and Northeastern Illinois Planning Commission.

LAKE COUNTY FOREST PRESERVE DISTRICT

(A component unit of Lake County, Illinois)

Demographic and Economic Statistics
Last Ten Fiscal 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>
2008	735,744	39,488,486	40,573	35.1	139,369	8.30%
2009	780,086	39,789,801	38,042	35.2	139,235	11.60%
2010	703,462	37,515,642	37,724	35.3	138,317	9.60%
2011	706,260	39,305,689	35,828	36.7	137,929	9.50%
2012	711,155	41,191,114	34,980	36.8	137,143	7.70%
2013	703,019	42,780,828	36,470	37.0	136,127	9.00%
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	n/a	42,770	37.8	132,179	3.90%

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 Nine Years Ago

<u>Employers</u>	2017			2008		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Abbott Laboratories	9,000	1	2.52%	15,700	2	4.32%
Aon Hewitt Associates	4,000	2	1.12%			
Baxter Healthcare Corporation	4,000	3	1.12%			
Abb Vie Inc.	4,000	4	1.12%			
Discover Financial Services	2,976	5	0.83%	3,500	6	0.96%
Walgreen Company	2,100	6	0.59%			
Visual Pak	2,000	7	0.56%			
Baxter International	1,900	8	0.53%	4,600	4	1.27%
Advocate Condell Medical Center	1,800	9	0.50%	2,500	10	0.69%
CDW Corporation	1,800	10	0.50%	2,500	9	0.69%
Naval Training Center				25,000	1	6.88%
Hewitt Associates				6,000	3	1.65%
Motorola				4,000	5	1.10%
HSBC				3,100	7	0.85%
Lake County				2,700	8	0.74%
Totals	33,576		9.42%	69,600		19.15%

Source: Lake County Partners

Note: 2018 information was not available.

LAKE COUNTY FOREST PRESERVE DISTRICT

(A component unit of Lake County, Illinois)

Full-Time Equivalent Employees by Function
Last Ten Fiscal Years

Function	Fiscal Year									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
General government	39.42	36.42	36.19	24.65	29.00	29.00	30.75	43.30	39.30	39.10
Education	26.42	26.42	26.42	39.90	49.99	49.99	49.99	51.71	54.04	53.83
Public safety	28.49	28.49	28.49	28.49	27.49	25.96	25.96	25.96	25.96	24.96
Maintenance and development	121.90	121.61	123.88	123.15	130.17	130.31	130.81	118.94	118.94	119.25
Golf courses	51.29	58.09	58.09	58.34	58.09	62.27	62.82	62.92	62.92	65.73
Fox River Recreational Area	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>1.77</u>	<u>1.77</u>	<u>1.77</u>
Total	267.52	271.03	273.07	274.53	294.74	297.53	300.33	304.60	302.93	304.64

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 Fiscal Years

Function	Fiscal Year									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
General government										
Employee Safety Training Sessions	7	11	17	18	20	25	24	24	14	25
Environmental Mitigation Projects	4	3	3	3	3	5	5	3	8	7
Computers Supported	194	203	201	204	199	206	189	195	188	184
Education and cultural resources										
Program Registrations	n/a	n/a	n/a	22,650	28,500	21,960	21,960	20,380	25,595	23,740
Museum, Program, & Event Attendance**	66,540	69,357	92,900	123,950	129,650	117,770	117,770	119,158	122,150	120,400
Community Use Rentals	62	49	126	130	150	145	145	42	183	266
Public safety										
Public Safety Service Calls***	12,000	12,000	23,000	19,000	18,000	15,800	15,800	14,000	13,000	12,000
Public Access Areas Patrolled	130	130	130	130	130	123	123	120	118	116
Permits Processed	33,960	32,155	30,890	28,260	26,730	26,605	26,405	25,115	24,451	22,578
Maintenance and development										
Preserve Work Orders Completed	3,338	3,657	3,914	4,489	4,468	4,330	4,330	2,692	2,765	2,619
Prairie, Woodland, Wetlands Seeded	446	438	471	435	197	285	226	120	600	420
Prescribed Burn Management Acres	4,448	3,355	2,551	2,391	3,000	3,200	2,568	5,713	4,000	2,467
Golf courses										
Daily Golf Rounds	69,971	69,748	75,997	79,955	85,239	88,135	91,835	90,327	110,766	113,592
Rounds of Cart Rentals	56,079	58,030	62,533	57,581	59,667	61,695	73,607	65,487	72,076	78,239
Season Passes Sold	41	51	59	79	98	102	113	126	149	169
Fox River Recreational Area										
Boat Slip Leases	83	73	73	72	70	75	72	99	103	95
Winter Storage Leases	125	131	118	123	93	89	89	118	116	120

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 Fiscal Years

Function	Fiscal Year										
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
General government											
Total Acres	30,865	30,865	31,015	30,235	30,156	30,037	29,334	29,281	28,114	27,114	26,550
Building and Structures	283	292	292	303	315	398	398	394	400	400	393
Miles of Trails	203	203	192	189	182	159	157	148	145	141	131
Education and cultural resources											
Historical/Cultural Sites	4	4	4	4	4	4	4	4	4	4	4
Public safety											
Patrol Units	17	17	17	17	17	19	18	18	27	27	27
Ranger Stations	2	2	2	5	7	7	7	7	7	7	7
Maintenance and development											
Vehicles and Equipment	461	463	451	438	452	437	507	521	486	492	491
Farmland Management Acres	2,514	2,514	2,227	2,220	2,298	2,617	2,527	1,820	1,700	1,588	1,689
Golf courses											
Number of Golf Courses	3	3	3	3	3	3	4	4	4	4	4
Fox River Recreational Area											
Number of Boat Slips	169	169	169	169	169	169	169	169	169	169	169
Trails in miles	2	2	2	2	2	2	2	2	2	2	2

Source: Lake County Forest Preserve Annual Budget