

Lake County Forest Preserve District
(A Component Unit of Lake County, Illinois)

Comprehensive Annual Financial Report
Fiscal Year Ending June 30, 2015



**LAKE COUNTY
FOREST PRESERVES**

**PRESERVATION, RESTORATION,
EDUCATION AND RECREATION**



Lake County Forest Preserve District
(A component unit of Lake County, Illinois)
Comprehensive Annual Financial Report
For the Year Ended June 30, 2015

Prepared by:

The Department of Finance

Stephen Neaman
Director of Finance

and

Sue Grant
Accounting Manager

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

Comprehensive Annual Financial Report
For the Year Ended June 30, 2015

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INTRODUCTORY SECTION I



LAKE COUNTY FOREST PRESERVES
www.LCFPD.org

Preservation, Restoration, Education and Recreation

December 10, 2015

Dear Residents of the Lake County Forest Preserve District:

The Lake County Forest Preserve District (the "District") is pleased to submit its comprehensive annual financial report for the fiscal year ended June 30, 2015. 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, 2015. 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.

RSM US LLP, Certified Public Accountants, have issued an unmodified opinion on the District's financial statements for the fiscal year ended June 30, 2015. 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 494 full-time, part-time, and seasonal employees organized into seven 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.

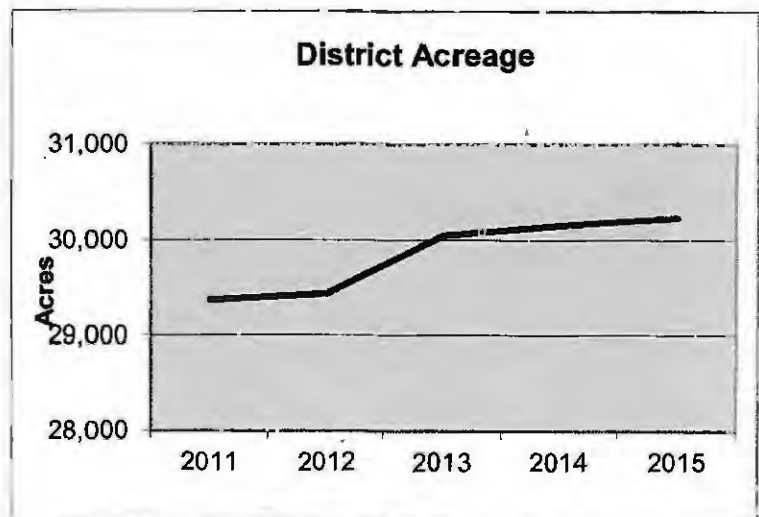
With 65 sites the District provides a full range of services including land preservation, planning and development, conservation, restoration, environmental education, public safety, recreational activities, historical preservation, and cultural events. In addition to governmental activities, the business-type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

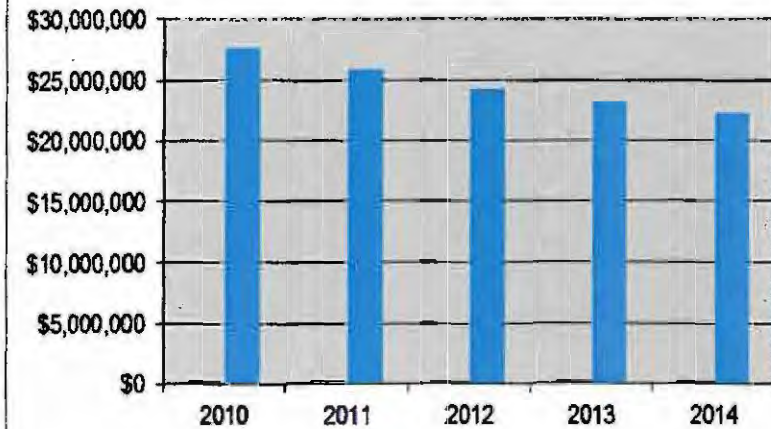
Our Forest Preserves are at the heart of what makes Lake County such a great place to live, work, and play. As the third largest county in the state, Lake County's market valuation is approximately \$67.9 billion. Through the leadership of our Board of Commissioners and support of Lake County voters, 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 30,235 acres.





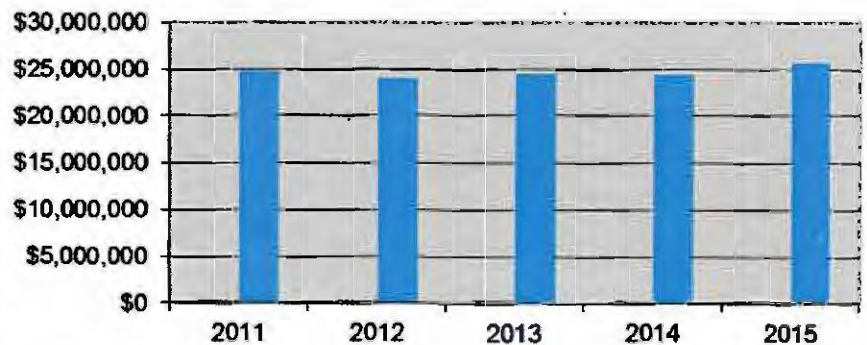
General Corporate & Special Purpose Tax Levy



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 \$22.2 million for the 2014 tax levy. Over the past five years the tax levy has decreased \$6.2 million. The decrease has been the result of declining property values brought on by the last recession. During the decline the District has continued conservative budgeting practices and wise use of fiscal resources.

Governmental fund expenditures, including maintenance and development, public safety, education, recreation, natural resources, and general government have increased from \$24.8 million in 2011 to \$25.6 million (3.2%) in 2015. The District prepares a 5-year operating forecast which projects revenues and expenditures using conservative assumptions. The forecast is updated annually and is very helpful in seeing future issues. It is helpful with current decisions that may impact future operations.

Governmental Fund Expenditures



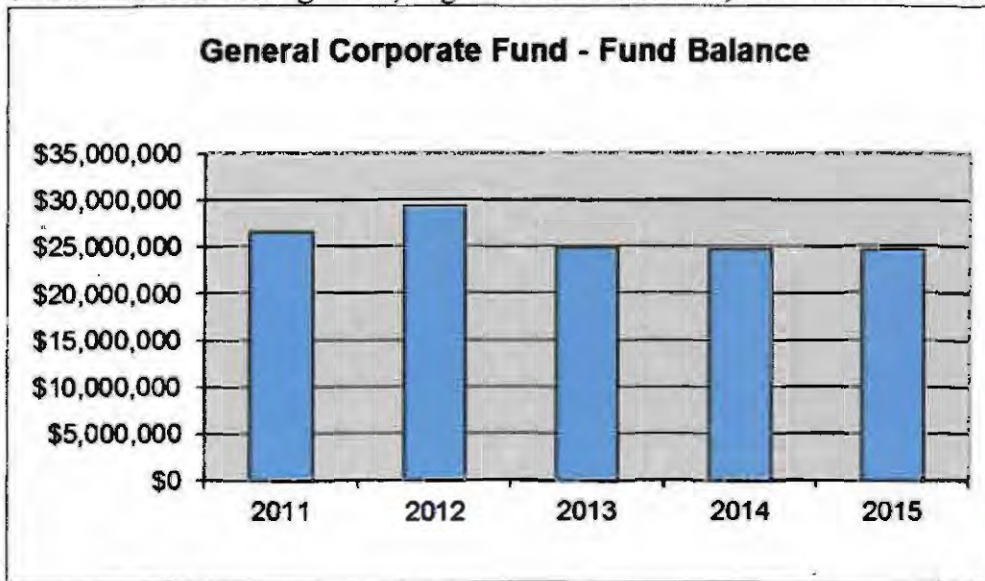
The five-year capital improvement plan is updated during the budget process. The District coordinates development of the capital improvement budget with the development of the operating budget. Future operating costs associated with new capital improvements are projected and included in operating budget 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 \$145 million of the referendum approved bonds and plans to issue the remaining \$25 million in November 2015.

The District again 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 Districts approved Strategic Plan.



-
- Evaluate funding sources to address priority capital improvement projects in the five-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 five year basis. Based upon declining EAV projections from the County's Assessor's Office, the District continues to face a reduction in revenues from property taxes. 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.

The District faces the possibility that the State of Illinois may impose a tax levy freeze on local government entities during the upcoming year. The mostly likely scenario will be that a two year freeze will be put in place. The District has incorporated this into its long-term financial forecasts and has taken steps to deal with the potential revenue loss.

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.



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 2014/15, 21th consecutive year.
- Excellence in Financial Reporting, Government Finance Officers Association, Comprehensive Annual Financial Report 2014, 28th 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

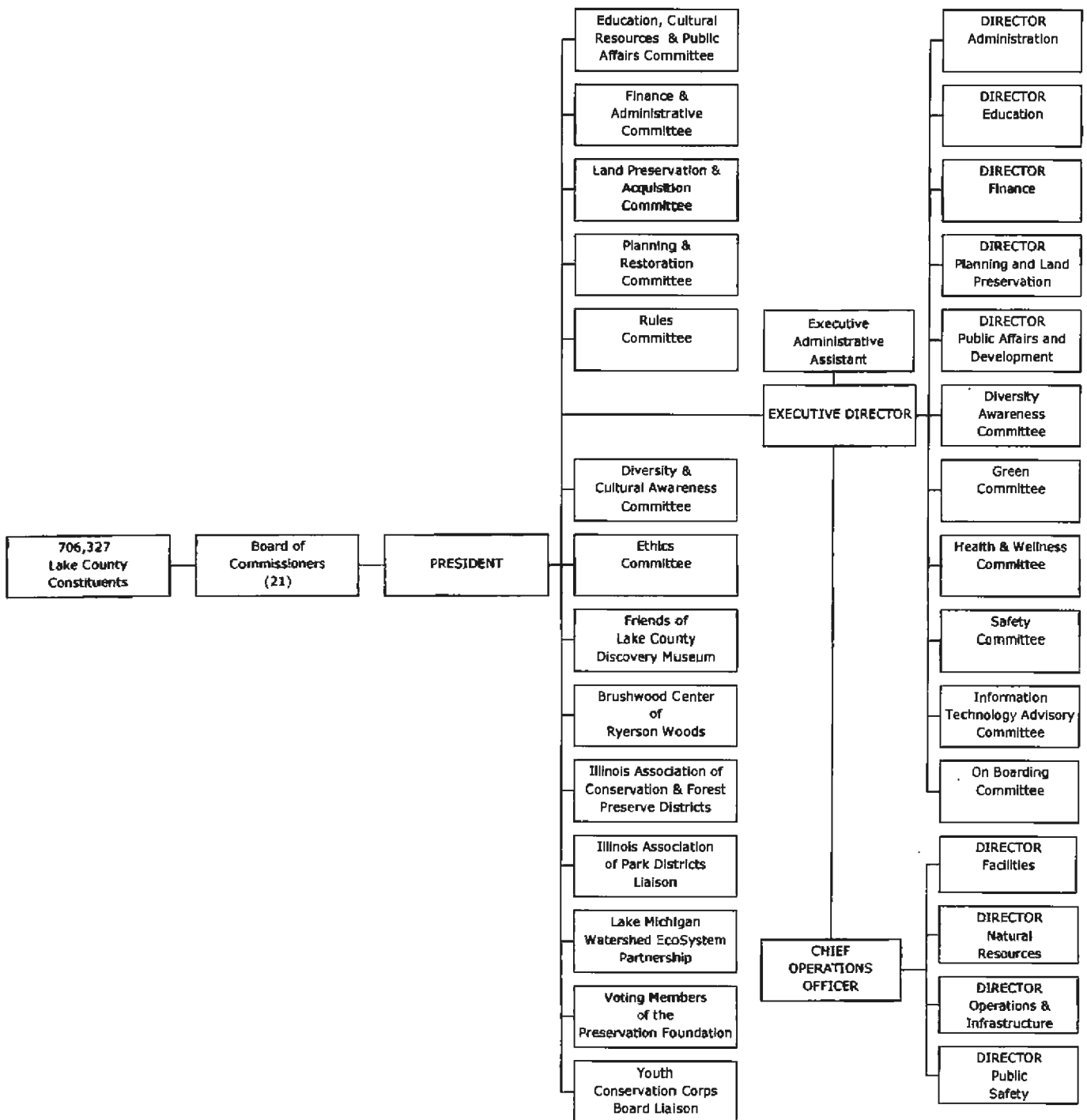
**Lake County
Forest Preserve District
Illinois**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2014

Executive Director/CEO

Lake County Forest Preserve District





LAKE COUNTY FOREST PRESERVE DISTRICT
Officers and Officials
Presidential Appointments
December 2014 – December 2016

OFFICERS AND OFFICIALS

Ann B. Maine

PRESIDENT

Linda Pedersen

VICE PRESIDENT

S. Michael Rummel

TREASURER

Julie Gragnani

SECRETARY

Audrey Nixon

ASSISTANT TREASURER

Maureen Clausen

ASSISTANT SECRETARY

Steve Neaman

DEPUTY TREASURER

Ty Kovach

EXECUTIVE DIRECTOR

STANDING COMMITTEES

**EDUCATION, CULTURAL RESOURCES
& PUBLIC AFFAIRS COMMITTEE**

Craig Taylor, *Chair*

Mary Ross Cunningham, *Vice Chair*

Chuck Bartels

Steve Carlson

Audrey Nixon

Brent Paxton

S. Michael Rummel

Nick Sauer

Jeff Werfel

**LAND PRESERVATION &
ACQUISITION COMMITTEE**

Carol Calabresa, *Chair*

Steven W. Mandel, *Vice Chair*

Bonnie Thomson Carter

Linda Pedersen

Tom Weber

Jeff Werfel

Terry Wilke

PLANNING & RESTORATION COMMITTEE

Bonnie Thomson Carter, *Chair*

Nick Sauer, *Vice Chair*

Carol Calabresa

Bill Durkin

Sandra Hart

Diane Hewitt

Sid Mathias

Craig Taylor

Tom Weber

FINANCE & ADMINISTRATIVE COMMITTEE

S. Michael Rummel, *Chair*

Linda Pedersen, *Vice Chair*

Steve Carlson

Bill Durkin

Sandra Hart

Aaron Lawlor

Audrey Nixon

RULES COMMITTEE

Linda Pedersen, *Chair*

Bill Durkin, *Vice Chair*

Bonnie Thomson Carter

Diane Hewitt

Audrey Nixon

S. Michael Rummel

Jeff Werfel

SPECIAL COMMITTEES AND APPOINTMENTS

DIVERSITY & CULTURAL AWARENESS

Audrey Nixon, *Chair*
Jeff Werfel, *Vice Chair*
Mary Ross Cunningham
Sid Mathias
Terry Wilke

ETHICS COMMITTEE

Sandy Hart, *Chair*
Chuck Bartels, *Vice Chair*
Steven W. Mandel
Brent Paxton
Nick Sauer

FRIENDS OF LAKE COUNTY DISCOVERY MUSEUM BOARD

Steve Carlson, *Liaison*

BRUSHWOOD BOARD

Ann B. Maine, *Liaison*
Aaron Lawlor, *Liaison*

ILLINOIS ASSOCIATION OF PARK DISTRICTS

Sandy Hart, *Liaison*

LAKE MICHIGAN WATERSHED ECOSYSTEM PARTNERSHIP

Steven W. Mandel, *Representative*

OUTSIDE ETHICS ADVISOR

Ron Mehling

PRESERVATION FOUNDATION OF THE LAKE COUNTY

FOREST PRESERVES BOARD OF DIRECTORS

Ann B. Maine
S. Michael Rummel

VOTING MEMBERS OF THE PRESERVATION FOUNDATION OF THE LAKE COUNTY FOREST PRESERVES

Ann B. Maine
Carol Calabresa
Bonnie Thomson Carter
S. Michael Rummel
Craig Taylor
David F. Nelson, *ex-officio*

YCC BOARD LIAISON

Tom Weber

CORPORATE COUNSEL

Holland & Knight, LLP

LAND ACQUISITION/ENVIRONMENTAL COUNSEL

Quarles & Brady, LLP

LEGISLATIVE SERVICES

Kolkmeier Legislative Consulting



RSM JS LLP

Independent Auditor's Report

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

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 (District) as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the 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.

Auditor's 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 auditor's 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 entity'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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Lake County Forest Preserve District, Illinois, as of June 30, 2015, 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 to the financial statements, during the year ended June 30, 2015, the District adopted the reporting and disclosure requirements of Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions, an Amendment of GASB Statement No. 27*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to Measurement Date – An Amendment of GASB Statement No. 68*. The implementation of GASB Statement Nos. 68 and 71 resulted in a restatement of opening July 1, 2014 net position. Our opinion is 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 management's discussion and analysis (pages 3 - 15), schedules of net pension liabilities and employer contributions (pages 73 - 76), OPEB information (page 77) and budgetary comparison information and related note (pages 78 - 80) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the GASB, 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplementary information (pages 82 – 100), 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.

The supplementary information, consisting of combining and individual fund statements and schedules, 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section and statistical section have 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 them.

RSM US LLP

Chicago, Illinois
December 16, 2015



MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2015

The Lake County Forest Preserve District ("*District*") management discussion and analysis provides a narrative introduction, overview, and analysis of the basic financial statements. Since the management 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 16*).

FINANCIAL HIGHLIGHTS

- The District's net position (see Table 1) increased \$17.2 million during the fiscal year ended June 30, 2015 (FY 2015). Governmental net position increased \$18.6 million and business-type net position decreased \$1.4 million.
- The implementation of Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions* (GASB 68) resulted in a restatement of the Districts Net Position as of June 30, 2014. The Net Position was reduced by \$2.8 million. See Note O of the financial statements for more information.
- Governmental activities unrestricted net position increased by \$6.4 million during the year.
- Governmental activities revenue increased \$8.6 million (see Table 2). Charges for services increased \$0.11 million due to favorable activity levels. Operating grants decreased \$0.45 million, and property tax revenue decreased \$2.4 million. Property tax revenue fell because of continued declines in assessed equalized property values and the Districts tax rate being at the maximum under State law. Other income increased by \$11.3 million due to a capital asset contribution of \$10.0 million from the Illinois State Toll Highway Authority (ISTHA). ISTHA completed a required 80 acres of wetland mitigation on District owned land in Pine Dunes Forest Preserve.
- During the year the District refunded the outstanding balance of its 2006A bonds which resulted in a net present value savings of \$2.6 million.
- The District reported a combined fund balance in the governmental funds of \$84.0 million.

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 16) 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* (pages 17-18) 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 and cultural resources, 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 2015 statements in accordance with 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 twelve individual governmental funds. Information is presented separately in the governmental fund balance sheet (pages 19-20) and in the governmental funds statement of revenues, expenditures, and changes in fund balances (pages 21-22) 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 seven governmental funds are combined into a single, aggregated presentation. Detail of the non-major funds is presented in the Supplementary Information beginning on page 85.

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 an internal service funds used to centralize the provision of heavy equipment, vehicles, and computer equipment. Basic proprietary fund financial statements can be found on pages 24-28 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 31-73 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 by \$559,634,769 at June 30, 2015. This was an increase of \$17.2 million over last year's restated net position.

The largest portion of the District's net position, \$469,948,278, 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, \$31,255,009, 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 \$58,431,482 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, 2015 & 2014

	Governmental Activities		Business-type Activities		Total District	
	2015	2014	2015	2014	2015	2014
Current and other assets	\$114,887,255	\$124,150,222	\$2,190,924	\$3,159,922	\$117,078,179	\$127,310,144
Capital assets	717,504,905	705,064,612	18,231,845	18,390,800	735,736,750	723,455,412
Total assets	832,392,160	829,214,834	20,422,769	21,550,722	852,814,929	850,765,556
Deferred loss on refundings	4,090,666	2,752,526	-	-	4,090,666	2,752,526
Pension actuarial adjustments	2,353,454	(2,771,219)	220,017	-	2,573,471	(2,771,219)
Deferred pension contributions	721,598	-	67,465	-	789,063	-
Accumulated decrease in fair value of hedging derivatives	3,393,059	4,483,157	-	-	3,393,059	4,483,157
Total Deferred Outflow Of Resources	10,558,777	4,464,464	-	-	10,846,259	4,464,464
Current liabilities	24,682,468	25,899,662	619,492	638,786	25,301,960	26,538,448
Noncurrent liabilities	278,355,865	286,154,421	681,764	122,609	279,037,629	286,277,030
Total liabilities	303,038,333	312,054,083	1,301,256	761,395	304,339,589	312,815,478
Pension deferrals	221,971	-	-	-	221,971	-
Total Deferred Inflow Of Resources	221,971	-	-	-	221,971	-
Net position:						
Net invested in capital assets	451,716,433	433,800,366	18,231,845	18,390,800	469,948,278	452,191,166
Restricted	31,154,167	36,912,046	100,842	100,842	31,255,009	37,012,888
Unrestricted	57,355,174	50,912,803	1,076,308	2,297,685	58,431,482	53,210,488
Total net position	\$540,225,774	\$521,625,215	\$19,408,995	\$20,789,327	\$559,634,769	\$542,414,542

The District's combined net position increased by \$17.2 million during the fiscal year because governmental activities total revenues exceeded total expenses by \$18.6 million prior to transfers. The business-type activities total expenses exceeded total revenues by \$571,239 before transfers.

During the year, the District implemented Governmental Accounting Standards Board (GASB) Statement No. 68, Accounting and Financial Reporting for Pensions (GASB 68). The impact of implementing this statement resulted in a restatement of beginning Net Position for Governmental Activities in the amount of \$2,771,219. See footnote "O" on page 73 for further details.

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, 2015 & 2014

	Governmental Activities		Business-type Activities		Total District	
	2015	2014	2015	2014	2015	2014
Revenues:						
Program revenues:						
Charges for services	\$4,395,440	\$4,282,124	\$ 3,704,524	\$ 3,870,213	\$ 8,099,964	\$ 8,152,337
Operating grants and contributions	1,539,483	1,986,083	-	-	1,539,483	1,986,083
Capital grants and contributions	-	-	-	-	-	-
General revenues:						
Property and replacement taxes	48,475,881	50,877,208	-	-	48,475,881	50,877,208
Other	10,676,865	(637,520)	105,309	172,580	10,782,174	(464,940)
Total revenues	65,087,669	56,507,895	3,809,833	4,042,793	68,897,502	60,550,688
Expenses:						
General government	11,380,328	14,554,928	-	-	11,380,328	14,554,928
Educational	3,117,454	4,603,868	-	-	3,117,454	4,603,868
Public safety	2,756,093	2,570,971	-	-	2,756,093	2,570,971
Maintenance and development	11,518,483	13,275,338	-	-	11,518,483	13,275,338
Recreation	2,605,463	-	-	-	2,605,463	-
Natural resources	3,281,471	-	-	-	3,281,471	-
Interest	12,637,812	13,068,915	-	-	12,637,812	13,068,915
Golf courses	-	-	4,382,538	4,262,428	4,382,538	4,262,428
Total expenses	47,297,104	48,074,018	4,382,538	4,262,428	51,679,642	52,336,446
Change in net position before transfers	17,790,565	8,433,877	(572,705)	(219,635)	17,217,860	8,214,242
Transfer of capital assets	-	-	1,467	-	1,467	-
Transfers for operating charges	809,994	211,442	(809,994)	(211,442)	-	-
Change in net position	\$18,600,559	\$ 8,645,319	\$ (1,381,232)	\$ (431,077)	\$ 17,219,327	\$ 8,214,242

NORMAL IMPACTS TO REVENUES AND EXPENSES

Revenues:

- *Economic Condition* – The General Corporate Fund and the Land Development Fund have reached their tax rate limit. The equalized assessed valuation of the county decreased 1.4% in 2014 and is projected to increase 0.5% - 1.5% in 2015. When funds reach the tax rate limit, the amount of the levy will be limited to the maximum tax rate times the assessed valuation and may decrease from year to year. If the property values increase in 2015 it will be the first time since 2008.

In addition to the assessed valuation impact on revenues, concessionaire, permits, program admissions and golf revenues are impacted by economic conditions. In 2015 revenues increased for concessionaire activities, permits and program admissions. Golf revenues declined in FY2015 due to several factors including weather and the decline in the number of active players.

- *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 68% of the District’s operating costs and 19% 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.

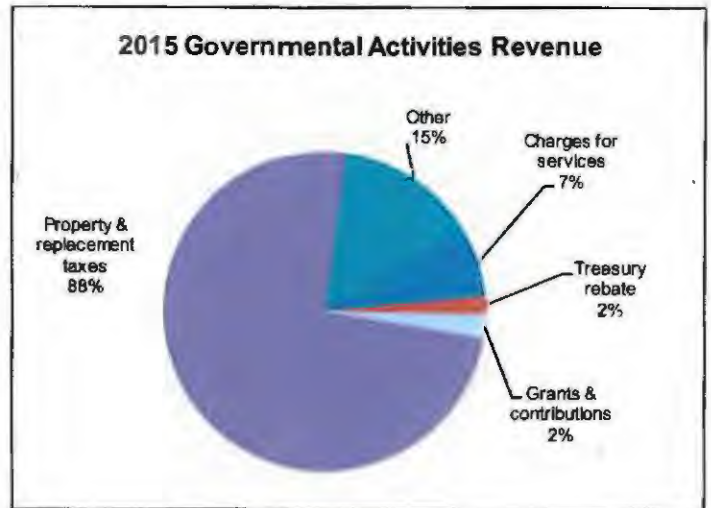
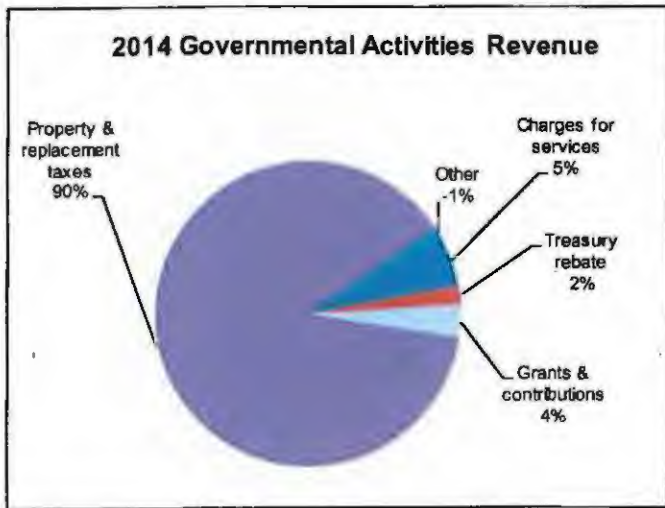
CURRENT YEAR IMPACTS

GOVERNMENTAL ACTIVITIES

Revenues:

For the fiscal year ended June 30, 2015, total revenues from governmental activities were \$65.1 million which represents an increase of \$8.6 million from the previous year.

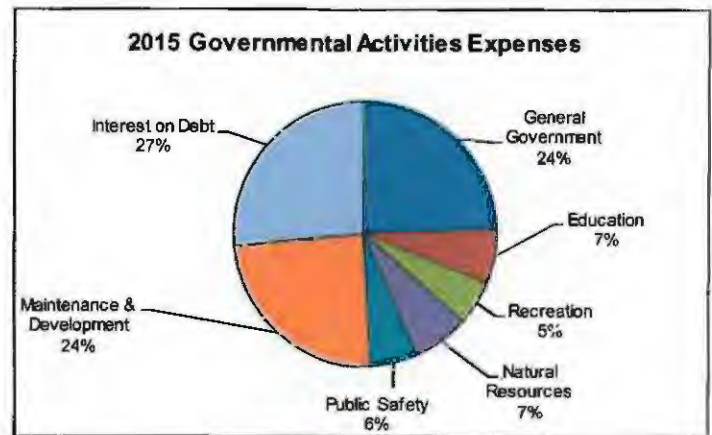
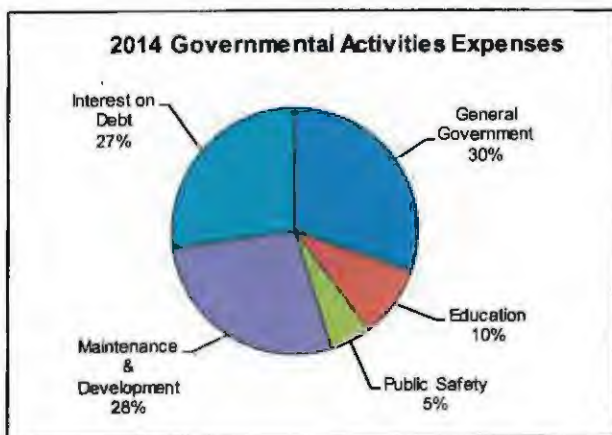
- The District continued to decrease property taxes. In FY 2014/15 property tax revenue was down \$2.4 million. The general fund levy decreased \$417,703, the development levy decreased \$262,811, and the debt service levy decreased \$1.2million. The declines in the general fund and development levy fund were from declining property values with both funds being at their legal maximum tax rates. The debt service fund declined due to falling debt service payments. -
- Charges for services, including the US Treasury rebate, were \$4.4 million and represent 6.8% of the total revenue. These charges include permits, program and admission fees, rentals, easements, and licenses. Revenues were up \$113,316 from the previous year due mostly to increased demand for permits, concessions and program fees.
- Grants and contributions decreased \$446,600 and represent 2.4% of the revenue. The decline was due to a onetime grant received in the prior fiscal year.
- Other revenues increased \$11.3 million and represent 16.4% of revenue. Of this increase, \$10.5 million was related to a contributed capital asset. An intergovernmental agreement with the Illinois State Toll Highway Authority (ISTHA) was approved in May 2013 to allow the ISTHA to plan and construct wetland mitigation, upland restoration and public access improvements on the portion of Pine Dunes Forest Preserve. As part of the ISTHA’s Elgin O’Hare western access project, 80 acres of wetland mitigation was required.



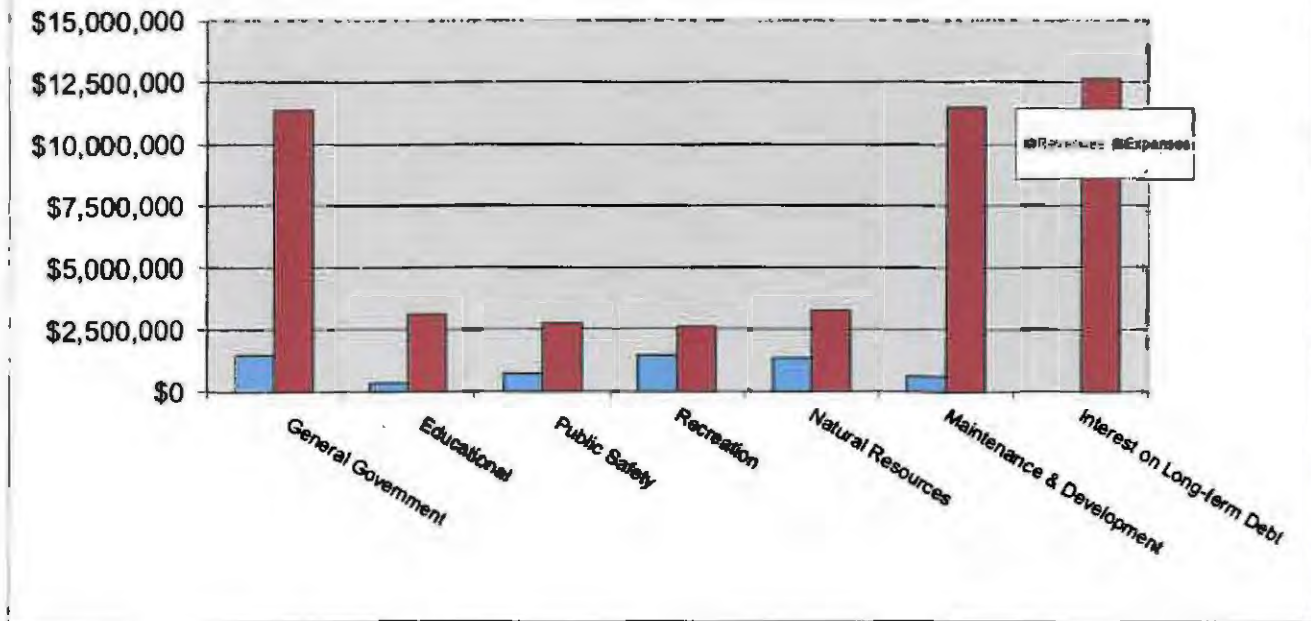
Expenses:

Total governmental activity expenses were \$47.3 million for fiscal year 2015, a decrease of 1.6% or \$.8 million. General government activities, including land acquisition, represent 24% of these expenses; and maintenance and development expenses represent 24%. Other functions of the District include education (7%), public safety (6%), Natural Resources (7%), Recreation (5%) and interest on long-term debt (27%).

During the fiscal year the district undertook a department wide reorganization that was designed to focus activities around the newly Board approved strategic plan for the District. The result of this created or changed several departments prospectively. The overall change in the operating expenses of all the departments was a net reduction of \$345,811. This decrease can be attributed to unfilled vacant positions in the departments. The largest change in governmental activities expenses was an increase of \$3.0 million to interest expense. This increase was due mostly to the refunding deferral of the economic gain related to the refunding of the 2006A bonds.



Expenses and Program Revenues - Governmental Activities



BUSINESS-TYPE ACTIVITIES

Revenue:

Total operating revenues from golf course activities decreased \$165,689 or 4.3%. Greens fees and permanent starts declined by 9.8% (\$230,030) compared to last year. The declines were due to fewer rounds of golf being played, which has been the trend over the last several years in the golf industry. Weather also played a factor throughout the season. These declines were offset by increases in pro-shop sales, driving range fees, food service and facility rental which increased 5.2% (\$71,550). The District also received an additional payment from DuPont over the effect of an herbicide used at two of the courses. The herbicide was lethal to trees and shrubs. The District received \$65,422 in FY2015, \$197,428 in FY2014 and \$835,988 in FY2013 as part of a settlement.

Expenses:

Operating expenses for golf decreased by \$3,193. This was due to a decline in commodities costs of \$95,114 (14.6%). Lower fuel prices, reductions in fertilizer, plant protectants and operating supplies accounted for \$87,564 of the decline. These declines were offset by an increase in personnel services (14.3%) from the implementation of GASB 68. Food and beverage concessions and merchandise cost of goods sold increased 7.4% from last year as a result of increased sales in the pro-shop and food concessions. Contractual expenses remained flat for the year with only a 0.5% increases overall.

Transfers for operating charges increased by \$598,552 over last year as the golf operations paid off early an internal obligation related to construction costs for the ThunderHawk golf course. The obligation was being paid off over a period of 10 years with interest. The early payoff will save golf approximately \$35,775 in interest expense over the next three years.

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, 2015, the District's governmental funds reported combined ending fund balances of \$84.0 million (pages 19-20), a decrease of \$8.9 million from June 30, 2014. The decrease was attributable mostly to bond proceeds being spent on capital improvements and land acquisitions (\$6.0 million). Spending from the Land Development Fund on capital projects accounted for \$2.8 million of the decline. Fund balance is categorized as follows: \$290,083 as non-spendable for inventory; \$53.6 million is subject to externally enforceable legal restrictions and therefore categorized as restricted; \$8.4 million is categorized as committed for special projects; \$1.2 million is constrained by limitations the District has imposed and is categorized as assigned; and \$20.5 million constitutes unassigned fund balance in the General Fund.

The *General Fund* is the chief operating fund of the District. As of June 30, 2015, the total fund balance of the General Fund was \$24.6 million, of which \$20.5 million was unassigned, compared to \$24.7 million and \$20.2 million, respectively, at June 30, 2014. The unassigned fund balance provides for cash flow and emergency needs. During the year the fund had an excess of revenues over expenditures of \$127,171 and the unassigned fund balance grew by \$290,967. Revenues declined only by \$67,931 from last year with property taxes declining by \$417,703 as a result of falling property values. This decline was offset by an investment income increase of \$286,682, increases in replacement taxes \$73,312, charges for services and sales \$4,997 and permits \$14,779. Expenditures declined by \$323,575 from last year. Capital outlays were down \$875,127 from the previous year because of project delays. Department operating expenses were up \$549,301 (3.4%). A large part of that (\$346,983) was the result of reinstating vehicle and equipment future replacement fees. Replacement fees had stopped when the District reduced its fleet size and lengthened replacement schedule as a way of reducing costs when the property tax levies began to fall. During FY2015 these fee were re-established.

The *Land Development Fund* pays for restoration, improvement, and development of existing preserves. As of June 30, 2015 the total fund balance was \$12.7 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 a deficiency of revenues under expenses of \$2.8 million. The District spent \$3.8 million on capital outlays for the capital improvement plan. Tax revenues in the fund were down from the prior year by \$262,811 however, investment income was up \$134,511. Operating expenses for the year increased by \$433,544 over the previous year with \$262,676 of the increase coming from reinstated vehicle and equipment replacement fees. Increased land management, consulting fees and personnel services accounted for the balance of the increase.

The *Debt Service Fund* has a total fund balance of \$16.1 million, all of which is restricted for the payment of debt service. The fund balance decreased \$407,408 from 2014. During the FY2013 the District completed all payments on its outstanding 2003 refunding general obligation bonds. There were remaining funds available from the issue due to taxes collected and interest earned. Interest income of \$585,521 was transferred in FY2013 to the Capital Facilities Improvement Fund for future facility improvements. The remaining funds (\$1.1 million) were transferred to the 2011 bond series and used to pay future principal and interest costs. The taxes levied for the 2011 bond series were reduced by this amount over the current (FY2015) and previous (FY2014) year as approved by the Districts' Board of Commissioners. This was the main reason for the decline in the fund balance of \$407,408.

The *Land Acquisition Fund* has a total fund balance of \$12.9 million, all of which is restricted for land acquisition. During the year the District purchased nearly 81.2 acres of land for \$2.3 million. The District still has \$8 million of referendum approved bonds for land acquisition left to issue. Those bonds will be issued in November 2015.

The *Development Bond Projects Fund* has a total fund balance of \$7.9 million, all of which is restricted for development projects. The District still has \$17 million of referendum approved bonds for development to issue. Those bonds will be issued in November 9, 2015. See subsequent events footnote on page 72.

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 a decrease of \$1.3 million.

Operating revenues for the proprietary funds increased by 11.1% or \$442,166 over the prior year. Increases for Equipment Replacement Fees (\$607,854) in the internal service fund accounted for most of the increase. The District reinstated vehicle and equipment internal service fees for FY2015 after two years of fleet reduction and replacement period extensions, during which time the fee were suspended. Increases in cart rentals, pro shop sales, food and beverage concessions, concessionaire, and building rentals were offset by decreases in greens fees and permanent starts in the enterprise fund.

Operating expenses were up by \$172,845 when compared to last year. Lower fuel prices, reductions in fertilizer, plant protectants and operating supplies accounted for a decline of \$136,791. An increase in personnel services of \$292,830 (14.4%) offset these declines. The increase was due to the implementation of GASB 68.

Transfers out increased by \$598,552 over last year and accounted for over half of the decline in net position. As mentioned above the golf operations paid off an internal obligation related to construction costs for the ThunderHawk golf course. The other portion of the decline in net position was due to the fact that operating income for the business type activities was not enough to cover the cost of depreciation expense.

GENERAL FUND BUDGETARY HIGHLIGHTS

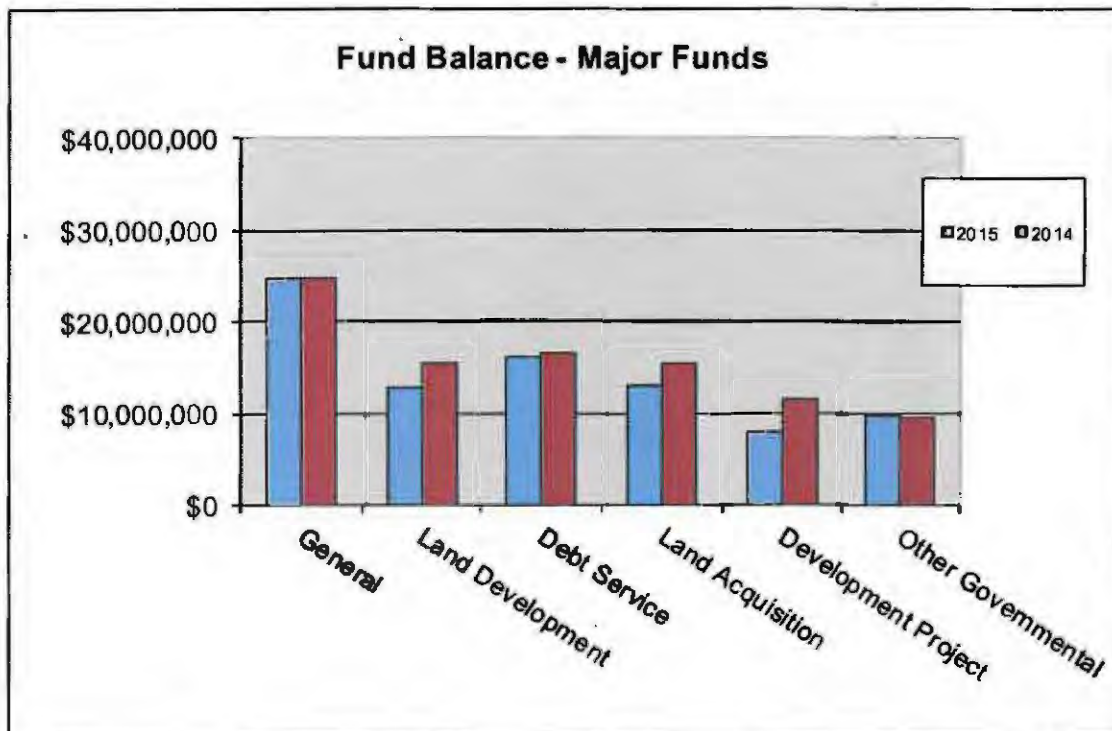
General Fund revenues were over budget \$237,126 for FY2015. Charges for sales and services and permits were over budget by \$123,343 and \$39,618 respectively as the District raised prices and also saw increased demand. Replacement taxes were also \$104,818 over budget for the year. These increases occurred in revenue categories that would reflect increased health in the overall economy. Interest income was \$66,253 below budget for the year due to market value losses in the Districts' municipal bond holdings. Other revenues were up \$63,929 over budget mostly due to a restitution payment for damages that was received during the year.

The District spent \$18.2 million or only 83.1% of its \$21.9 million budget. General government is under budget \$456,388 due to consulting and miscellaneous contracting projects coming in under budget or being cancelled. Education was under budget \$191,268 due to vacant positions, reduced advertising and printing cost reductions and utility costs being lower than expected. The Public Safety function was under budget by \$193,422 due to vacant positions throughout the year. Recreation was \$218,761 below budget due to vacant positions during the year. The Maintenance and Development function was under budget \$65,819 as a result of gasoline and diesel, operating supplies, insect management, repairs and maintenance on buildings, grounds and equipment and disposal costs being less than expected. Capital outlay was under budget by \$2.6 million. Several projects came

in under budget and several were delayed and are currently underway. One large project totaling \$1.5 million was delayed when the State of Illinois placed an awarded grant to the District on hold. The project was redesigned and will move forward in 2016 without the grant.

GOVERNMENTAL FUND BALANCES

Total governmental fund balances decreased by \$8.9 million. The largest portion of the decline, \$8.8 million was the result of bond and land development funds being spent for land acquisition and capital projects. The Land Acquisition fund balance declined by \$2.5 million and the Development Bond fund balance declined by \$3.5 million. The General Fund balance decreased slightly by \$64,386 due to planned spending on capital projects. Capital spending on projects was budgeted for during the year and a much larger reduction of the fund balance was anticipated. The Land Development Fund decreased fund balance by \$2.8 million due to spending on capital projects. The District had planned for a reduction to the Land Development fund balance in the amount of \$5.7 million for the revised budget due to \$8.3 million in capital project spending. The Debt Service fund balance declined by \$407,408 as a result of excess funds (\$538,350) collected for the 2003 bonds, which were retired, being abated against the debt service levy. The 2003 bonds were retired during 2012 and the excess was abated over a two year period. Non-major funds increased by \$402,818 in large part due to a transfer from the Enterprise Fund to retire an internal obligation. The total amount of the transfer was \$798,214. The Retirement Fund balance increased (\$94,430) due to vacant positions remaining unfilled during the year. The Easements and Special Projects (\$790,297) from the enterprise transfer and the Land Preparation (\$112,404) fund balance increased due to expected revenue inflows being made with no major expenditures being budgeted.



CAPITAL ASSET AND DEBT MANAGEMENT

At the end of fiscal year 2015 the District has invested \$801.8 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 \$17.7 million before the effects of depreciation.

Table 3
Lake County Forest Preserve District
Capital Assets as of June 30, 2015 & June 30, 2014

	Governmental Activities		Business-type Activities		Total District	
	2015	2014	2015	2014	2015	2014
Land and land rights	\$ 563,448,834	\$ 561,525,231	\$ 6,818,464	\$ 6,818,464	\$570,267,298	\$ 568,343,695
Land/course improvements	46,977,357	46,977,357	7,447,373	7,447,373	54,424,730	54,424,730
Buildings	66,038,730	65,932,957	6,987,247	6,957,367	73,025,977	72,890,324
Other improvements	12,738,231	7,100,956	-	-	12,738,231	7,100,956
Vehicles, machinery, and eqpmt	11,049,317	11,238,387	3,363,288	3,278,865	14,412,605	14,517,252
Furniture and fixtures	632,287	632,287	44,987	44,987	677,274	677,274
Roads, trails, and bridges	49,743,951	45,654,359	1,566,152	1,566,152	51,310,103	47,220,511
Museum artifacts and collectibles	6,158,587	6,129,787	-	-	6,158,587	6,129,787
Construction in progress	18,741,197	12,799,046	-	-	18,741,197	12,799,046
Total Capital Assets	775,528,491	757,990,367	26,227,511	26,113,208	801,756,002	784,103,575
Less Accumulated Depreciation	58,023,586	52,925,755	7,995,666	7,722,408	66,019,252	60,648,163
Capital Assets net of Depreciation	\$ 717,504,905	\$ 705,064,612	\$ 18,231,845	\$ 18,390,800	\$735,736,750	\$ 723,455,412

The additions to capital assets in governmental fund activities include buildings and other improvements of \$10.5 million – represents a capital contribution from the Illinois State Toll Highway Authority (ISTHA). ISTHA was allowed to plan and construct wetland mitigation, upland restoration and public access improvements on the portion of Pine Dunes Forest Preserve. ISTHA was required to mitigate 80 acres of wetland as part of the Elgin O'Hare western access project it under took. Land and land rights increased \$1.9 million with the purchase of an additional 81.2 acres of land. 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 \$281.8 million of general obligation bonds outstanding. Under the 2008 \$185 million bond referendum, \$25 million remained authorized but unissued on June 30, 2015.

Table 4
Lake County Forest Preserve District
Outstanding Debt as of June 30, 2015 & June 30, 2014

	Governmental Activities		Total District	
	2015	2014	2015	2013
General Obligation Bonds	\$281,820,000	\$296,250,000	\$281,820,000	\$296,250,000
Total	\$281,820,000	\$296,250,000	\$281,820,000	\$296,250,000

The District had one general obligation refunding bond issue in fiscal year 2015. On July 2, 2014 the District issued \$28.9 million in General Obligation Refunding Bonds. These bonds refunded the outstanding portion of the 2006A General Obligation Bonds. 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 net present value savings from the refunding was \$2.6 million.

The legal debt limit for the District is 2.30% of assessed valuation. The current debt limitation is \$520.88 million which significantly exceeds the District's current outstanding general obligation debt of 281.8 million. Additional information on the District's long-term debt can be found in Note H, pages 49-57.

ECONOMIC FACTORS

Lake County is facing the same economic challenges as are all parts of the country; unemployment has improved to 4.6% through September 2015 and is below the State average of 5.1%. Real estate values continued to decline during the fiscal year. The 2014 Equalized Assessed Valuation (EAV) declined 1.4% from the previous year, following a decline in 2013 of 6.15%. As the third largest county in the state, Lake County has a market valuation of \$67.9 billion. The EAV is estimated to grow between 0.5% and 1.5% in 2015. This will be the first time since 2008 that EAV's have gone up.

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 State of Illinois has still not adopted an annual budget for their current fiscal year. The uncertainty of the impact on the District has affected the fiscal year 2016 budget of the District. The District has reduced the budget for replacement taxes which the State pays to it by 10%. The possibility of the State redirecting replacement tax payments to fill holes within its own budget, were high at the time of budget development for the District. Those fears have since gone down. The State has also discussed additional property tax caps for local governments on top of the already existing caps. The possibility of a two year change to the current cap formula appears likely when the State finally adopts their budget.

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.

FINANCIAL SECTION

BASIC FINANCIAL STATEMENTS

Lake County Forest Preserve District
(A component unit of Lake County, Illinois)
Statement of Net Position
June 30, 2015

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Current assets:				
Cash and investments	\$ 89,741,396	\$ 2,027,144	\$ 91,768,540	\$ 1,673,679
Property taxes receivable, net	23,690,829	-	23,690,829	-
Interest receivable	139,972	5,939	145,911	1,162
Grant receivable	801,321	-	801,321	-
Other receivable	223,654	35,464	259,118	16,979
Inventory	290,083	114,877	404,960	-
Other assets	-	7,500	7,500	-
Total current assets	<u>114,887,255</u>	<u>2,190,924</u>	<u>117,078,179</u>	<u>1,691,820</u>
Noncurrent assets:				
Capital assets (not being depreciated)	635,325,975	14,265,837	649,591,812	456,000
Capital assets (net of acc. deprec.)	82,178,930	3,966,008	86,144,938	-
Total noncurrent assets	<u>717,504,905</u>	<u>18,231,845</u>	<u>735,736,750</u>	<u>456,000</u>
Total assets	<u>832,392,160</u>	<u>20,422,769</u>	<u>852,814,929</u>	<u>2,147,820</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred loss on refundings	4,090,666	-	4,090,666	-
Pension actuarial adjustments	2,353,454	220,017	2,573,471	-
Deferred pension contributions	721,598	67,465	789,063	-
Accumulated decrease in the fair value of hedging derivatives	3,393,059	-	3,393,059	-
Total deferred outflows of resources	<u>10,558,777</u>	<u>287,482</u>	<u>10,846,259</u>	<u>-</u>
LIABILITIES				
Current liabilities:				
Accounts payable	2,437,571	220,658	2,658,229	-
Accrued payroll and payroll taxes	733,087	115,305	848,392	-
Other unearned revenue	939,119	225,296	1,164,415	-
Interest payable	539,336	-	539,336	-
Derivative instrument-swap agreement	3,393,059	-	3,393,059	-
Other liabilities	590,733	51,913	642,646	-
Due within one year	16,049,563	6,320	16,055,883	-
Total current liabilities	<u>24,682,468</u>	<u>619,492</u>	<u>25,301,960</u>	<u>-</u>
Noncurrent liabilities:				
Net pension liability	5,768,625	535,141	6,303,766	-
Due in more than one year	272,052,099	146,623	272,198,722	-
Total noncurrent liabilities	<u>277,820,724</u>	<u>681,764</u>	<u>278,502,488</u>	<u>-</u>
Total liabilities	<u>302,503,192</u>	<u>1,301,256</u>	<u>303,804,448</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES				
Pension actuarial adjustments	221,971	-	221,971	-
	<u>221,971</u>	<u>-</u>	<u>221,971</u>	<u>-</u>
NET POSITION				
Net investment in capital assets	451,716,433	18,231,845	469,948,278	-
Restricted for:				
Temporarily:	-	-	-	1,933,021
Enabling legislation-Audit and insurance	2,604,645	-	2,604,645	-
Land and development	12,693,745	-	12,693,745	-
Enabling legislation-FICA and Illinois Municipal Retirement	974,183	-	974,183	-
Capital improvements	-	100,842	100,842	-
Debt Service	14,881,594	-	14,881,594	-
Unrestricted	57,355,174	1,076,308	58,431,482	214,799
Total net position	<u>\$ 540,225,774</u>	<u>\$ 19,408,995</u>	<u>\$ 559,634,769</u>	<u>\$ 2,147,820</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 Activities
For the Year Ended June 30, 2015

Functions/Programs	Expenses	Program Revenues	
		Charges for Services	Operating Grants and Contributions
Primary government:			
Governmental activities:			
General government	\$ 11,380,328	\$ 1,488,705	\$ -
Maintenance & development	11,518,483	76,221	539,338
Public safety	2,756,093	714,236	-
Recreation	2,605,463	1,411,869	24,843
Natural resources	3,281,471	469,308	873,453
Education	3,117,454	235,101	101,849
Interest	12,637,812	-	-
Total governmental activities	<u>47,297,104</u>	<u>4,395,440</u>	<u>1,539,483</u>
Business-type activities:			
Golf Courses	4,382,538	3,704,524	-
Total business-type activities	<u>4,382,538</u>	<u>3,704,524</u>	<u>-</u>
Total primary government	<u>\$ 51,679,642</u>	<u>\$ 8,099,964</u>	<u>\$ 1,539,483</u>
Component units:			
Total component units	<u>\$ 481,294</u>	<u>\$ -</u>	<u>\$ 1,451,448</u>

General revenues:

- Property and replacement taxes
- Investment income
- Insurance Claim
- Gain on disposal of capital assets
- Donation of capital assets
- Other

Transfers

- Transfers of capital assets
- Total general revenues, special items, and transfers
- Change in net position

Net position, beginning of year restated (note O)

Net position, ending of year

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 Activities
For the Year Ended June 30, 2015

Net (Expense) Revenue and Changes in Net Position			
Primary Government			
Governmental Activities	Business-type Activities	Total	Component Units
\$ (9,891,623)	\$ -	\$ (9,891,623)	\$ -
(10,902,924)	-	(10,902,924)	-
(2,041,857)	-	(2,041,857)	-
(1,168,751)	-	(1,168,751)	-
(1,938,710)	-	(1,938,710)	-
(2,780,504)	-	(2,780,504)	-
(12,637,812)	-	(12,637,812)	-
<u>(41,362,181)</u>	<u>-</u>	<u>(41,362,181)</u>	<u>-</u>
-	(678,014)	(678,014)	-
-	(678,014)	(678,014)	-
<u>(41,362,181)</u>	<u>(678,014)</u>	<u>(42,040,195)</u>	<u>-</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>970,154</u>
48,475,881	-	48,475,881	-
597,546	13,627	611,173	8,382
36,554	-	36,554	-
200	26,260	26,460	-
10,042,565	-	10,042,565	-
-	65,422	65,422	-
809,994	(809,994)	-	-
-	1,467	1,467	-
<u>59,962,740</u>	<u>(703,218)</u>	<u>59,259,522</u>	<u>8,382</u>
<u>18,600,559</u>	<u>(1,381,232)</u>	<u>17,219,327</u>	<u>978,536</u>
<u>521,625,215</u>	<u>20,789,327</u>	<u>542,414,542</u>	<u>1,169,284</u>
<u>\$ 540,225,774</u>	<u>\$ 19,408,095</u>	<u>\$ 559,633,869</u>	<u>\$ 2,147,820</u>

Lake County Forest Preserve District
(A component unit of Lake County, Illinois)
Balance Sheet
Governmental Funds
June 30, 2015

	<u>General Fund</u>	<u>Land Development Fund</u>	<u>Debt Service Fund</u>
ASSETS			
Cash and investments	\$ 25,166,187	\$ 13,580,314	\$ 15,493,585
Property taxes receivable, net	7,333,153	2,754,409	12,531,137
Interest receivable	45,676	43,638	5,488
Grant receivable	-	536,867	-
Other receivable	189,565	31,650	-
Inventory	290,083	-	-
Total assets	<u>\$ 33,024,664</u>	<u>\$ 16,946,878</u>	<u>\$ 28,030,210</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ 717,208	\$ 903,889	\$ -
Accrued payroll & payroll tax	545,190	108,076	-
Unearned revenue	542	-	-
Other liabilities	377,722	76,538	-
Total liabilities	<u>1,640,662</u>	<u>1,088,503</u>	<u>-</u>
Deferred Inflows of Resources			
Unavailable property tax revenue	6,794,091	2,613,047	11,888,013
Unavailable grant revenue	397	536,866	-
Total deferred inflows of resources	<u>6,794,488</u>	<u>3,149,913</u>	<u>11,888,013</u>
Fund Balances			
Nonspendable	290,083	-	-
Restricted	2,604,645	12,708,462	16,142,197
Committed	-	-	-
Assigned	1,213,078	-	-
Unassigned	20,481,708	-	-
Total fund balances	<u>24,589,514</u>	<u>12,708,462</u>	<u>16,142,197</u>
Total liabilities, deferred inflow of resources and fund balances	<u>\$ 33,024,664</u>	<u>\$ 16,946,878</u>	<u>\$ 28,030,210</u>

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.

Pension related items are reported in the government-wide statements but not in the financial statements.

Revenues in the Statement of Activities that do not provide current financial resources are deferred inflows of resources in the funds.

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.

Deferred losses on refundings of debt are not considered to represent a financial resource and, therefore, are not required in the funds.

The net position of the internal service funds are included in the governmental activities in the statement of net position.

Net position of governmental activities

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
June 30, 2015

Land Acquisition Fund	Development Bond Projects Fund	Total Nonmajor Funds	Total Governmental Funds
\$ 12,997,739	\$ 8,120,465	\$ 10,370,774	\$ 85,729,064
-	-	1,072,130	23,690,829
12,835	8,142	17,167	132,946
-	-	264,454	801,321
752	-	1,687	223,654
-	-	-	290,083
<u>\$ 13,011,326</u>	<u>\$ 8,128,607</u>	<u>\$ 11,726,212</u>	<u>\$ 110,867,897</u>
\$ 23,672	\$ 259,895	\$ 508,852	\$ 2,413,516
4,448	-	75,373	733,087
-	-	-	542
60,266	-	76,207	590,733
<u>88,386</u>	<u>259,895</u>	<u>660,432</u>	<u>3,737,878</u>
-	-	1,017,106	22,312,257
-	-	278,644	815,907
-	-	1,295,750	23,128,164
-	-	-	290,083
12,922,940	7,868,712	1,358,108	53,605,064
-	-	8,411,922	8,411,922
-	-	-	1,213,078
-	-	-	20,481,708
<u>12,922,940</u>	<u>7,868,712</u>	<u>9,770,030</u>	<u>84,001,855</u>
<u>\$ 13,011,326</u>	<u>\$ 8,128,607</u>	<u>\$ 11,726,212</u>	<u>\$ 110,867,897</u>
			714,768,310
			(2,915,544)
			23,128,164
			(289,579,575)
			4,090,666
			6,731,898
			<u>\$ 540,225,774</u>

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, 2015

	General Fund	Land Development Fund	Debt Service Fund
Revenues			
Property taxes	\$ 14,487,088	\$ 5,628,782	\$ 25,956,800
Replacement taxes	1,044,818	-	-
Investment income	192,557	98,759	144,692
Grants & contributions	86,985	455,998	-
Treasury rebate	-	-	1,193,444
Land and building rentals	291,923	-	-
Charges for services and sales	1,032,403	-	-
Permits	637,718	-	-
Easements and licenses	12,000	-	-
Programs and admissions	322,335	-	-
Other revenue	201,529	18	-
Total revenues	<u>18,309,356</u>	<u>6,183,557</u>	<u>27,294,936</u>
Expenditures			
Current:			
General government	5,280,777	-	172,010
Education	1,911,512	-	-
Public safety	2,365,078	-	-
Recreation	1,745,869	-	-
Maintenance & development	5,302,776	3,555,814	-
Natural resources	-	1,650,812	-
Debt service:			
Principal	385,000	-	15,385,000
Interest	341,194	-	12,317,308
Paying agent fees	-	-	6,391
Capital outlay	849,979	3,770,707	-
Total expenditures	<u>18,182,185</u>	<u>8,977,333</u>	<u>27,880,709</u>
Deficiency of revenues under expenditures	<u>127,171</u>	<u>(2,793,776)</u>	<u>(585,773)</u>
Other financing sources (uses)			
Proceeds from sale capital asset	-	-	-
Issuance of debt	-	-	28,920,000
Premium on debt issuance	-	-	1,378,964
Payment to escrow agency	-	-	(30,120,599)
Transfers in	8,443	-	-
Transfers out	(200,000)	-	-
Total other financing sources (uses)	<u>(191,557)</u>	<u>-</u>	<u>178,365</u>
Net change in fund balances	(64,386)	(2,793,776)	(407,408)
Fund balances, beginning of year	24,653,900	15,502,238	16,549,605
Fund balances, ending of year	<u>\$ 24,589,514</u>	<u>\$ 12,708,462</u>	<u>\$ 16,142,197</u>

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, 2015

Land Acquisition Fund	Development Bond Projects Fund	Total Nonmajor Funds	Total Governmental Funds
\$ -	\$ -	\$ 2,540,350	\$ 48,613,020
-	-	-	1,044,818
44,139	29,786	54,827	564,760
-	-	901,108	1,444,091
-	-	-	1,193,444
-	-	605,938	897,861
-	-	-	1,032,403
-	-	-	637,718
-	-	1,049	13,049
-	-	-	322,335
-	-	133,639	335,186
<u>44,139</u>	<u>29,786</u>	<u>4,236,911</u>	<u>56,098,685</u>
-	13,635	2,496,084	7,962,506
-	-	233,333	2,144,845
-	-	-	2,365,078
-	-	-	1,745,869
262,759	-	238,268	9,359,617
-	-	388,620	2,039,432
-	-	-	15,770,000
-	-	-	12,658,502
-	-	-	6,391
2,285,494	3,521,531	1,467,759	11,895,470
<u>2,548,253</u>	<u>3,535,166</u>	<u>4,824,064</u>	<u>65,947,710</u>
<u>(2,504,114)</u>	<u>(3,505,380)</u>	<u>(587,153)</u>	<u>(9,849,025)</u>
-	-	200	200
-	-	-	28,920,000
-	-	-	1,378,964
-	-	-	(30,120,599)
-	-	998,214	1,006,657
-	-	(8,443)	(208,443)
-	-	989,971	976,779
<u>(2,504,114)</u>	<u>(3,505,380)</u>	<u>402,818</u>	<u>(8,872,246)</u>
15,427,054	11,374,092	9,367,212	92,874,101
<u>\$ 12,922,940</u>	<u>\$ 7,868,712</u>	<u>\$ 9,770,030</u>	<u>\$ 84,001,855</u>

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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, 2015

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

Net change in fund balances - total governmental funds. \$ (8,872,246)

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 capital outlay exceeded depreciation expense in the current period. 2,757,474

The net effect of various miscellaneous transactions involving capital assets (i.e. sales, trade-ins, and donations) is to increase net position. 10,042,565

Increase in net pension liability (2,997,406)

Deferred outflows related to pension expense 3,075,052

Deferred inflows related to pension expense (221,971)

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. (1,086,567)

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. 13,051,036

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. 2,694,258

Internal service funds are reported separately in the fund financial statements. 158,364

Change in net position of governmental activities. \$ 18,600,559

The accompanying notes 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
June 30, 2015

	Business-type Activities <u>Enterprise Golf Courses</u>	Governmental Activities <u>Internal Service Funds</u>
ASSETS		
Current assets:		
Cash and investments	\$ 2,027,144	\$ 4,012,332
Interest receivable	5,939	7,026
Other receivable	35,464	-
Inventories	114,877	-
Other assets	7,500	-
Total current assets	<u>2,190,924</u>	<u>4,019,358</u>
Noncurrent assets:		
Land	6,818,464	-
Construction in progress	-	129,770
Land and course improvements	7,447,373	-
Buildings and improvements	6,987,247	-
Vehicles, machinery, and equipment	3,363,288	6,978,849
Furniture and fixtures	44,987	-
Roads, trails and bridges	1,566,152	-
Less accumulated depreciation	(7,995,666)	(4,372,024)
Total noncurrent assets	<u>18,231,845</u>	<u>2,736,595</u>
Total assets	<u>20,422,769</u>	<u>6,755,953</u>
DEFERRED OUTFLOW OF RESOURCES		
Pension actuarial adjustments	220,017	-
Deferred pension contributions	67,465	-
Total deferred outflows of resources	<u>287,482</u>	<u>-</u>
LIABILITIES		
Current liabilities:		
Accounts payable	220,658	24,055
Accrued payroll and payroll tax	115,305	-
Compensated absences payable	6,320	-
Unearned revenue	225,296	-
Other liabilities	51,913	-
Total current liabilities	<u>619,492</u>	<u>24,055</u>
Noncurrent liabilities:		
Compensated absences payable	146,623	-
Pension liability	535,141	-
Total noncurrent liabilities	<u>681,764</u>	<u>-</u>
Total liabilities	<u>1,301,256</u>	<u>24,055</u>
NET POSITION		
Net investment in capital assets	18,231,845	2,736,595
Restricted for:		
capital improvements	100,842	-
Unrestricted	1,076,308	3,995,303
Total net position	<u>\$ 19,408,995</u>	<u>\$ 6,731,898</u>

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, 2015

	Business-type Activities	Governmental Activities
	Total Enterprise Funds	Internal Service Funds
Operating revenues		
Season passes	\$ 77,075	\$ -
Greens fees	2,137,715	-
Equipment replacement charges	-	714,305
Gas cart rental	799,087	-
Hand cart rental	5,485	-
Club rental	9,139	-
Permanent starts	29,695	-
Practice range	129,587	-
Pro shop	141,857	-
Food & beverage concessions	302,135	-
Concessionaire and other	55,126	-
Land and building rentals	14,695	-
Miscellaneous	2,928	-
Total operating revenues	<u>3,704,524</u>	<u>714,305</u>
Operating expenses		
Personal services	2,330,304	-
Commodities	554,823	8,396
Contractuals	790,142	32,553
Food & beverage concessions	99,604	-
Merchandise	92,146	-
Total operating expenses	<u>3,867,019</u>	<u>40,949</u>
Operating income before depreciation	(162,495)	673,356
Depreciation	<u>514,619</u>	<u>775,519</u>
Operating (loss)	<u>(677,114)</u>	<u>(102,163)</u>

(continued)

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, 2015

Nonoperating revenues		
Gain on sale of capital assets	26,260	129,170
Investment income	13,627	32,786
Other revenue	65,422	15,788
Total nonoperating revenues	<u>105,309</u>	<u>177,744</u>
Income (loss) before contributions and transfers	(571,805)	75,581
Transfers in	-	11,780
Transfers out	(809,994)	-
Capital contributions	<u>1,467</u>	<u>38,146</u>
Change in net position	(1,380,332)	125,507
Total net position - beginning	20,789,327	6,573,534
Reconciliation to Statement of Revenues, Expenditures, and changes in net position - internal service funds		
Effect of encumbrances		32,857
Total net position - ending	<u>\$ 19,408,995</u>	<u>\$ 6,731,898</u>

Lake County Forest Preserve District
(A component unit of Lake County, Illinois)
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2015

	<u>Business-type Activities - Enterprise Golf Courses</u>	<u>Governmental Activities Internal Service Funds</u>
Cash flows from operating activities		
Receipts from customers and users	\$ 3,715,901	\$ 5,760
Receipts from interfund services provided	-	714,305
Payments for interfund services provided	(18,420)	-
Payments to employees	(2,046,504)	-
Payments to suppliers of goods and services	(1,559,002)	(18,190)
Net cash provided (used) by operating activities	<u>91,975</u>	<u>701,875</u>
Cash flows from noncapital financing activities		
Transfers in	-	11,780
Transfers out	(809,994)	-
Net cash provided (used) by noncapital financing activities	<u>(809,994)</u>	<u>11,780</u>
Cash flows from capital and related financing activities		
Acquisition of capital assets	(354,198)	(344,770)
Settlement received from loss of capital assets	65,422	15,788
Proceeds from sale of capital assets	26,260	129,169
Net cash provided (used) by capital and related financing activities	<u>(262,516)</u>	<u>(199,813)</u>
Cash flows from investing activities		
Interest received	32,609	32,311
Proceeds from sales of investments	2,732,977	1,267,575
Purchase of investments	(1,736,531)	(1,670,684)
Net cash provided (used) by investing activities	<u>1,029,055</u>	<u>(370,798)</u>
Net increase (decrease) in cash and cash equivalents	(980,535)	143,044
Cash and cash equivalents at beginning of year	<u>369,102</u>	<u>24,211</u>
Cash and cash equivalents at end of the year	<u>\$ 417,622</u>	<u>\$ 167,255</u>
Cash and cash equivalents per cash flow statements	\$ 417,622	\$ 167,255
Investments	<u>1,609,522</u>	<u>3,845,077</u>
Cash and investments per statement of net position	<u>\$ 2,027,144</u>	<u>\$ 4,012,332</u>

(continued)

Lake County Forest Preserve District
 (A component unit of Lake County, Illinois)
 Statement of Cash Flows
 Proprietary Funds
For the Year Ended June 30, 2015

Reconciliation of operating income (loss) to net cash provided (used)		
by operating activities:		
Operating loss	\$ (677,114)	\$ (102,163)
Adjustments to reconcile operating income (loss) to net cash		
provided (used) by operating activities:		
Depreciation	514,619	775,519
Changes in assets and liabilities:		
Accounts payable	(27,725)	5,852
Compensated absences	23,982	-
Deferred pension contributions	(67,465)	
Pension actuarial adjustments	(220,017)	
Pension liability	535,141	
Other receivables	11,377	22,667
Inventories	(9,287)	-
Accrued payroll and payroll taxes	8,464	-
Net cash provided (used) by operating activities	<u>\$ 91,975</u>	<u>\$ 701,875</u>

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)

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LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015

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
June 30, 2015

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. For the most part, the effect of interfund activity has been removed from these statements. 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 consist of net position that do 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
June 30, 2015

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, government 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
June 30, 2015

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
June 30, 2015

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 effect of interfund activity has been eliminated from the government-wide financial statements.

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
June 30, 2015

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 at estimated fair market 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
June 30, 2015

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 \$20,000 and president or director approval for amounts under \$20,000. 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
June 30, 2015

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.

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	\$ (281,820,000)
Add: Discount/Premium on bond issues (to be amortized as interest expense)	(4,774,841)
Accrued interest payable	(539,336)
Other unearned revenue	(938,577)
Accrued other postemployment benefits	38,438
Compensated absences	<u>(1,545,259)</u>
Net adjustment to reduce fund balance - total governmental funds to arrive at net position - governmental activities	 <u>\$ (289,579,575)</u>

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015

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

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	\$	8,979,267
Depreciation expense		<u>(6,221,793)</u>
Net adjustment to reduce net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	\$	<u>2,757,474</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:

Issuance of general obligation bonds	\$	(28,920,000)
Premium received on bond issue		(1,378,964)
Principal repayments on general obligation debt		<u>43,350,000</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities.	\$	<u>13,051,036</u>

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015

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)	\$	(10,654)
Accrued interest		25,441
Accrued other postemployment benefits		137,232
Amortization of deferred charges on refunding and bond accounting loss		1,338,141
Amortization of interest rate swap premium		170,650
Amortization of issuance premium/discount		<u>1,033,448</u>
Net adjustment to reduce net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities.	\$	<u>2,694,258</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 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	\$	(5,768,625)
Deferred outflow related to pension expense		3,075,052
Deferred inflows related to pension expense		<u>(221,971)</u>
Net adjustment to reduce net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities.		<u>(2,915,544)</u>

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015

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, 2015, the District's cash and investments consisted of the following:

	Government - Wide
Cash and investments	\$ 91,768,540

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

	Total
Cash on hand	\$ 11,610
Deposits with financial institutions	28,599,922
Investments	63,157,008
	\$ 91,768,540

As of June 30, 2015, the District had the following investments and maturities:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (In Years)</u>		
		<u>Less than 1</u>	<u>1-5</u>	<u>More than 5 years</u>
1-3 year public investing fund	\$ 849	\$ -	\$ 849	\$ -
Municipal bonds	25,188,999	9,879,921	15,309,078	-
Federal Government Agencies	8,867,723	-	8,867,723	-
	34,057,571	\$ 9,879,921	\$ 24,177,650	\$ -
Institutional Government Money Market	29,099,437			
Total fair value	\$ 63,157,008			

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015

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, 2015, Illinois Metropolitan Investment Convenience Fund and Illinois Park Distinct Liquid Asset Funds were rated AAA by Standard and Poor's. The District's investment in FHLMC and GNMA were rated Aaa by Moody's and the District's investment in Municipal Bonds were rated AAA (\$2,524,587), AA (\$18,562,020), A (\$4,102,392) by Standard and Poor's and Moody's Investor Services.

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, 2015, 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. As of June 30, 2015, the District had approximately 27% of its investment portfolio in municipal bonds.

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.

Since the 2014 tax levy is levied to finance the operations of the fiscal year beginning July 1, 2014, the levy is considered earned as of June 30, 2015.

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015

NOTE E - CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2015 was as follows:

1. Governmental activities	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets not being depreciated				
Land and land rights	\$ 561,525,231	\$ 2,285,002	\$ 361,399	\$ 563,448,834
Land improvements	46,977,357	-	-	46,977,357
Museum artifacts and collectibles	6,129,787	28,800	-	6,158,587
Construction in progress	<u>12,799,046</u>	<u>12,628,042</u>	<u>6,685,891</u>	<u>18,741,197</u>
Total capital assets not being depreciated	<u>627,431,421</u>	<u>14,941,844</u>	<u>7,047,290</u>	<u>635,325,975</u>
Capital assets being depreciated				
Buildings and improvements	65,932,957	1,678,825	1,573,052	66,038,730
Other improvements	7,100,956	5,637,275	-	12,738,231
Vehicles, machinery, and equipment	11,238,387	399,097	588,167	11,049,317
Furniture and fixtures	632,287	-	-	632,287
Roads, trails, bridges and tunnels	<u>45,654,359</u>	<u>4,121,492</u>	<u>31,900</u>	<u>49,743,951</u>
Total capital assets being depreciated	<u>130,558,946</u>	<u>11,836,689</u>	<u>2,193,119</u>	<u>140,202,516</u>
Less accumulated depreciation for:				
Buildings and improvements	15,215,327	1,914,277	1,049,229	16,080,375
Other improvements	4,546,725	737,769	239,492	5,045,002
Vehicles, machinery, and equipment	7,142,118	915,515	487,581	7,570,052
Furniture and fixtures	364,270	113,045	-	477,315
Roads, trails, and bridges	<u>25,657,315</u>	<u>3,193,527</u>	<u>-</u>	<u>28,850,842</u>
Total accumulated depreciation	<u>52,925,755</u>	<u>6,874,133</u>	<u>1,776,302</u>	<u>58,023,586</u>
Total capital assets being depreciated, net	<u>77,633,191</u>	<u>4,962,556</u>	<u>416,817</u>	<u>82,178,930</u>
Governmental activities capital assets, net	<u>\$ 705,064,612</u>	<u>\$ 19,904,400</u>	<u>\$ 7,464,107</u>	<u>\$ 717,504,905</u>

Note: In fiscal year 2015, the District received \$10,042,565 of donated net assets of capital improvements donated by an outside vendor at Pine Dunes Forest Preserve.

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015

NOTE E - CAPITAL ASSETS (Continued)

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
2. Business-type activities				
Capital assets not being depreciated				
Land and land rights	\$ 6,818,464	-	-	\$ 6,818,464
Land improvements	7,447,373	-	-	7,447,373
Construction in progress	-	-	-	-
	<u>14,265,837</u>	<u>-</u>	<u>-</u>	<u>14,265,837</u>
Capital assets being depreciated				
Buildings and improvements	6,957,367	29,880	-	6,987,247
Vehicles, machinery, and equipment	3,278,865	352,475	268,052	3,363,288
Furniture and fixtures	44,987	-	-	44,987
Roads, trails, and bridges	1,566,152	-	-	1,566,152
Total capital assets being depreciated	<u>11,847,371</u>	<u>382,355</u>	<u>268,052</u>	<u>11,961,674</u>
Less accumulated depreciation for:				
Buildings and improvements	4,817,475	277,942	-	5,095,417
Vehicles, machinery, and equipment	2,535,288	156,428	268,052	2,423,664
Furniture and fixtures	44,987	-	-	44,987
Roads, trails, and bridges	324,659	106,939	-	431,598
Total accumulated depreciation	<u>7,722,409</u>	<u>541,309</u>	<u>268,052</u>	<u>7,995,666</u>
Total capital assets being depreciated, net	<u>4,124,962</u>	<u>(158,954)</u>	<u>-</u>	<u>3,966,008</u>
Business-type activities capital assets, net	<u>\$ 18,390,799</u>	<u>(158,954)</u>	<u>\$ -</u>	<u>\$ 18,231,845</u>

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015

NOTE E - CAPITAL ASSETS (Continued)

3. Depreciation Expense

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

Governmental activities	
General government	\$ 3,747,560
Education	1,023,003
Public safety	26,965
Recreation	641,649
Maintenance and development	782,616
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	<u>652,340</u>
Total depreciation expense - governmental activities	<u>\$ 6,874,133</u>
Business-type activities	
Golf courses	<u>\$ 541,309</u>
Total depreciation expense - business-type activities	<u>\$ 541,309</u>

4. Construction Commitments

The District had certain contracts in its funds for the construction of various projects which were in process at June 30, 2015. The remaining commitments under these contracts approximate:

<u>Function</u>	
General government	\$ 2,762,490
Recreation	108,096
Natural resources	1,319,652
Maintenance and development	3,515,243
Education	<u>103,280</u>
	<u>\$ 7,808,761</u>

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015

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, 2015.

The following transfers were made during fiscal year 2015:

To Fund:	From Fund:	Amount
Nonmajor Governmental Funds (Capital Facilities Improvement)	General Fund	\$ 200,000
<i>Reason: Transfer of funds towards future infrastructure improvements</i>		
General Fund	Nonmajor Governmental Funds (Grants and Donations)	8,443
<i>Reason: Transfer program fees to cover program costs</i>		
Internal Service Fund	Enterprise Fund (Golf Courses)	11,780
<i>Reason: Transfer equipment purchased by enterprise funds</i>		
Nonmajor Governmental Funds (Easements & Special Projects)	Enterprise Fund (Golf Courses)	798,214
<i>Reason: Repayment of loan from Land Acquisition to Golf Enterprise for construction of the Thunderhawk Golf Club.</i>		
Total transfers to governmental funds		\$ 1,018,437
Total transfers from governmental funds		\$ 208,443
Total transfers from enterprise funds		\$ 809,994

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015

NOTE G - LEASES AND CONTRACTS

The golf courses and Independence Grove lease their golf carts under an operating lease. Rent expense was \$241,792 for the year ended June 30, 2015. Future minimum lease payments are:

<u>Fiscal Year</u>	<u>Amount</u>
2016	\$ 239,992
2017	<u>239,992</u>
	<u>\$ 479,984</u>

The District has numerous agreements for the leasing of District land for farming. Rental income for the year ended June 30, 2015 was \$453,548. Scheduled future minimum rental income is as follows:

<u>Fiscal Year</u>	<u>Amount</u>
2016	\$ 418,873
2017	127,766
2018	1,287
2019	<u>1,287</u>
	<u>\$ 549,213</u>

The District assumed a cellular tower lease agreement on April 16, 2014, with the purchase of the Larsen-Schwanbeck property. The lease agreement has nine years remaining and ends in 2022. Rental income for the year ended June 30, 2015 was \$114,880. Scheduled future minimum lease income is as follows:

<u>Fiscal Year</u>	<u>Amount</u>
2016	\$ 13,886
2017	13,886
2018	13,886
2019	13,886
2020	13,886
2021-2030	<u>171,669</u>
	<u>\$ 241,099</u>

LAKE COUNTY FOREST PRESERVE DISTRICT
 (A component unit of Lake County, Illinois)
 NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015

NOTE G - LEASES AND CONTRACTS - (Continued)

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, 2015 was \$152,390. Scheduled future minimum lease income is as follows:

<u>Fiscal Year</u>	<u>Amount</u>
2016	\$ 145,558
2017	145,558
2018	145,558
2019	145,558
	<u>\$ 582,232</u>

The District lease their copiers under an operating lease. Rent expense was \$30,341 for the year ended June 30, 2015. Future minimum lease payments are:

<u>Fiscal Year</u>	<u>Amount</u>
2016	\$ 38,021
2017	38,021
2018	10,493
2019	3,810
2020	2,322
	<u>\$ 92,667</u>

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015

NOTE H - LONG-TERM DEBT

1. Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2015 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities					
General obligation bonds	\$ 296,250,000	\$ 28,920,000	\$ 43,350,000	\$ 281,820,000	\$ 15,240,000
Add deferred amounts:					
For issuance premium	4,507,647	1,378,964	1,037,778	4,848,833	731,893
For issuance discount	<u>(78,322)</u>	<u>-</u>	<u>(4,330)</u>	<u>(73,992)</u>	<u>(4,330)</u>
Total bonds payable	300,679,325	30,298,964	44,383,448	286,594,841	15,967,563
OPEB obligations	98,794	-	137,232	(38,438)	-
Compensated absences	<u>1,534,605</u>	<u>46,459</u>	<u>35,805</u>	<u>1,545,259</u>	<u>82,000</u>
Governmental activity long-term liabilities	<u>\$ 302,312,724</u>	<u>\$ 30,345,423</u>	<u>\$ 44,556,485</u>	<u>\$ 288,101,662</u>	<u>\$ 16,049,563</u>

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Business-type activities					
Compensated absences	\$ 129,961	\$ 28,218	\$ 5,236	\$ 152,943	\$ 6,320
Business-type activity long-term liabilities	<u>\$ 129,961</u>	<u>\$ 28,218</u>	<u>\$ 5,236</u>	<u>\$ 152,943</u>	<u>\$ 6,320</u>

Compensated absences 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.

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015

NOTE H - LONG-TERM DEBT (Continued)

2. General Obligation Bonds

Debt outstanding as of June 30, 2015 consisted of the following:

	Interest Rate (%)	Final Maturity Date	Amounts	
			Issued	Outstanding
General obligation bonds:				
Series 2006A	5.00	2025	\$45,000,000	\$4,850,000
Series 2007A	4.52	2021	52,555,000	36,210,000
Series 2008A	3.25 - 5.00	2027	35,000,000	29,530,000
Series 2008B	3.25 - 5.00	2028	27,605,000	22,580,000
Series 2008C	3.25 - 5.00	2028	9,500,000	7,370,000
Series 2009A	3.75 - 4.75	2028	35,000,000	23,780,000
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	15,440,000
Series 2014A	2.00 - 3.00	2026	28,620,000	28,620,000
				<u>\$281,820,000</u>

On July 2, 2014 the District issued \$28,920,000 in General Obligation Refunding Bonds, Series 2014A, to advance a refund 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.

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015

NOTE H - LONG-TERM DEBT (Continued)

2. **General Obligation Bonds** (Continued)

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, 2015 \$20,806,369 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.

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.

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015

NOTE H - LONG-TERM DEBT (Continued)

2. General Obligation Bonds (Continued)

On February 26, 2009, the District issued \$35,000,000 in General Obligation Land Acquisition Bonds, Series 2009A, with interest rates ranging from 3.75% to 4.75%. The net proceeds of \$34,783,647 (including a reoffering premium of \$32,577 and payment of \$248,930 in underwriting fees and other issuance costs) will be used for land preservation and acquisition. Interest on the bonds will be payable semiannually on each December 15 and June 15, commencing on June 15, 2009. This represents the first 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.

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.

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015

NOTE H - LONG-TERM DEBT (Continued)

2. **General Obligation Bonds** (Continued)

On May 15, 2006, the District issued \$45,000,000 in General Obligation Land Acquisition and Development Bonds, Series 2006A, with an interest rate of 5.00%. The net proceeds of \$47,106,171 (including a reoffering premium of \$2,399,847 and payment of \$293,676 in underwriting fees, insurance, and other issuance costs) are to 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 historic facilities, to pay all related costs incidental to the issuance of the bonds, and \$5,756,250 is reserved to pay capitalized interest. Interest on the bonds will be payable semiannually on each December 15 and June 15, commencing on December 15, 2006. Principal payments are due each December 15, commencing on December 15, 2009.

The annual requirements to amortize general obligation debt outstanding as of June 30, 2015, including interest payments as follows:

Fiscal Year Ending June 30,	Governmental Activities	
	Principal	Interest
2016	\$ 15,240,000	\$ 12,044,446
2017	14,580,000	11,381,215
2018	15,245,000	10,720,258
2019	15,920,000	10,051,636
2020	15,235,000	9,409,907
2021-2025	78,765,000	38,000,060
2026-2030	82,220,000	19,911,965
2031-2035	42,515,000	5,734,255
2036	<u>2,100,000</u>	<u>42,000</u>
	<u>\$ 281,820,000</u>	<u>\$ 117,295,742</u>

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015

NOTE H - LONG-TERM DEBT (Continued)

3. Derivative Instruments

The fair value balances and notional amounts of derivative instruments outstanding as of June 30, 2015, classified by type, and the changes in fair value of such derivative instruments for the year then ended as reported in the 2015 financial statements are as follows:

Cash Flow Hedges:	Changes in Fair Value		Fair Value at June 30, 2015		Notional
	Classification	Amount	Classification	Amount	
Pay fixed interest rate swaps	Deferred outflow	\$ 1,090,099	Liability	\$ (3,393,059)	\$ 36,210,000

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.

Details of the derivative instruments still outstanding are as follows:

Bond Series	Current Notional Amount	Effective Date	Termination Date	Fixed Rate Paid	Standard & Poor's / Moody's Counterparty Credit Ratings	Fair Value as of 6/30/2015
2007A	11,000,000	5/1/2007	12/15/2016	4.5200%	A+/AA-/Aa3	\$ (407,145)
2007A	25,210,000	5/1/2007	12/15/2020	4.5200%	A+/AA-/Aa3	(2,985,914)
Totals	<u>\$ 36,210,000</u>					<u>\$ (3,393,059)</u>

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015

NOTE H - LONG-TERM DEBT (Continued)

3. Derivative Instruments (Continued)

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	\$ 11,000,000	4.5200%	67% of 3 Mo USD LIBOR + 0.45%
2007A	25,210,000	4.5200%	67% of 3 Mo USD LIBOR + 0.48%
Totals	<u>\$ 36,210,000</u>		

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 valuations provided as of June 30, 2015 are 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.

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, 2015 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 swaps require 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 two swaps outstanding as of June 30, 2015 are with one counterparty.

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015

NOTE H - LONG-TERM DEBT (Continued)

3. Derivative Instruments (Continued)

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 .45% for the principal portion maturing on December 15, 2016 and 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.

DERIVATIVE INSTRUMENT PAYMENTS AND HEDGED DEBT

As of June 30, 2015 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, 2015 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, 2015 qualified for hedge accounting.

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015

NOTE H - LONG-TERM DEBT (Continued)

3. Derivative Instruments (Continued)

Fiscal Year Ending June 30,	Hedged Debt Principal	Interest Paid to Bondholders	Hedging Derivative Instruments - Net (Receipts)/Payments	Total
2016	\$5,375,000	\$263,914	\$1,251,303	\$6,890,217
2017	5,625,000	221,204	1,045,413	6,891,617
2018	5,875,000	176,787	829,930	6,881,717
2019	6,165,000	129,024	605,589	6,899,613
2020	6,445,000	79,079	370,548	6,894,627
2021	6,725,000	26,680	125,305	6,876,985
	<u>\$36,210,000</u>	<u>\$896,688</u>	<u>\$4,228,088</u>	<u>\$41,334,776</u>

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015

NOTE I - FUND BALANCE CLASSIFICATIONS

The District reported the following fund balance restrictions, commitments and assignments at June 30, 2015:

Restricted for:		Fund :
Audit and insurance costs	\$ 2,604,645	General Fund
Land acquisition and development	33,500,114	Land Development, Land Acquisition and Development Bond Projects
Debt service	16,142,197	Debt Service Fund
FICA and IMRF costs	1,358,108	Nonmajor governmental funds (Retirement Fund)
Total restricted	<u>\$ 53,605,064</u>	
Committed for:		Fund :
Special projects	\$ 610,108	Nonmajor governmental funds (Tree Replacement)
Special projects	3,794,820	Nonmajor governmental funds (Easements & Special Projects)
Land management and preparation	1,028,481	Nonmajor governmental funds (Land Preparation & Farmland Management)
Grants and donations	1,027,480	Nonmajor governmental funds (Grants and Donations Fund)
Building improvements	<u>1,951,033</u>	Nonmajor governmental funds (Capital Facilities Improvement)
Total committed	<u>\$ 8,411,922</u>	
Assigned for:		Fund :
Website redesign	17,157	General Fund
Wetlands	415,314	General Fund
Comfort and pump stations	267,809	General Fund
Trails	43,993	General Fund
Building improvements	103,280	General Fund
Fort Sheridan Cemetery (operating costs)	365,525	General Fund
Total assigned	<u>\$ 1,213,078</u>	

Additionally, the Preservation Foundation had \$1,933,021 in temporary restricted assets.

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015

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, 2015 to January 1, 2016, 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, 2014, and the statement of revenues and expenses for the period ended December 31, 2014. The District's portion of the overall equity of the pool is 4.006%, or \$1,655,325.

Assets	\$	62,397,015
Liabilities		21,080,991
Member balances		41,316,024
Revenues		20,548,979
Expenditures		19,517,301

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015

NOTE J - RISK MANAGEMENT (Continued)

Since 96% 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, 2015:

General Fund	\$ 432,240
Land Development Fund	3,445,261
Development Bond Projects Fund	2,287,826
Nonmajor Governmental Funds	1,385,297
Internal Service Funds	258,137

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015

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
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015

NOTE L - DEFINED BENEFIT PENSION PLANS (Continued)

3. Employees Covered by Benefit Terms

As of December 31, 2014, the following employees were covered by the benefit terms:

	IMRF	SLEP
Retirees and Beneficiaries currently receiving benefits	153	8
Inactive Plan Members entitled to but not yet receiving	266	4
Active Plan Members	197	19
Total	616	31

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 2014 was 12.13% for IMRF and 18.70% for SLEP. For the fiscal year ended 2015, the District contributed \$1,388,288 for IMRF and \$252,059 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

The District's net pension liability was measured as of December 31, 2014. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

6. Actuarial Assumptions

The following are the methods and assumptions used to determine total pension liability at December 31, 2014:

- * The **Actuarial Cost Method** used was Entry Age Normal.
- * The **Asset Valuation Method** used was Market Value of Assets.
- * The **Inflation Rate** was assumed to be 3.5%
- * **Salary Increases** were expected to be 3.75% to 14.50%, including inflation.
- * The **Investment Rate of Return** was assumed to be 7.50%.

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015

NOTE L - DEFINED BENEFIT PENSION PLANS (Continued)

6. Actuarial Assumptions (Continued)

* **Projected Retirement Age** was from the Experience-base Table of Rates, specific to the type of eligibility condition, last updated for the 2014 valuation according to an experience study from years 2011 to 2013.

* The IMRF-specific rates for **Mortality** (for non-disabled retirees) 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-2014 (base year 2014). 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-2014 (base year 2014). 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	38%	7.60%
International Equity	17%	7.80%
Fixed Income	27%	3.00%
Real Estate	8%	6.15%
Alternative Investments	9%	5.25-8.50%
Cash Equivalents	1%	2.25%
Total	100%	

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015

NOTE L - DEFINED BENEFIT PENSION PLANS (Continued)

7. Single Discount Rate

A Single Discount Rate of 7.49% 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 Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.50%, the municipal bond rate is 3.56%, and the resulting single discount rate is 7.50%

8. Changes in Net Pension Liability

<u>IMRF</u>	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2013	<u>\$ 55,638,979</u>	<u>\$ 52,604,011</u>	<u>\$ 3,034,968</u>
Changes for the year:			
Service Cost	1,325,778	-	1,325,778
Interest on the Total Pension Liability	4,157,410	-	4,157,410
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	685,889	-	685,889
Changes of Assumptions	1,865,732	-	1,865,732
Contributions - Employer	-	1,348,256	(1,348,256)
Contributions - Employees	-	524,758	(524,758)
Net Investment Income	-	3,212,918	(3,212,918)
Benefit Payments, including Refunds of Employee Contributions	(1,739,464)	(1,739,464)	-
Other (Net Transfer)	-	37,835	(37,835)
Net Changes	<u>6,295,345</u>	<u>3,384,303</u>	<u>2,911,042</u>
Balances at December 31, 2014	<u>\$ 61,934,324</u>	<u>\$ 55,988,314</u>	<u>\$ 5,946,010</u>

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015

NOTE L - DEFINED BENEFIT PENSION PLANS (Continued)

8. Changes in Net Pension Liability (Continued)

<u>SLEP</u>	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2013	<u>\$ 6,321,764</u>	<u>\$ 5,807,763</u>	<u>\$ 514,001</u>
Changes for the year:			
Service Cost	258,894	-	258,894
Interest on the Total Pension Liability	478,256	-	478,256
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	(257,596)	-	(257,596)
Changes of Assumptions	72,653	-	72,653
Contributions - Employer	-	243,924	(243,924)
Contributions - Employees	-	101,186	(101,186)
Net Investment Income	-	360,257	(360,257)
Benefit Payments, including Refunds of Employee Contributions	(148,924)	(148,924)	-
Other (Net Transfer)	-	3,085	(3,085)
Net Changes	<u>403,283</u>	<u>559,528</u>	<u>(156,245)</u>
Balances at December 31, 2014	<u>\$ 6,725,047</u>	<u>\$ 6,367,291</u>	<u>\$ 357,756</u>

9. Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.49% 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>	1% Lower 6.49%	Current Single Discount Rate Assumption 7.49%	1% Higher 8.49%
Net Pension Liability	\$ 70,811,998	\$ 61,934,324	\$ 54,678,714
Plan Fiduciary Net Pension	55,988,314	55,988,314	55,988,314
Net Pension Liability/(Asset)	<u>\$ 14,823,684</u>	<u>\$ 5,946,010</u>	<u>\$ (1,309,600)</u>

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015

NOTE L - DEFINED BENEFIT PENSION PLANS (Continued)

9. Sensitivity of the Net Pension Liability 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	\$ 7,727,820	\$ 6,725,047	\$ 5,915,416
Plan Fiduciary Net Pension	6,367,291	6,367,291	6,367,291
Net Pension Liability/(Asset)	\$ 1,360,529	\$ 357,756	\$ (451,875)

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

For the year ended June 30, 2015 the District recognized pension expense of \$391,984 . At June 30, 2015 the District reported deferred outflows or 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	\$ 498,252	\$ -
Changes of Assumptions	1,355,328	-
Net difference between projected and actual earnings on pension plan investments.	591,048	-
Total Deferred Amounts to be recognized in pension expense in future periods	2,444,628	-
Pension Contributions made subsequent to the measurement date	663,587	
Total Deferred Amounts Related to Pensions	<u>\$ 3,108,215</u>	<u>\$ -</u>

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015

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>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflow of Resources</u>
Deferred Amounts to be Recognized in Pension Expense in Future Periods		
Differences between expected and actual experience	\$ -	\$ 221,971
Changes of Assumptions	62,605	-
Net difference between projected and pension plan investments.	66,238	-
Total Deferred Amounts to be recognized in pension expense in future periods	<u>128,843</u>	<u>-</u>
Pension Contributions made subsequent to the measurement date	125,476	-
Total Deferred Amounts Related to Pensions	<u>\$ 254,319</u>	<u>\$ 221,971</u>

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>IMRE</u>	<u>Net Deferred Outflows of Resources</u>
<u>Year Ending December 31,</u>	
2015	\$ 845,803
2015	845,803
2017	605,258
2018	147,764
2019	-
Thereafter	-
Total	<u>\$ 2,444,628</u>

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015

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>	<u>Net Deferred</u>
<u>Year Ending December 31,</u>	<u>Outflows of</u>
<u>2015</u>	<u>Resources</u>
2015	\$ (9,017)
2015	(9,017)
2017	(9,017)
2018	(9,017)
2019	(25,577)
Thereafter	(31,483)
Total	<u>\$ (93,128)</u>

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 2014/15, the District's contribution, which was 100% implicit, was (\$180,252).

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015

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

3. Annual OPEB Cost and Net OPEB Obligation

The District's annual OPEB cost (expense) is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding, that if paid on an ongoing basis, is projected to cover the normal cost each year and to amortize any unfunded actuarial liabilities or funding excess over a period not to exceed thirty years. The following table shows the components of the District's annual OPEB cost for this year, the amount actually contributed to the plan, and changes in the District's net OPEB obligation to the District's Health Insurance Plan.

	<u>June 30, 2015</u>
Annual required contribution (ARC)	\$ 42,361
Interest on net OPEB obligation	3,952
Adjustment to annual required contribution	<u>(3,293)</u>
Annual OPEB cost	43,020
Contribution made	<u>(180,252)</u>
Increase in net OPEB obligation	<u>(137,232)</u>
Net OPEB obligation at beginning of year	98,794
Net OPEB obligation at end of year	<u><u>\$ (38,438)</u></u>

The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal year 2015 and the two preceding years were as follows:

<u>Fiscal Year</u> <u>Ended</u>	<u>Annual OPEB Cost</u>	<u>% of Annual OPEB Cost</u> <u>Contribution</u>	<u>Net OPEB</u> <u>Obligation</u>
6/30/2015	\$ 43,020	419.00%	\$ (38,438)
6/30/2014	47,910	145.60%	98,794
6/30/2013	50,215	56.30%	120,631

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015

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

4. Funding Policy and Actuarial Assumptions

Contribution Rates:		Actuarial Assumptions:	
Forest Preserve	N/A	Investment rate of return	4.00%
Plan Members	0	Projected salary increases	4.00%
Actuarial valuation date	6/30/2014	Healthcare inflation rate	6.0% initial
Actuarial cost method	Entry Age		5.0% ultimate
	Level % of pay	Mortality, turnover, disability	Same rates as
Amortization period	Open	and retirement ages	IMRF
Remaining amortization		Employer provided benefits	
period	30 years	Explicit:	None
Asset valuation method	Market	Implicit:	50% of premium to age 65

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and the plan members to that point. Benefits are 100% implicit. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

5. Funding Status and Funding Process

As of June 30, 2015, the most recent actuarial valuation date, the OPEB plan was 100% unfunded. The actuarial accrued liability for benefits was \$892,256 and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$892,356. The covered payroll was \$12,265,802 and the ratio of the UAAL to the covered payroll was 7.00%.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and healthcare cost trends. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision, as actual results are compared with past expectations and new estimates are made about the future.

See schedule of funding progress on page 78.

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015

NOTE N - 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. 72, *Fair Value Measurement and Application*, will be effective for the District beginning with its year ending June 30, 2016. This statement will address accounting and financial reporting issues related to fair value measurements, provide guidance for determining a fair value measurement for financial reporting purpose, and provide guidance for applying fair value to certain investments and disclosures related to all fair value measurements.

GASB Statement No. 73, *Accounting and Financial Reporting for Pension and Related Assets That Are Not Within the Scope of GASB Statement No. 68, and Amending to Certain Provisions of GASB Statements Nos. 67 and 68*, will be effective for the District beginning with its year ending June 30, 2016, except those provisions that address employers and governmental nonemployer contributing entities for pensions that are not within the scope of GASB Statement No. 68, which are effective for the District beginning with its year ending June 30, 2017. This Statement will establish requirements for those pension and pension plans that are not administered through a trust meeting specific criteria.

GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, will be effective for the District beginning with its year ending June 30, 2017. This Statement will establish rules on reporting by OPEB plans that administer benefits on behalf of governments.

GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, will be effective for the District beginning with its year ending June 30, 2018. This Statement outlines reporting by governments that provide OPEB to their employees and for governments that finance OPEB for employees of other governments.

GASB Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principals for State and Local Governments*, will be effective for the District beginning with its year ending June 30, 2016. This Statement reduces the GAAP hierarchy to two categories of authoritative GAAP from the four categories under GASB 55, *The Hierarchy of Generally Accepted Accounting Principals for State and Local Governments*. The first category of authoritative GAAP consists of GASB Statements of Governmental Accounting Standards. The second category comprises GASB Technical Bulletins and Implementation Guides, as well as guidance from AICPA that is cleared by the GASB. The Statement also addresses the use of authoritative and nonauthoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a sources of authoritative GAAP.

GASB Statement No. 77, *Tax Abatement Disclosures*, will be effective for the District beginning with its year ending June 30, 2017. This Statement requires state and local governments, for the first time, to disclose information about tax abatement agreements. It requires governments to disclose information about their own tax abatements separately from information about tax abatements that are entered into by other governments and reduce the reporting government's tax revenues.

LAKE COUNTY FOREST PRESERVE DISTRICT
 (A component unit of Lake County, Illinois)
 NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015

NOTE N - NEW ACCOUNTING PRONOUNCEMENTS (Continued)

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.

NOTE O - RESTATEMENT

The Governmental Accounting Standards Board (GASB) issued Statement No. 68, Accounting and Financial Reporting for Pensions which was adopted by the District for the year ended June 30, 2015. GASB 68 requires governments to provide defined benefit pensions to recognize their long-term obligation for pension benefits as a liability and to more comprehensively and to comparably measure annual costs of pension benefits. In accordance with GASB 68, the District now reports a net position liability, as well as both deferred inflows of resources and deferred outflows of resources on its financial statements. In addition, the impact of implementing this statement resulted in a restatement of beginning Net Position for Governmental Activities to record the pension liability and deferred inflows and outflows of resources related to pensions. The restatement is as follows:

	<u>Governmental Activities</u>
Net position, June 30, 2014	\$ 524,396,434
Restatement amount related to implementation of GASB 68	<u>(2,771,219)</u>
Net Position, June 30, 2014, as restated	<u>\$ 521,625,215</u>

NOTE P - SUBSEQUENT EVENT

On October 8, 2015, the Society of Actuaries ("SOA") released an updated Mortality Improvement Scale, MP-2015. The SOA's preliminary estimates suggest that updating this recently released scale might reduce a plan's liabilities up to two percent or less. Management of the District has not yet evaluated the impact of this recent update with their actuary and accordingly no adjustment has been made to the District's IMRF pension plan obligation as of its December 31, 2014 valuation date.

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 \$25,230,360 (including a reoffering premium of \$932,696 and payment of \$159,000 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 forest; 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 June 15, 2016. This represents the final issue authorized by the November 4, 2008 \$185 million bond referendum.

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
June 30, 2015

IMRF Plan					
Calendar Year Ending December 31,	Actuarial Determined Contribution	Actual Contribution	Unfunded Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll
2014	\$ 1,342,098	\$ 1,348,256	\$ (6,158)	\$ 11,660,280	11.56%

Notes to Schedule:

*Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2014 Contributions Rate**

Methods and Assumptions Used to Determine 2014 Contribution Rates:

Actuarial Cost Method:	Aggregate entry age = normal
Amortization Method:	Level percentage of payroll, closed
Remaining Amortization Period:	29-year closed period
Asset Valuation Method:	5-year smoothed market; 20% corridor
Wage Growth:	4%
Price Inflation:	3%, approximate; No explicit price inflation assumption is used in this valuation
Salary Increases:	4.40% to 16%, 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 2011 valuation pursuant to an experience study of the period 2008 to 2010.
Mortality:	RP-2000 Combined Health Mortality Table, adjusted for mortality improvements to 2002 using projection scale AA. For men, 120% of the table rates were used. For women, 92% of the table rates were used. For disabled lives the mortality rates are the rates applicable to non-disabled lives set forward 10 years.

Other Information:

Notes: There were no benefit changes during the year

*Based on Valuation Assumptions used in the December 31, 2012, 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
June 30, 2015

Sheriff's Law Enforcement Personnel Plan

Calendar Year Ending <u>December 31,</u>	Actuarial Determined <u>Contribution</u>	Actual <u>Contribution</u>	Unfunded Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll
2014	\$ 243,924	\$ 243,924	\$ -	\$ 1,349,139	18.08%

Notes to Schedule:

*Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2014 Contributions Rate**

Methods and Assumptions Used to Determine 2014 Contribution Rates:

Actuarial Cost Method:	Aggregate entry age = normal
Amortization Method:	Level percentage of payroll, closed
Remaining Amortization Period:	29-year closed period
Asset Valuation Method:	5-year smoothed market; 20% corridor
Wage Growth:	4%
Price Inflation:	3%, approximate; No explicit price inflation assumption is used in this valuation
Salary Increases:	4.40% to 16%, 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 2011 valuation pursuant to an experience study of the period 2008 to 2010.
Mortality:	RP-2000 Combined Health Mortality Table, adjusted for mortality improvements to 2002 using projection scale A.A. For men, 120% of the table rates were used. For women, 92% of the table rates were used. For disabled lives the mortality rates are the rates applicable to non-disabled lives set forward 10 years.

Other Information:

Notes: There were no benefit changes during the year

*Based on Valuation Assumptions used in the December 31, 2012, 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
June 30, 2015

IMRF Plan

Calendar Year Ending December 31,	<u>2014</u>
Total Pension Liability	
Service Cost	\$ 1,325,778
Interest on the Total Pension Liability	4,157,410
Benefit Changes	-
Difference between Expected and Actual Assumption Changes	685,889
Benefit Payments and Refunds	<u>(1,739,464)</u>
Net Changes in Total Pension Liability	6,295,345
Total Pension Liability-beginning	<u>55,638,979</u>
Total Pension Liability-ending (a)	<u><u>\$ 61,934,324</u></u>
 Plan Fiduciary Net Pension	
Employer Contributions	\$ 1,348,256
Employee Contributions	524,758
Pension Plan Net Investment Income	3,212,918
Benefit Payments and Refunds	(1,739,464)
Other	<u>37,835</u>
Net Change in Plan Fiduciary Net Pension	3,384,303
Plan Fiduciary Net Pension-beginning	<u>52,604,011</u>
Plan Fiduciary Net Pension-ending (b)	<u><u>\$ 55,988,314</u></u>
Net Pension Liability (Asset)-ending (a)-(b)	5,946,010
 Plan Fiduciary Net Pension as a Percentage of	
Total Pension Liability	90.40%
Covered Valuation Payroll	\$ 11,660,280
Net Pension Liability as a Percentage of Covered Valuation Payroll	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.

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
June 30, 2015

Sheriff's Law Enforcement Personnel Plan

Calendar Year Ending December 31,	<u>2014</u>
Total Pension Liability	
Service Cost	\$ 258,894
Interest on the Total Pension Liability	478,256
Benefit Changes	-
Difference between Expected and Actual	(257,596)
Assumption Changes	72,653
Benefit Payments and Refunds	<u>(148,924)</u>
Net Changes in Total Pension Liability	403,283
Total Pension Liability-beginning	<u>6,321,764</u>
Total Pension Liability-ending (a)	<u><u>\$ 6,725,047</u></u>
Plan Fiduciary Net Pension	
Employer Contributions	\$ 243,924
Employee Contributions	101,186
Pension Plan Net Investment Income	360,257
Benefit Payments and Refunds	(148,924)
Other	<u>3,085</u>
Net Change in Plan Fiduciary Net Pension	559,528
Plan Fiduciary Net Pension-beginning	<u>5,807,763</u>
Plan Fiduciary Net Pension-ending (b)	<u><u>\$ 6,367,291</u></u>
Net Pension Liability (Asset)-ending (a)-(b)	357,756
Plan Fiduciary Net Pension as a Percentage of	
Total Pension Liability	94.68%
Covered Valuation Payroll	\$ 1,348,139
Net Pension Liability as a Percentage of Covered	
Valuation Payroll	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.

LAKE COUNTY FOREST PRESERVE DISTRICT

(A component unit of Lake County, Illinois)

Schedule of Funding Progress-Unaudited
Other Postemployment Benefits
REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2015

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets (a)</u>	<u>Actuarial Accrued Liability -Entry Age (b)</u>	<u>Unfunded AAL (UAAL) (b-a)</u>	<u>Funded Ratio (a/b)</u>	<u>Covered Payroll (c)</u>	<u>UAAL as a Percentage of Covered Payroll ((b-a)/c)</u>
6/30/2015	\$ -	\$ 892,356	\$ 892,356	0.00%	\$ 12,265,802	7.28%
6/30/2014	-	584,784	584,784	0.00%	12,058,812	4.85%
6/30/2013	-	611,601	611,601	0.00%	12,658,281	4.83%

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 - Budgetary Basis
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Property taxes	\$ 14,475,780	\$ 14,475,780	\$ 14,487,088	\$ 11,308
Replacement taxes	940,000	940,000	1,044,818	104,818
Investment income	258,810	258,810	192,557	(66,253)
Grants & contributions	62,280	62,280	86,985	24,705
Land and building rentals	322,020	322,020	291,923	(30,097)
Charges for services and sales	909,060	909,060	1,032,403	123,343
Permits	598,100	598,100	637,718	39,618
Easements and licenses	12,000	12,000	12,000	-
Programs and admissions	356,580	356,580	322,335	(34,245)
Other revenue	137,600	137,600	201,529	63,929
Total revenues	<u>18,072,230</u>	<u>18,072,230</u>	<u>18,309,356</u>	<u>237,126</u>
Expenditures				
Current:				
General government	5,762,680	5,737,165	5,280,777	(456,388)
Education	2,041,280	2,102,780	1,911,512	(191,268)
Public safety	2,558,500	2,558,500	2,365,078	(193,422)
Recreation	1,964,630	1,964,630	1,745,869	(218,761)
Maintenance & development	5,318,860	5,368,595	5,302,776	(65,819)
Debt service:				
Principal	385,000	385,000	385,000	-
Interest	341,200	341,200	341,194	(6)
Capital outlay	1,657,900	3,461,391	877,811	(2,583,580)
Total expenditures	<u>20,030,050</u>	<u>21,919,261</u>	<u>18,210,017</u>	<u>(3,709,244)</u>
Excess (deficiency) of revenues over expenditures	<u>(1,957,820)</u>	<u>(3,847,031)</u>	<u>99,339</u>	<u>3,946,370</u>
Other financing sources (uses)				
Transfers out	(200,000)	(200,000)	(200,000)	-
Transfers in	-	-	8,443	8,443
Total other financing sources (uses)	<u>(200,000)</u>	<u>(200,000)</u>	<u>(191,557)</u>	<u>8,443</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures	<u>\$ (2,157,820)</u>	<u>\$ (4,047,031)</u>	<u>(92,218)</u>	<u>\$ 3,954,813</u>
Fund balances, beginning of year-budgetary basis			24,653,900	
Reconciliation to Statement of Revenues, Expenditures, and Changes in Fund Balances - governmental funds				
Effect of encumbrances			27,832	
Fund balances, end of year			<u><u>\$ 24,589,514</u></u>	

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 - Budgetary Basis
For the Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Property taxes	\$ 5,652,410	\$ 5,652,410	\$ 5,628,782	\$ (23,628)
Investment income	202,880	202,880	98,759	(104,121)
Grants & contributions	2,650	2,650	455,998	453,348
Other revenue	1,000	1,000	18	(982)
Total revenues	<u>5,858,940</u>	<u>5,858,940</u>	<u>6,183,557</u>	<u>324,617</u>
Expenditures				
Current:				
Maintenance & development	3,810,990	3,814,258	3,555,814	(258,444)
Natural resources	1,567,760	1,651,412	1,650,812	(600)
Capital outlay	<u>2,568,000</u>	<u>8,304,234</u>	<u>3,879,038</u>	<u>(4,425,196)</u>
Total expenditures	<u>7,946,750</u>	<u>13,769,904</u>	<u>9,085,664</u>	<u>(4,684,240)</u>
Deficiency of revenues over expenditures	<u>\$ (2,087,810)</u>	<u>\$ (7,910,964)</u>	(2,902,107)	<u>\$ 5,008,857</u>
Fund balances, beginning of year- budgetary basis			15,502,238	
Reconciliation to Statement of Revenues, Expenditures, and Changes in Fund Balances - governmental funds				
Effect of encumbrances			108,331	
Fund balances, end of year			<u>\$ 12,708,462</u>	

LAKE COUNTY FOREST PRESERVE DISTRICT
(A component unit of Lake County, Illinois)
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
Year Ended June 30, 2015

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 and Administrative Committee, after reviewing the recommendations of the three 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.
- e. As of June 30, 2015, there was one budget amendment for \$7,808,761 to reflect carryover projects budgeted but not completed in fiscal year 2014.
- 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. For budgetary comparison purposes, encumbrances are treated as expenditures. Encumbrances outstanding at year-end are reported as restricted or assigned fund balances and do not constitute expenditures or liabilities.

NOTE B - LEGAL COMPLIANCE AND ACCOUNTABILITY

For the year ended June 30, 2015, the following funds that had an excess of actual budgetary expenditures over the final budget of:

Land Preparation Fund	\$ 57,708 *
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- * Restoration work on land purchased higher than anticipated during budget process.

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, 2015

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Property taxes	\$ 25,748,430	\$ 25,748,430	\$ 25,956,800	\$ 208,370
Investment income	30,890	30,890	144,692	113,802
Treasury rebate	1,194,730	1,194,730	1,193,444	(1,286)
Total revenues	<u>26,974,050</u>	<u>26,974,050</u>	<u>27,294,936</u>	<u>320,886</u>
Expenditures				
Current:				
General government	-	-	172,010	172,010
Debt service:				
Principal	15,085,000	15,085,000	15,385,000	300,000
Interest	12,890,840	12,890,840	12,317,308	(573,532)
Paying agent fees	6,680	6,680	6,391	(289)
Total expenditures	<u>27,982,520</u>	<u>27,982,520</u>	<u>27,880,709</u>	<u>(101,811)</u>
Deficiency of revenues under expenditures	<u>(1,008,470)</u>	<u>(1,008,470)</u>	<u>(585,773)</u>	<u>422,697</u>
Other financing sources (uses)				
Issuance of debt	-	-	28,920,000	28,920,000
Premium on issuance of debt	-	-	1,378,964	1,378,964
Payment to escrow agency	-	-	(30,120,599)	(30,120,599)
Transfers out	(30,000)	(30,000)		30,000
Total other financing sources (uses)	<u>(30,000)</u>	<u>(30,000)</u>	<u>178,365</u>	<u>208,365</u>
Deficiency of revenues and other financing sources (uses) under expenditures	<u>\$ (1,038,470)</u>	<u>\$ (1,038,470)</u>	<u>(407,408)</u>	<u>\$ 631,062</u>
Fund balances, beginning of year-budgetary basis			16,549,605	
Fund balances, end of year			<u>\$ 16,142,197</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 - Budgetary Basis
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Investment income	\$ 61,520	\$ 61,520	\$ 44,139	\$ (17,381)
Total revenues	<u>61,520</u>	<u>61,520</u>	<u>44,139</u>	<u>(17,381)</u>
Expenditures				
Current:				
Maintenance & development	257,640	257,640	262,759	5,119
Capital outlay	8,272,800	8,272,800	2,285,494	(5,987,306)
Total expenditures	<u>8,530,440</u>	<u>8,530,440</u>	<u>2,548,253</u>	<u>(5,982,187)</u>
Deficiency of revenues over expenditures	<u>\$ (8,468,920)</u>	<u>\$ (8,468,920)</u>	(2,504,114)	<u>\$ 5,964,806</u>
Fund balances, beginning of year- budgetary basis			15,427,054	
Fund balances, end of year			<u>\$ 12,922,940</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 - Budgetary Basis
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Investment income	\$ 44,080	\$ 44,080	\$ 29,786	\$ (14,294)
Total revenues	<u>44,080</u>	<u>44,080</u>	<u>29,786</u>	<u>(14,294)</u>
Expenditures				
Current:				
General government	-	13,635	13,635	-
Capital outlay	1,933,670	6,647,678	3,539,002	(3,108,676)
Total expenditures	<u>1,933,670</u>	<u>6,661,313</u>	<u>3,552,637</u>	<u>(3,108,676)</u>
Deficiency of revenues over expenditures	<u>\$ (1,889,590)</u>	<u>\$ (6,617,233)</u>	(3,522,851)	<u>\$ 3,094,382</u>
Fund balances, beginning of year- budgetary basis			11,374,092	
Reconciliation to Statement of Revenues, Expenditures, and Changes in Fund Balances - governmental funds				
Effect of encumbrances			17,471	
Fund balances, end of year			<u>\$ 7,868,712</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.

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
June 30, 2015

	Special Revenue		
	Retirement Fund	Easements & Special Projects Fund	Land Preparation Fund
ASSETS			
Cash and investments	\$ 1,457,860	\$ 3,851,155	\$ 591,055
Property taxes receivable, net	1,072,130	-	-
Interest receivable	37	12,162	958
Grants receivable	-	-	-
Other receivable	-	-	-
Total assets	<u>\$ 2,530,027</u>	<u>\$ 3,863,317</u>	<u>\$ 592,013</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ 114,260	\$ -	\$ 45,307
Accrued payroll & payroll tax	40,797	-	-
Other liabilities	(244)	68,497	7,954
Total liabilities	<u>154,813</u>	<u>68,497</u>	<u>53,261</u>
Deferred inflows of resources			
Unavailable property tax revenue	1,017,106	-	-
Unavailable grant revenue	-	-	-
Total deferred inflows of resources	<u>1,017,106</u>	<u>-</u>	<u>-</u>
Fund balances			
Restricted	1,358,108	-	-
Committed	-	3,794,820	538,752
Total fund balances	<u>1,358,108</u>	<u>3,794,820</u>	<u>538,752</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,530,027</u>	<u>\$ 3,863,317</u>	<u>\$ 592,013</u>

Lake County Forest Preserve District
(A component unit of Lake County, Illinois)
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2015

Special Revenue				Capital Projects	
Farmland Management Fund	Tree Replacement Fund	Donations and Grant Fund	Total	Capital Facilities Improvement Fund	Total Nonmajor Governmental Funds
\$ 538,400	\$ 612,381	\$ 1,325,386	\$ 8,376,237	\$ 1,994,537	\$ 10,370,774
-	-	-	1,072,130	-	1,072,130
-	211	713	14,081	3,086	17,167
-	-	264,454	264,454	-	264,454
-	-	1,687	1,687	-	1,687
<u>\$ 538,400</u>	<u>\$ 612,592</u>	<u>\$ 1,592,240</u>	<u>\$ 9,728,589</u>	<u>\$ 1,997,623</u>	<u>\$ 11,726,212</u>
\$ 48,671	\$ 2,484	\$ 251,540	\$ 462,262	\$ 46,590	\$ 508,852
-	-	34,576	75,373	-	75,373
-	-	-	76,207	-	76,207
<u>48,671</u>	<u>2,484</u>	<u>286,116</u>	<u>613,842</u>	<u>46,590</u>	<u>660,432</u>
-	-	-	1,017,106	-	1,017,106
-	-	278,644	278,644	-	278,644
-	-	278,644	1,295,750	-	1,295,750
-	-	-	1,358,108	-	1,358,108
489,729	610,108	1,027,480	6,460,889	1,951,033	8,411,922
<u>489,729</u>	<u>610,108</u>	<u>1,027,480</u>	<u>7,818,997</u>	<u>1,951,033</u>	<u>9,770,030</u>
<u>\$ 538,400</u>	<u>\$ 612,592</u>	<u>\$ 1,592,240</u>	<u>\$ 9,728,589</u>	<u>\$ 1,997,623</u>	<u>\$ 11,726,212</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, 2015

	Special Revenue			
	Retirement Fund	Easements & Special Projects Fund	Land Preparation Fund	Farmland Management Fund
Revenues				
Property taxes	\$ 2,540,350	\$ -	\$ -	\$ -
Investment income	7,545	13,114	2,842	1,692
Grants & contributions	-	-	-	-
Land and building rentals	-	-	152,390	453,548
Easements and licenses	-	1,049	-	-
Other revenue	-	-	114,880	15,760
Total revenues	\$ 2,547,895	\$ 14,163	\$ 270,112	\$ 471,000
Expenditures				
Current:				
General government	2,453,465	22,080	-	-
Education	-	-	-	-
Recreation	-	-	-	-
Maintenance & development	-	-	157,708	-
Natural resources	-	-	-	388,620
Capital outlay	-	-	-	-
Total expenditures	2,453,465	22,080	157,708	388,620
Excess (deficiency) of revenues over expenditures	94,430	(7,917)	112,404	82,380
Other financing sources (uses)				
Proceeds from sale of capital assets	-	-	-	-
Transfers out	-	-	-	-
Transfers in	-	798,214	-	-
Total other financing source (uses)	-	798,214	-	-
Net change in fund balances	94,430	790,297	112,404	82,380
Fund balances - beginning	1,263,678	3,004,523	426,348	407,349
Fund balances - ending	\$ 1,358,108	\$ 3,794,820	\$ 538,752	\$ 489,729

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, 2015

Tree Replacement Fund	Special Revenue		Capital Projects	Total Nonmajor Governmental Funds
	Donations and Grant Fund	Total	Capital Facilities Improvement Fund	
\$ -	\$ -	\$ 2,540,350	\$ -	\$ 2,540,350
3,956	10,718	39,867	14,960	54,827
-	901,108	901,108	-	901,108
-	-	605,938	-	605,938
-	-	1,049	-	1,049
-	2,999	133,639	-	133,639
<u>\$ 3,956</u>	<u>\$ 914,825</u>	<u>\$ 4,221,951</u>	<u>\$ 14,960</u>	<u>\$ 4,236,911</u>
-	-	2,475,545	20,539	2,496,084
-	233,333	233,333	-	233,333
-	-	-	-	-
-	80,560	238,268	-	238,268
-	-	388,620	-	388,620
<u>97,450</u>	<u>1,006,262</u>	<u>1,103,712</u>	<u>364,047</u>	<u>1,467,759</u>
<u>97,450</u>	<u>1,320,155</u>	<u>4,439,478</u>	<u>384,586</u>	<u>4,824,064</u>
<u>(93,494)</u>	<u>(405,330)</u>	<u>(217,527)</u>	<u>(369,626)</u>	<u>(587,153)</u>
-	200	200	-	200
-	(8,443)	(8,443)	-	(8,443)
-	-	798,214	200,000	998,214
-	(8,243)	789,971	200,000	989,971
(93,494)	(413,573)	572,444	(169,626)	402,818
703,602	1,441,053	7,246,553	2,120,659	9,367,212
<u>\$ 610,108</u>	<u>\$ 1,027,480</u>	<u>\$ 7,818,997</u>	<u>\$ 1,951,033</u>	<u>\$ 9,770,030</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 - Budgetary Basis
For the Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Property taxes	\$ 2,707,560	\$ 2,707,560	\$ 2,540,350	\$ (167,210)
Investment income	4,050	4,050	7,545	3,495
Total revenues	<u>2,711,610</u>	<u>2,711,610</u>	<u>2,547,895</u>	<u>(163,715)</u>
Expenditures				
Current:				
General government	2,548,610	2,548,610	2,453,465	(95,145)
Total expenditures	<u>2,548,610</u>	<u>2,548,610</u>	<u>2,453,465</u>	<u>(95,145)</u>
Excess of revenues over expenditures	<u>\$ 163,000</u>	<u>\$ 163,000</u>	94,430	<u>\$ (68,570)</u>
Fund balances, beginning of year- budgetary basis			1,263,678	
Fund balances, end of year			<u>\$ 1,358,108</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 - Budgetary Basis
For the Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Investment income	\$ 49,630	\$ 49,630	\$ 13,114	\$ (36,516)
Easements and licenses	-	-	1,049	1,049
Total revenues	<u>49,630</u>	<u>49,630</u>	<u>14,163</u>	<u>(35,467)</u>
Expenditures				
Current:				
General government	10,000	10,000	22,080	12,080
Capital outlay	-	193,000	-	(193,000)
Total expenditures	<u>10,000</u>	<u>203,000</u>	<u>22,080</u>	<u>(180,920)</u>
Excess (deficiency) of revenues over expenditures	<u>39,630</u>	<u>(153,370)</u>	<u>(7,917)</u>	<u>145,453</u>
Other financing sources				
Transfers in	211,440	211,440	798,214	586,774
Total other financing sources	<u>211,440</u>	<u>211,440</u>	<u>798,214</u>	<u>586,774</u>
Excess of revenues and other financing sources over expenditures	<u>\$ 251,070</u>	<u>\$ 58,070</u>	790,297	<u>\$ 732,227</u>
Fund balances, beginning of year- budgetary basis			3,004,523	
Fund balances, end of year			<u>\$ 3,794,820</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 - Budgetary Basis
For the Year Ended June 30, 2015

	<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	\$ 2,842	\$ 1,842
Land and building rentals	152,400	152,400	152,390	(10)
Other revenue	44,800	44,800	114,880	70,080
Total revenues	<u>198,200</u>	<u>198,200</u>	<u>270,112</u>	<u>71,912</u>
Expenditures				
Current:				
Maintenance & development	<u>100,000</u>	<u>100,000</u>	<u>157,708</u>	<u>57,708</u>
Total expenditures	<u>100,000</u>	<u>100,000</u>	<u>157,708</u>	<u>57,708</u>
Excess of revenues over expenditures	<u>\$ 98,200</u>	<u>\$ 98,200</u>	112,404	<u>\$ 14,204</u>
Fund balances, beginning of year-budgetary basis			426,348	
Fund balances, end of year			<u>\$ 538,752</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 - Budgetary Basis
For the Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Investment income	\$ 850	\$ 850	\$ 1,692	\$ 842
Land and building rentals	456,930	456,930	453,548	(3,382)
Other revenue	16,630	16,630	15,760	(870)
Total revenues	<u>474,410</u>	<u>474,410</u>	<u>471,000</u>	<u>(3,410)</u>
Expenditures				
Current:				
Natural resources	<u>487,630</u>	<u>654,351</u>	<u>392,657</u>	<u>(261,694)</u>
Total expenditures	<u>487,630</u>	<u>654,351</u>	<u>392,657</u>	<u>(261,694)</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (13,220)</u>	<u>\$ (179,941)</u>	78,343	<u>\$ 258,284</u>
Fund balances, beginning of year-budgetary basis			407,349	
Reconciliation to Statement of Revenues, Expenditures, and Changes in Fund Balances - governmental funds				
Effect of encumbrances			4,037	
Fund balances, end of year			<u>\$ 489,729</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 - Budgetary Basis
For the Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Investment income	\$ 2,720	\$ 2,720	\$ 3,956	\$ 1,236
Total revenues	<u>2,720</u>	<u>2,720</u>	<u>3,956</u>	<u>1,236</u>
Expenditures				
Capital outlay	175,000	395,005	97,450	(297,555)
Total expenditures	<u>175,000</u>	<u>395,005</u>	<u>97,450</u>	<u>(297,555)</u>
Deficiency of revenues over expenditures	<u>\$ (172,280)</u>	<u>\$ (392,285)</u>	(93,494)	<u>\$ 298,791</u>
Fund balances, beginning of year-budgetary basis			703,602	
Fund balances, end of year			<u>\$ 610,108</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 - Budgetary Basis
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Investment income	\$ 2,170	\$ 2,170	\$ 10,718	\$ 8,548
Grants & contributions	2,900,760	2,900,760	901,108	(1,999,652)
Other revenue	-	-	2,999	2,999
Total revenues	<u>2,902,930</u>	<u>2,902,930</u>	<u>914,825</u>	<u>(1,988,105)</u>
Expenditures				
Current:				
Education	830,090	830,090	233,333	(596,757)
Maintenance & development	130,990	130,990	97,607	(33,383)
Natural resources	-	38,625	-	(38,625)
Capital outlay	2,032,750	2,785,315	1,006,262	(1,779,053)
Total expenditures	<u>2,993,830</u>	<u>3,785,020</u>	<u>1,337,202</u>	<u>(2,447,818)</u>
Excess (deficiency) of revenues over expenditures	<u>(90,900)</u>	<u>(882,090)</u>	<u>(422,377)</u>	<u>459,713</u>
Other financing sources (uses)				
Proceeds from sale capital asset	-	-	200	200
Transfers out	-	-	(8,443)	(8,443)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(8,243)</u>	<u>(8,243)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures	<u>\$ (90,900)</u>	<u>\$ (882,090)</u>	<u>(430,620)</u>	<u>\$ 451,470</u>
Fund balances, beginning of year-budgetary basis			1,441,053	
Reconciliation to Statement of Revenues, Expenditures, and Changes in Fund Balances - governmental funds			17,047	
Effect of encumbrances				
Fund balances, end of year			<u>\$ 1,027,480</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 - Budgetary Basis
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Investment income	\$ 13,200	\$ 13,200	\$ 14,960	\$ 1,760
Total revenues	<u>13,200</u>	<u>13,200</u>	<u>14,960</u>	<u>1,760</u>
Expenditures				
Current:				
General government	-	873	20,539	19,666
Capital outlay	-	387,706	364,047	(23,659)
Total expenditures	<u>-</u>	<u>388,579</u>	<u>384,586</u>	<u>(3,993)</u>
Excess (deficiency) of revenues over expenditures	<u>13,200</u>	<u>(375,379)</u>	<u>(369,626)</u>	<u>5,753</u>
Other financing sources				
Transfers in	<u>230,000</u>	<u>230,000</u>	<u>200,000</u>	<u>(30,000)</u>
Total other financing sources	<u>230,000</u>	<u>230,000</u>	<u>200,000</u>	<u>(30,000)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures	<u>\$ 243,200</u>	<u>\$ (145,379)</u>	<u>(169,626)</u>	<u>\$ (24,247)</u>
Fund balances, beginning of year-budgetary basis			2,120,659	
Fund balances, end of year			<u>\$ 1,951,033</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
June 30, 2015

	Vehicle Replacement Fund	IT Replacement Fund	Equipment Replacement Fund	Total Government Activities
ASSETS				
Current assets:				
Cash and investments	\$ 1,734,031	\$ 910,293	\$ 1,368,008	\$ 4,012,332
Interest receivable	1,005	655	5,366	7,026
Total current assets	<u>1,735,036</u>	<u>910,948</u>	<u>1,373,374</u>	<u>4,019,358</u>
Noncurrent assets:				
Construction in progress	-	129,770	-	129,770
Vehicles, machinery, and equipment	3,744,106	580,313	2,654,430	6,978,849
Less accumulated depreciation	<u>(2,176,276)</u>	<u>(535,859)</u>	<u>(1,659,889)</u>	<u>(4,372,024)</u>
Total noncurrent assets	<u>1,567,830</u>	<u>174,224</u>	<u>994,541</u>	<u>2,736,595</u>
Total assets	<u>\$ 3,302,866</u>	<u>\$ 1,085,172</u>	<u>\$ 2,367,915</u>	<u>\$ 6,755,953</u>
LIABILITIES				
Current liabilities:				
Accounts payable	\$ 4,298	\$ -	\$ 19,757	\$ 24,055
Total current liabilities	<u>4,298</u>	<u>-</u>	<u>19,757</u>	<u>24,055</u>
NET POSITION				
Net investment in capital assets	1,567,830	174,224	994,541	2,736,595
Unrestricted	<u>1,730,738</u>	<u>910,948</u>	<u>1,353,617</u>	<u>3,995,303</u>
Total net position	<u>\$ 3,298,568</u>	<u>\$ 1,085,172</u>	<u>\$ 2,348,158</u>	<u>\$ 6,731,898</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, 2015

	Vehicle Replacement Fund	IT Replacement Fund	Equipment Replacement Fund	Total Governmental Activities
Operating Revenues				
Equipment replacement charges	\$ 397,630	\$ 89,565	\$ 227,110	\$ 714,305
Total operating revenues	<u>397,630</u>	<u>89,565</u>	<u>227,110</u>	<u>714,305</u>
Operating expenses				
Commodities	-	8,396	-	8,396
Contractuals	-	32,553	-	32,553
Total operating expenses	<u>-</u>	<u>40,949</u>	<u>-</u>	<u>40,949</u>
Operating income before depreciation	397,630	48,616	227,110	673,356
Depreciation	<u>437,855</u>	<u>41,406</u>	<u>296,258</u>	<u>775,519</u>
Operating income (loss)	<u>(40,225)</u>	<u>7,210</u>	<u>(69,148)</u>	<u>(102,163)</u>
Nonoperating revenues				
Gain on sale fixed asset	61,970	1,515	65,685	129,170
Investment income	19,365	6,748	6,673	32,786
Other revenue	<u>15,788</u>	<u>-</u>	<u>-</u>	<u>15,788</u>
Total nonoperating revenues	<u>97,123</u>	<u>8,263</u>	<u>72,358</u>	<u>177,744</u>
Income before capital contributions and transfers	56,898	15,473	3,210	75,581
Contributions of capital assets	-	-	38,146	38,146
Transfers in	<u>-</u>	<u>-</u>	<u>11,780</u>	<u>11,780</u>
Change in net position	56,898	15,473	53,136	125,507
Total net position, beginning of year	<u>3,241,670</u>	<u>1,036,842</u>	<u>2,295,022</u>	<u>6,573,534</u>
Reconciliation to Statement of Revenues, Expenditures, and changes in net position - internal service funds				
Effect of encumbrances	<u>-</u>	<u>32,857</u>	<u>-</u>	<u>32,857</u>
Total net position, end of year	<u>\$ 3,298,568</u>	<u>\$ 1,085,172</u>	<u>\$ 2,348,158</u>	<u>\$ 6,731,898</u>

Lake County Forest Preserve District
(A component unit of Lake County, Illinois)
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2015

	Vehicle Replacement Fund	IT Replacement Fund	Equipment Replacement Fund	Total Governmental Activities
Cash flows from operating activities				
Receipts from customers and users	\$ 2,910	\$ -	\$ 2,850	\$ 5,760
Receipts from interfund services provided	397,630	89,565	227,110	714,305
Payments to suppliers of goods and services	4,298	(42,245)	19,757	(18,190)
Net cash provided by operating activities	<u>404,838</u>	<u>47,320</u>	<u>249,717</u>	<u>701,875</u>
Cash flows from noncapital financing activities				
Transfers in	-	-	11,780	11,780
Net cash provided by noncapital financing activities	<u>-</u>	<u>-</u>	<u>11,780</u>	<u>11,780</u>
Cash flows from capital and related financing activities				
Acquisition of capital assets	(154,333)	-	(190,437)	(344,770)
Proceeds from Insurance claim of fixed assets	15,788	-	-	15,788
Proceeds from sale of capital assets	61,970	1,514	65,685	129,169
Net cash provided (used) by capital and related financing activities	<u>(76,575)</u>	<u>1,514</u>	<u>(124,752)</u>	<u>(199,813)</u>
Cash flows from investing activities				
Interest received	17,815	5,847	8,649	32,311
Proceeds from sale of investments	578,575	273,000	416,000	1,267,575
Purchase of investments	(870,000)	(330,995)	(469,689)	(1,670,684)
Net cash provided (used) by investing activities	<u>(273,610)</u>	<u>(52,148)</u>	<u>(45,040)</u>	<u>(370,798)</u>
Increase (decrease) in cash and cash equivalents	54,653	(3,314)	91,705	143,044
Cash and cash equivalents at beginning of year	613	19,866	3,732	24,211
Cash and cash equivalents at end of year	<u>\$ 55,266</u>	<u>\$ 16,552</u>	<u>\$ 95,437</u>	<u>\$ 167,255</u>
Cash and cash equivalents per statement of cash flow	\$ 55,266	\$ 16,552	\$ 95,437	\$ 167,255
Investments	<u>1,678,765</u>	<u>893,741</u>	<u>1,272,571</u>	<u>3,845,077</u>
Cash and investments per statement of net position	<u>\$ 1,734,031</u>	<u>\$ 910,293</u>	<u>\$ 1,368,008</u>	<u>\$ 4,012,332</u>

(continued)

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, 2015

Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating Income (loss)	\$ (40,225)	\$ 7,210	\$ (69,148)	\$ (102,163)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	437,855	41,406	296,258	775,519
Changes in assets and liabilities:				
Accounts payable	4,298	(1,296)	2,850	5,852
Other receivable	2,910	-	19,757	22,667
Net cash provided (used) by operating activities	<u>\$ 404,838</u>	<u>\$ 47,320</u>	<u>\$ 249,717</u>	<u>\$ 701,875</u>
Noncash investing, capital, and financing activities				
Contribution of capital assets to other funds	\$ -	\$ -	\$ (28,157)	\$ (28,157)
Contribution of capital assets from other funds	\$ -	\$ -	\$ 38,147	\$ 38,147

Lake County Forest Preserve District
(A component unit of Lake County, Illinois)
Combining Statement of Revenues, Expenses, and Changes in Net Position
Golf Funds
For the Year Ended June 30, 2015

	Countryside Golf Course	Brae Loch Golf Course	Thunderhawk Golf Course	2015 Total Golf Courses
Operating revenues				
Season passes	\$ 52,527	\$ 24,548	\$ -	\$ 77,075
Greens fees	1,016,377	328,688	792,650	2,137,715
Gas cart rental	434,501	99,773	264,813	799,087
Hand cart rental	3,185	2,100	200	5,485
Club rental	2,819	960	5,360	9,139
Permanent starts	10,650	2,440	16,605	29,695
Practice range	97,110	-	32,477	129,587
Pro shop	43,946	11,104	86,807	141,857
Food & beverage concessions	209,162	92,973	-	302,135
Concessionaire and other	-	-	55,126	55,126
Land and building rentals	-	14,695	-	14,695
Miscellaneous	1,559	895	473	2,927
Total operating revenues	<u>1,871,836</u>	<u>578,176</u>	<u>1,254,511</u>	<u>3,704,523</u>
Operating expenses				
Personal services	1,400,650	352,030	577,624	2,330,304
Commodities	284,395	71,334	199,094	554,823
Contractuals	360,755	153,084	276,302	790,141
Food & beverage concessions	69,524	30,080	-	99,604
Merchandise	26,934	6,305	58,907	92,146
Total operating expenses	<u>2,142,258</u>	<u>612,833</u>	<u>1,111,927</u>	<u>3,867,018</u>
Operating income before depreciation	(270,422)	(34,657)	142,584	(162,495)
Depreciation	<u>124,143</u>	<u>85,192</u>	<u>305,284</u>	<u>514,619</u>
Operating (loss)	<u>(394,565)</u>	<u>(119,849)</u>	<u>(162,700)</u>	<u>(677,114)</u>
Nonoperating revenues				
Gain on sale of capital assets	9,858	3,278	13,124	26,260
Investment income	11,108	2,519	-	13,627
Other revenue	-	65,422	-	65,422
Total nonoperating revenues	<u>20,966</u>	<u>71,219</u>	<u>13,124</u>	<u>105,309</u>
(Loss) before contributions and transfers	(373,599)	(48,630)	(149,576)	(571,805)
Transfers out	(11,780)	-	(798,214)	(809,994)
Capital contributions	<u>1,467</u>	<u>-</u>	<u>-</u>	<u>1,467</u>
Change in net position	(383,912)	(48,630)	(947,790)	(1,380,332)
Total net position - beginning	11,268,276	2,659,339	6,861,712	20,789,327
Total net position - ending	<u>\$ 10,884,364</u>	<u>\$ 2,610,709</u>	<u>\$ 5,913,922</u>	<u>\$ 19,408,995</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.	100 - 105
<i>Revenue Capacity</i> These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.	106 - 110
<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.	111 - 114
<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.	115 - 117
<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.	118 - 119

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									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Government Activities										
Net investment in capital assets	\$ 451,716,433	\$ 431,029,147	\$ 424,561,937	\$ 391,810,639	\$ 350,693,993	\$ 282,908,856	\$ 263,075,279	\$ 284,864,303	\$ 244,299,920	\$ 226,314,847
Restricted	31,154,167	36,912,046	38,296,424	34,612,354	43,578,309	78,841,058	82,492,672	42,432,831	43,464,451	31,974,989
Unrestricted	57,355,174	53,684,022	52,892,754	59,467,197	54,472,556	33,872,265	29,813,809	22,198,892	31,817,623	32,814,874
Total Governmental activities net position	\$ 540,225,774	\$ 521,625,215	\$ 515,751,115	\$ 485,890,190	\$ 448,744,858	\$ 395,622,179	\$ 375,381,760	\$ 349,496,026	\$ 319,581,994	\$ 291,104,710
Business Activities										
Net investment in capital assets	\$ 18,231,845	\$ 18,390,800	\$ 18,656,267	\$ 35,672,025	\$ 56,178,296	\$ 56,393,498	\$ 56,943,761	\$ 56,308,447	\$ 55,830,396	\$ 55,182,996
Restricted	100,842	100,842	100,842	100,842	100,842	169,042	178,713	903,607	903,607	800,000
Unrestricted	1,076,308	2,297,685	2,463,295	2,223,253	2,604,430	2,972,384	2,364,848	2,256,284	1,980,918	1,788,012
Total Business-Type activities net position	\$ 19,408,995	\$ 20,789,327	\$ 21,220,404	\$ 37,996,120	\$ 58,883,568	\$ 59,534,924	\$ 59,487,322	\$ 59,468,338	\$ 58,714,921	\$ 57,771,008
Total Government										
Net investment in capital assets	\$ 469,948,278	\$ 449,419,947	\$ 443,218,204	\$ 427,482,664	\$ 406,872,289	\$ 339,302,354	\$ 320,019,040	\$ 341,172,750	\$ 300,130,316	\$ 281,497,843
Restricted	31,255,009	37,012,888	38,397,266	34,713,196	43,679,151	79,010,100	82,671,385	43,336,438	44,368,058	32,774,989
Unrestricted	58,431,482	55,981,707	55,356,049	61,690,450	57,076,986	36,844,649	32,178,657	24,455,176	33,798,541	34,602,886
Total Government activities net position	\$ 559,634,769	\$ 542,414,542	\$ 536,971,519	\$ 523,886,310	\$ 507,628,426	\$ 455,157,103	\$ 434,869,082	\$ 408,964,364	\$ 378,296,915	\$ 348,875,718
Component Unit										
Restricted	\$ 1,933,021	\$ 980,764	\$ 368,887	\$ 168,555	\$ 95,945					
Unrestricted	214,799	188,520	152,464	92,150	53,572					
Total Component Unit	\$ 2,147,820	\$ 1,169,284	\$ 521,351	\$ 260,705	\$ 149,517					

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

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									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Expenses										
Government activities:										
General government	\$ 11,380,328	\$ 14,554,928	\$ 8,033,932	\$ 11,929,450	\$ 9,489,224	\$ 7,409,288	\$ 10,763,460	\$ 7,403,322	\$ 8,137,120	\$ 9,030,334
Education	3,117,454	4,603,866	4,233,592	4,188,552	5,060,967	5,249,465	5,654,384	5,110,906	4,594,585	4,478,304
Public safety	2,756,093	2,570,971	2,910,119	2,525,746	2,508,055	2,758,995	2,688,627	2,359,884	2,057,434	1,541,016
Recreation	2,605,463	-	-	-	-	-	-	-	-	-
Natural resources	3,281,471	-	-	-	-	-	-	-	-	-
Maintenance and development	11,518,483	13,275,338	12,941,342	13,040,659	10,311,294	12,774,971	12,779,216	11,499,969	10,180,587	9,684,091
Interest	12,637,812	13,068,915	14,302,560	13,970,117	13,814,330	11,749,056	10,543,850	9,400,690	9,423,538	9,608,982
Total governmental activities expenses	\$ 47,297,104	\$ 48,074,018	\$ 42,421,545	\$ 45,654,524	\$ 41,183,870	\$ 39,941,775	\$ 42,429,537	\$ 35,774,771	\$ 34,393,264	\$ 34,342,727
Business-type activities:										
Golf courses	\$ 4,382,538	\$ 4,262,428	\$ 5,384,473	\$ 4,165,194	\$ 4,209,516	\$ 4,514,159	\$ 4,363,137	\$ 4,165,757	\$ 4,278,023	\$ 4,216,116
Fox River Recreational Area	-	-	-	-	403,777	282,918	293,619	291,862	279,942	282,408
Total business-type activities expenses	4,382,538	4,262,428	5,384,473	4,165,194	4,613,293	4,797,077	4,656,756	4,457,619	4,557,965	4,498,524
Total government expenses	\$ 51,679,642	\$ 52,336,446	\$ 47,806,018	\$ 49,819,718	\$ 45,797,163	\$ 44,738,852	\$ 47,086,293	\$40,232,390	\$38,951,229	\$38,841,251
Component unit:	\$ 481,294	\$ 508,623	\$ 319,044	\$ 292,210	\$ 335,053					
Total component unit expenses	\$ 481,294	\$ 508,623	\$ 319,044	\$ 292,210	\$ 335,053					
Program Revenue										
Government activities:										
Charges for services										
General government	\$ 1,488,705	\$ 1,855,676	\$ 1,914,725	\$ 1,852,911	\$ 2,589,873	\$ 1,684,887	\$ 1,450,580	\$ 1,293,513	\$ 1,002,060	\$ 1,017,125
Education	235,101	417,543	390,317	461,300	414,919	475,185	509,833	575,846	716,534	533,064
Public safety	714,236	679,740	661,238	628,147	623,165	612,529	567,000	550,509	528,491	514,095
Recreation	1,411,869	-	-	-	-	-	-	-	-	-
Natural resources	469,308	-	-	-	-	-	-	-	-	-
Maintenance and development	76,221	1,329,165	1,122,334	1,275,353	890,912	223,998	243,042	236,227	340,288	239,312
Operating grants and contributions	1,539,483	1,986,083	1,372,069	1,506,804	1,568,036	1,514,747	1,171,012	1,303,181	987,427	1,085,359
Capital grants and contributions	-	-	-	-	638,546	490,040	-	-	664,094	2,767,060
Total government activities program revenue:	\$ 5,934,923	\$ 6,268,207	\$ 5,460,683	\$ 5,724,515	\$ 6,725,451	\$ 5,001,386	\$ 3,941,467	\$ 3,959,276	\$ 4,238,894	\$ 6,156,015
Business-type activities:										
Charges for services										
Golf courses	\$ 3,704,524	\$ 3,870,213	\$ 3,860,639	\$ 4,284,472	\$ 4,011,583	\$ 4,408,887	\$ 4,644,378	\$ 4,732,357	\$ 4,829,390	\$ 4,961,486
Fox River Recreational Area	-	-	-	-	179,027	248,771	219,129	212,414	269,295	238,807
Total business-type activities program revenue	3,704,524	3,870,213	3,860,639	4,284,472	4,190,610	4,657,658	4,863,507	4,944,771	5,098,685	5,200,293
Total government program revenues	\$ 9,639,447	\$ 10,138,420	\$ 9,321,322	\$ 10,008,987	\$ 10,916,061	\$ 9,659,044	\$ 8,804,974	\$ 8,904,047	\$ 9,337,579	\$ 11,356,308
Component unit:										
Operating grants and contributions	\$ 1,451,448	\$ 1,156,229	\$ 579,438	\$ 399,415	\$ 438,785					
Total component unit revenues	\$ 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									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Net (expense)/revenue										
Government activities	\$ (41,362,181)	\$ (41,805,811)	\$ (36,960,862)	\$ (39,930,009)	\$ (34,458,419)	\$ (34,940,389)	\$ (38,488,070)	\$ (31,815,495)	\$ (30,154,370)	\$ (28,186,712)
Business-type activities	(678,014)	(392,215)	(1,523,834)	119,278	(422,683)	(139,419)	206,751	487,152	540,720	701,769
Total government net expenses	\$ (42,040,195)	\$ (42,198,026)	\$ (38,484,696)	\$ (39,810,731)	\$ (34,881,102)	\$ (35,079,808)	\$ (38,281,319)	\$ (31,328,343)	\$ (29,613,650)	\$ (27,484,943)
Component unit net expenses	\$ 970,154	\$ 647,606	\$ 260,394	\$ 107,205						
General Revenues and Other Changes in Net Position										
Government activities:										
Property and replacement taxes	\$ 48,475,881	\$ 50,877,208	\$ 52,935,570	\$ 54,670,750	\$ 57,801,955	\$ 61,260,618	\$ 60,753,092	\$ 58,393,220	\$ 53,974,327	\$ 52,911,235
Investment income (loss)	597,546	(734,871)	163,852	374,524	839,431	1,111,140	1,637,583	3,454,830	4,885,764	2,987,521
Gain on sale of capital assets	200	5,096	250	35,755	83,474	-	-	-	-	-
Insurance claim	36,554	-	-	-	-	-	-	-	-	-
Donation of capital assets	10,042,565	-	-	-	-	-	-	-	-	-
Litigation proceeds	-	-	-	-	-	-	-	-	-	-
Other	-	92,255	612,168	944,747	-	-	-	-	-	-
Contributions of capital assets	-	-	15,680,000	20,390,725	-	(28,846)	(15,813)	(237,123)	(322,037)	(1,849,321)
Transfers	809,994	211,442	426,820	658,840	248,942	248,942	248,942	118,600	93,600	93,600
Total government activities	\$ 59,962,740	\$ 50,451,130	\$ 69,818,660	\$ 77,075,341	\$ 58,973,802	\$ 62,591,854	\$ 62,623,804	\$ 61,729,527	\$ 58,631,654	\$ 54,143,035
Business-type activities:										
Investment income (loss)	13,627	(48,436)	11,696	11,042	14,585	25,617	45,362	147,742	174,757	169,191
Transfers of capital assets	1,467	-	(15,680,000)	(20,390,725)	-	28,846	15,813	237,123	322,037	1,849,321
Gain on sale of capital assets	26,260	-	7,254	4,534	5,684	-	-	-	-	-
Proceeds from loss of capital assets	-	197,428	835,988	27,263	-	381,500	-	-	-	-
Other	65,422	23,588	-	-	-	-	-	-	-	-
Transfers	(809,994)	(211,442)	(426,820)	(658,840)	(248,942)	(248,942)	(248,942)	(118,600)	(93,600)	(93,600)
Total business-type activities	(703,218)	(38,862)	(15,251,882)	(21,006,726)	(228,673)	187,021	(187,767)	266,265	403,194	1,924,912
Total government general revenues	\$ 59,259,522	\$ 50,412,268	\$ 54,566,778	\$ 56,068,615	\$ 58,745,129	\$ 62,778,875	\$ 62,436,037	\$ 61,995,792	\$ 59,034,848	\$ 56,067,947
Component unit										
Investment income	\$ 8,382	\$ 327	\$ 252	\$ 3,983	\$ 3,448					
Total component unit activities	\$ 8,382	\$ 327	\$ 252	\$ 3,983	\$ 3,448					
Change in Net Position										
Government activities	\$ 18,600,559	\$ 8,645,319	\$ 32,857,798	\$ 37,145,332	\$ 24,515,383	\$ 27,651,465	\$ 24,135,734	\$ 29,914,032	\$ 28,477,284	\$ 25,956,323
Business-type activities	(1,381,232)	(431,077)	(16,775,716)	(20,887,448)	(651,356)	47,502	18,984	753,417	943,914	2,626,681
Total government	\$ 17,219,327	\$ 8,214,242	\$ 16,082,082	\$ 16,257,884	\$ 23,864,027	\$ 27,699,067	\$ 24,154,718	\$ 30,667,449	\$ 29,421,198	\$ 28,583,004
Component unit	\$ 978,536	\$ 647,933	\$ 260,646	\$ 111,188	\$ 3,448					

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									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
General Fund										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,277,649	\$ 2,124,270	\$ 522,166
Unreserved	-	-	-	-	-	-	-	13,844,982	13,491,931	12,567,003
Nonspendable	290,083	291,503	333,412	335,382	306,637	323,556	290,461	-	-	-
Restricted	2,604,645	2,810,629	3,197,392	3,504,205	3,661,583	3,557,560	3,595,227	-	-	-
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	1,213,078	1,361,027	2,375,770	676,476	993,367	637,821	866,980	-	-	-
Unassigned	20,481,708	20,190,741	18,870,948	24,653,981	21,511,431	18,281,959	14,390,323	-	-	-
Total general fund	\$ 24,589,514	\$ 24,653,900	\$ 24,777,522	\$ 29,170,044	\$ 26,473,018	\$ 22,800,896	\$ 19,142,991	\$ 18,122,631	\$ 15,616,201	\$ 13,089,169
All Other Governmental Funds										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 53,459,840	\$ 70,463,908	\$ 89,740,330
Unreserved	-	-	-	-	-	-	-	5,428,783	5,821,977	5,321,559
Nonspendable	-	-	-	-	-	-	-	-	-	-
Restricted	51,000,419	61,554,245	68,366,184	63,423,644	47,085,263	83,132,600	93,800,215	-	-	-
Committed	8,411,922	6,662,481	2,603,836	2,511,107	969,275	-	-	-	-	-
Assigned	-	3,475	3,391,499	3,983,125	2,325,997	2,818,856	2,353,563	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-
Total all other governmental funds	\$ 59,412,341	\$ 68,220,201	\$ 74,361,519	\$ 69,917,876	\$ 50,380,535	\$ 85,951,456	\$ 96,153,678	\$ 58,888,623	\$ 76,285,885	\$ 95,061,889

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									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Revenues										
Property taxes	\$ 48,613,020	\$ 50,750,129	\$ 52,965,213	\$ 55,449,558	\$ 58,340,185	\$ 60,472,752	\$ 59,779,205	\$ 57,264,077	\$ 52,949,960	\$ 51,989,623
Replacement taxes	1,044,818	971,506	960,346	939,909	1,021,720	787,866	973,887	1,129,143	1,024,367	921,612
Investment income (loss)	564,760	(716,055)	151,612	360,089	804,206	1,036,786	1,577,462	3,278,814	4,670,029	2,837,030
Grants and contributions	1,444,091	1,265,568	1,372,069	1,506,804	1,891,012	2,004,787	1,171,012	1,303,181	1,651,521	3,852,419
Treasury rebate	1,193,444	1,194,731	1,231,423	1,291,801	1,211,776	225,428	-	-	-	-
Land and building rental	897,861	890,442	847,335	878,676	643,052	601,223	553,997	745,546	484,508	690,002
Charges for services and sales	1,032,403	1,027,406	806,533	878,133	586,548	587,809	750,690	366,415	490,064	470,679
Permits	637,718	622,939	594,944	578,879	588,748	573,329	526,619	563,692	644,904	497,238
Easements and licenses	13,049	12,000	12,500	41,092	1,004,248	194,327	108,657	-	-	-
Programs and admissions	322,335	321,589	302,957	399,422	407,353	393,416	382,659	-	-	-
Other revenue	335,186	305,272	905,091	1,094,455	117,505	417,777	444,637	978,767	752,117	645,677
Total revenue	\$ 56,098,685	\$ 56,645,527	\$ 60,150,023	\$ 63,418,818	\$ 66,616,353	\$ 67,295,500	\$ 66,268,825	\$ 65,629,635	\$ 62,667,470	\$ 61,904,280
Expenditures										
General government	\$ 7,790,496	\$ 7,531,843	\$ 7,463,797	\$ 7,280,101	\$ 7,675,859	\$ 7,511,785	\$ 7,790,804	\$ 6,939,066	\$ 6,970,471	\$ 6,593,184
Education	2,144,845	3,229,950	3,436,225	3,398,107	3,766,151	4,060,282	4,251,123	4,074,114	3,885,495	3,710,008
Public safety	2,365,078	2,291,130	2,488,251	2,132,924	2,186,454	2,127,797	2,083,124	1,903,523	1,692,077	1,351,111
Recreation	1,745,869									
Natural resources	2,039,432									
Maintenance and development	9,359,617	11,310,784	11,079,573	11,199,964	11,184,966	11,290,090	10,672,927	10,252,729	9,018,990	8,703,960
Debt service										
Principal	15,770,000	15,400,000	15,210,000	16,560,000	20,430,000	21,185,000	16,694,438	17,075,929	16,026,362	15,805,123
Interest	12,658,502	14,005,447	13,953,924	14,011,680	13,817,684	11,759,428	19,843,863	16,001,304	14,570,489	12,617,243
Bond issuance costs	172,010	129,254	520,817	530,095	439,980	248,976	616,605	340,068	614,214	293,676
Paying agent fees	6,391	6,154	6,267	6,085	6,735	6,035	6,070	5,555	8,418	3,038
Capital outlay	11,895,470	9,553,306	31,880,071	12,008,108	79,238,414	50,952,701	40,130,080	59,662,485	29,264,044	24,286,679
Total expenditures	\$ 65,947,710	\$ 63,457,868	\$ 86,038,925	\$ 67,127,064	\$ 138,746,243	\$ 109,142,094	\$ 102,089,034	\$ 116,254,773	\$ 82,050,560	\$ 73,364,022
Excess (deficiency) of revenues over (under) expenditures	(9,849,025)	(6,812,341)	(25,888,902)	(3,708,246)	(72,129,890)	(41,846,594)	(35,820,209)	(50,625,138)	(19,383,090)	(11,459,742)

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									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Other Financing Sources (Uses)										
Issuance of debt	28,920,000	18,855,000	24,995,000	24,995,000	40,000,000	35,000,000	72,105,000	35,000,000	52,555,000	45,000,000
Premium on swap	-	-	-	-	-	-	-	-	2,318,000	-
Premium on bonds issued	1,378,964	2,220,864	517,953	253,018	-	50,045	9,032	614,031	-	2,399,847
Discount on bonds issued	-	-	-	-	(60,963)	-	(10,546)	-	-	-
Payments to escrow agent	(30,120,599)	(20,745,000)	-	-	-	-	-	-	(52,048,261)	-
Litigation proceeds	-	-	-	-	-	-	1,750,000	-	-	-
Capital contributions	-	-	-	-	-	-	-	-	-	-
Transfers in	1,006,657	2,690,062	6,335,786	2,298,904	2,211,080	3,489,146	5,255,576	14,147,059	3,064,505	640,568
Transfers out	(208,443)	(2,478,620)	(5,908,966)	(1,640,064)	(1,962,138)	(3,240,204)	(5,006,634)	(14,028,459)	(2,970,905)	(546,968)
Proceeds from sale of capital assets	200	5,095	250	35,755	43,112	3,290	3,196	1,675	215,780	-
Total other financing sources (uses)	976,779	547,401	25,940,023	25,942,613	40,231,091	35,302,277	74,105,624	35,734,306	3,134,119	47,493,447
Net change in fund balance	(\$8,872,246)	(\$6,264,940)	\$51,121	\$22,234,367	(\$31,898,799)	(\$6,544,317)	\$38,285,415	(\$14,890,832)	(\$16,248,971)	\$36,033,705
Debt service as a percentage of non-capital expenditures	49.9%	51.4%	55.6%	54.5%	61.1%	56.4%	55.2%	57.6%	56.7%	55.0%

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	Industrial Property Equalized Assessed Value	Farm Property Equalized Assessed Value (1)	Equalized Assessed Value (1)					
	2005	\$ 22,028,603,597	\$ 3,371,972,295	\$ 898,569,795	\$ 130,842,924					
2006	24,059,821,968	3,560,027,731	945,748,957	138,325,080	11,480,843	1,396,156,864	27,319,247,715	0.204	86,154,799,217	33.33%
2007	25,707,055,762	3,896,237,047	1,009,514,103	138,725,008	12,734,654	1,396,156,860	29,368,109,714	0.201	92,302,029,937	33.33%
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%

Sources:

(1) Assessed values from the Lake County Clerk - Tax Extension Department.

(2) Estimated actual values based on comparable 33 1/3 assessment ratio.

n/a Not available

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									
		2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Comparative Tax Rates											
General corporate	.060	0.059	0.060	0.060	0.059	0.059	0.059	0.057	0.055	0.051	0.051
Audit fund	0.005	0.001	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.001	0.001
Liability insurance	no limit	0.004	0.003	0.003	0.003	0.004	0.003	0.004	0.005	0.005	0.005
Land development levy	0.025	0.025	0.025	0.025	0.025	0.025	0.025	0.025	0.025	0.025	0.025
Retirement fund - IMRF/FICA	no limit	0.010	0.013	0.011	0.010	0.008	0.007	0.006	0.005	0.008	0.008
Subtotal (subject to tax cap)		0.099	0.101	0.099	0.097	0.096	0.094	0.092	0.090	0.090	0.090
Debt service	no limit	0.112	0.117	0.113	0.104	0.102	0.106	0.107	0.111	0.114	0.120
Total tax rates		0.211	0.218	0.212	0.201	0.198	0.200	0.199	0.201	0.204	0.210
Comparative tax extensions											
General corporate		\$13,367,526	\$13,780,764	\$14,683,606	\$15,760,285	\$16,923,972	\$17,800,726	\$17,377,233	\$16,152,460	\$13,932,811	\$12,836,558
Audit fund		222,845	-	-	-	-	-	-	-	273,192	251,697
Liability insurance		891,380	689,038	734,180	801,370	1,147,388	905,122	1,219,455	1,468,405	1,365,962	1,258,486
Land development levy		5,569,765	5,741,985	6,118,169	6,678,087	7,171,175	7,542,681	7,621,593	7,342,028	6,829,809	6,292,430
Retirement fund - IMRF/FICA		2,167,982	2,985,832	2,691,994	2,671,235	2,294,776	2,111,951	1,829,182	1,468,405	2,185,539	2,013,578
Subtotal (subject to tax cap)		22,219,498	23,197,619	24,227,950	25,910,977	27,537,311	28,360,479	28,047,463	26,431,298	24,587,313	22,652,749
Debt service		25,339,554	26,872,489	27,654,125	27,780,841	29,258,393	31,980,965	32,620,419	32,598,602	31,143,931	30,203,666
Total tax extensions		\$47,559,052	\$50,070,108	\$51,882,075	\$53,691,818	\$56,795,704	\$60,341,444	\$60,667,882	\$59,029,900	\$55,731,244	\$52,856,415

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	
2005	0.090	0.120	0.454	0.004-2.060	0.965-3.197	3.246-5.872	1.013-4.166	0.197	0.029-0.359	0.010-0.132	0.031-0.191	0.019-0.711	0.155-0.438	0.136-0.690	0.012-0.013	0.049
2006	0.090	0.114	0.450	0.012-2.130	0.961-3.136	3.386-5.834	0.964-4.296	0.195-0.320	0.016-0.375	0.020-0.277	0.030-0.187	0.019-0.728	0.161-0.436	0.128-0.674	0.012	0.046
2007	0.090	0.111	0.444	0.013-2.446	0.959-3.013	3.023-5.639	0.944-4.330	0.192-0.269	0.028-0.368	0.015-0.271	0.031-0.186	0.019-0.707	0.152-0.433	0.121-0.652	0.011-0.042	0.042
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

Tax Levies as Extended (000s Omitted)

Year	Operating	Debt	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	Total
2005	\$ 22,652	\$ 30,204	\$ 115,256	\$ 141,556	\$ 384,526	\$ 218,116	\$ 512,753	\$ 50,604	\$ 23,685	\$ 8,437	\$ 12,218	\$ 54,796	\$ 44,060	\$ 50,734	\$ 561	\$ 3,212	\$ 1,673,370
2006	24,587	31,144	123,887	170,484	411,535	234,635	552,042	54,947	25,589	9,140	12,683	58,953	46,950	56,295	615	3,273	1,816,759
2007	26,431	32,599	131,606	182,468	434,771	240,621	580,403	57,498	27,108	22,642	13,142	62,026	48,969	60,583	611	3,223	1,924,701
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

Source : Based upon data compiled from records of the Lake County Clerk.
n/a Not available

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

Principal Property Taxpayers
Current Year and Nine Years Ago

Taxpayer	Type of Business	2015			2006		
		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	\$160,896	0.71 %	1	\$159,242	0.69 %
Gurnee Mill/Gurnee Properties Associates	Retail Outlet Mall	2	48,345	0.21	2	55,514	0.24
Discover Properties LLC	Real Estate Brokerage	3	41,524	0.18	-	-	-
Wal-Mart Stores Inc.	Discount Department Store	4	34,242	0.15	-	-	-
Arden Realty Inc.	Real Estate Landlord	5	32,224	0.14	-	-	-
Midwest Family Housing LLC	Real Estate Developers	6	31,913	0.14	-	-	-
Baxter Healthcare Corporation	Pharmaceuticals	7	28,065	0.12	-	-	-
Scott Dressing Sr Mgr. Taxation	Pharmaceuticals	8	28,039	0.12	-	-	-
Colliers International	Commercial Real Estate	9	23,635	0.10	-	-	-
Property Tax Services Co.	Amusements	10	23,512	0.10	9	26,938	0.12
Van Vlissingen & Company	Real Estate Developers	-	-	-	5	39,119	0.17
The Northwestern Mutual Life Insurance	Insurance Company	-	-	-	6	35,928	0.16
Discover Financial Services	Financial Services	-	-	-	4	39,569	0.17
AMLI	Real Estate Developers	-	-	-	7	34,050	0.15
W.W. Grainger, Inc.	Industrial Supplier	-	-	-	8	27,992	0.12
Carr Office Park, LLC	Real Estate Developers	-	-	-	3	40,737	0.18
Allegiance Healthcare Corporation	Pharmaceuticals	-	-	-	10	26,570	0.12
Totals			<u>\$452,395</u>	<u>1.97 %</u>		<u>\$485,659</u>	<u>2.12 %</u>

Sources: Based on data submitted by the Lake County, Illinois Supervisor of Assessments' Report:
"Non-Farm Parcels Exceeding \$999,999 in Assessed Valuation."

LAKE COUNTY FOREST PRESERVE DISTRICT

(A component unit of Lake County, Illinois)

Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year	Levy Year	Total Tax Levy for Fiscal Year	Collection within the Fiscal Year of the Levy		Collections In Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2006	2005	\$ 52,856,415	\$ 29,359,535	55.55%	\$ 23,291,195	\$ 52,650,730	99.61%
2007	2006	55,731,245	29,568,519	53.06%	26,071,021	55,639,540	99.84%
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 (1)	53.09%	n/a	25,246,796	53.09%

Sources: Lake County Illinois Tax Extension Division.

(1) Collections through August 13, 2015. Second installment of 2014 levy is due September 3, 2015.

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

Legal Debt Margin Information
Last Ten Fiscal Years

	Fiscal Year									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Debt limit	\$520,877,414	\$528,262,606	\$562,871,655	\$614,383,982	\$659,748,076	\$693,926,607	\$701,186,584	\$675,466,523	\$628,342,467	\$578,903,598
Total net debt applicable to limit	258,307,803	279,140,637	295,828,991	291,993,138	282,115,206	260,190,363	243,221,363	192,194,551	181,865,765	200,708,607
Legal debt margin	<u>262,569,611</u>	<u>249,121,969</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>	<u>483,271,972</u>	<u>446,476,702</u>	<u>378,194,991</u>
Total net debt applicable to the limit as a percentage of debt limit	49.59%	52.84%	52.56%	47.53%	42.76%	37.50%	34.69%	28.45%	28.94%	34.67%

Legal Debt Margin Calculation for Fiscal Year 2014

Net Assessed Value (2014)	\$22,646,844,107
Debt limit (2.3% of net assessed valuation)	<u>520,877,414</u>
Amount of debt applicable to debt limit	274,450,000
Less: Amount in Debt Service Fund available for payment of principal	<u>(16,142,197)</u>
Total amount of debt applicable to debt limit	<u>258,307,803</u>
Legal debt margin	<u><u>\$262,569,611</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					
2006	\$ 225,229,038	\$ 1,084,000	\$ -	\$ 226,313,038	\$ 37,263,297	0.61%	702,682	322
2007	207,719,289	555,000	-	208,274,289	39,199,483	0.53%	723,591	288
2008	219,456,413	-	-	219,456,413	39,488,486	0.56%	723,591	303
2009	266,875,437	-	-	266,875,437	39,789,801	0.67%	723,591	369
2010	274,823,238	-	-	274,823,238	37,515,642	0.73%	728,086	377
2011	294,444,006	-	-	294,444,006	37,975,785	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	281,820,000	-	-	281,820,000	n/a	n/a	706,327	399

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
2006	\$ 225,229,038	\$ 25,169,721,641	0.895%	702,682	\$ 321
2007	207,719,289	27,319,237,715	0.760%	723,591	287
2008	219,456,413	29,368,109,714	0.747%	723,591	303
2009	266,875,437	30,486,373,229	0.875%	723,591	369
2010	274,823,238	30,170,722,053	0.911%	728,086	377
2011	294,444,006	28,684,698,965	1.026%	703,462	419
2012	303,245,171	26,712,347,047	1.135%	706,260	429
2013	316,521,234	24,472,676,727	1.293%	711,155	445
2014	300,679,325	22,967,939,408	1.309%	703,019	428
2015	281,200,000	22,646,844,107	1.242%	706,327	398

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)

Schedule Direct and Overlapping Bonded Debt (1)

As of April 28, 2014 (*)

	Gross Debt	Percentage of Debt Applicable to District (1)	District's Share of Debt
Lake County Forest Preserve District	<u>\$ 289,835,000</u>	100.00%	<u>\$ 289,835,000</u>
Overlapping Debt (2)			
Lake County	110,575,000	100.00%	110,575,000
School Districts	953,864,688	100.00%	953,864,688
College Districts	88,623,587	100.00%	88,623,587
Municipalities	503,766,928	100.00%	503,766,928
Park Districts	92,990,332	100.00%	92,990,332
Public Library Districts	32,885,194	100.00%	32,885,194
Sanitary Districts	6,000,000	100.00%	6,000,000
CLCJAWA	14,005,000	100.00%	14,005,000
Special Service Areas (County and Municipal)	159,767,203	100.00%	159,767,203
Fire Districts	4,230,000	100.00%	4,230,000
Total Overlapping Debt	<u><u>\$ 1,966,707,932</u></u>		<u><u>\$ 1,966,707,932</u></u>
Total Direct and Overlapping Debt	<u><u>\$ 2,256,542,932</u></u>		<u><u>\$ 2,256,542,932</u></u>

*Data Source: The County of Lake. Most recent data available.

Notes:

(1) Debt percentage to County is calculated by applying the ratio of assessed value of the specific district to that portion which is in Lake County. Percentages have been rounded to the nearest hundredth.

(2) Represents general obligation debt, as reported by various governments. Overlapping governments without general obligation debt are not shown. Data presented was obtained from the Lake County Clerk.

(3) As of April 28, 2014.

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>
2006	702,682	\$ 37,263,297	\$ 53,626	34.8	138,296	4.20%
2007	723,591	39,199,483	40,393	35.0	140,341	4.60%
2008	723,591	39,488,486	40,573	35.1	139,369	8.30%
2009	723,591	39,789,801	38,042	35.2	139,235	11.60%
2010	728,086	37,515,642	37,724	35.3	138,317	9.60%
2011	703,462	37,975,785	35,828	36.7	137,929	9.50%
2012	706,260	39,305,689	34,980	36.8	137,143	7.70%
2013	711,155	41,191,114	37,122	36.6	135,714	9.00%
2014	703,019	42,780,828	39,306	37.3	135,330	5.60%
2015	706,327	n/a	n/a	n/a	n/a	n/a

Sources:

- (1) U.S. Census, Economic Development Intelligence System, Northeastern Illinois Planning Commission and U.S. Department of Commerce.
- (2) 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.
- n/a Not Available

LAKE COUNTY FOREST PRESERVE DISTRICT

(A component unit of Lake County, Illinois)

Principal Employers
Current year and Nine Years Ago
June 30, 2015

Employers	2015			2006		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
CDW Corporation	9,800	1	2.84%	-	-	-
Abbott Laboratories	9,000	2	2.61%	14,000	1	4.09%
Walgreen Company	6,100	3	1.77%	5,000	3	1.46%
Abb Vie Inc.	6,000	4	1.74%	-	-	-
Baxter Healthcare Corporation	5,900	5	1.71%	5,900	2	4.09%
Aon Hewitt	4,000	6	1.16%	-	-	-
Discover Financial Services	3,000	7	0.87%	3,000	6	0.88%
Alumna Systems	2,500	8	0.72%	-	-	-
Advocate Healthcare	1,800	9	0.52%	-	-	-
Trustmark Insurance Company	1,700	10	0.49%	-	-	-
Hewitt Associates Inc.	1,700	10	0.49%	4,000	4	1.17%
Medline Industries Inc.	-	-	-	3,286	5	0.96%
Six Flags Great America	-	-	-	3,000	6	0.88%
Naval Training Center	-	-	-	3,000	6	0.88%
LTD Commodities	-	-	-	2,600	7	0.76%
Hospira	-	-	-	2,522	8	0.74%
Fortune Brands (Beam Suntory & Acco Brands Subsidiaries)	-	-	-	2,380	9	0.69%
Totals	51,500		24.22%	48,688		16.60%

Source: Lake County Partners

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									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
General government	24.65	29.00	29.00	30.75	43.30	39.30	39.10	38.85	38.85	35.62
Education	39.90	49.99	49.99	49.99	51.71	54.04	53.83	52.42	49.18	46.67
Public safety	28.49	27.49	25.96	25.96	25.96	25.96	24.96	23.96	23.96	23.96
Maintenance and development	123.15	130.17	130.31	130.81	118.94	118.94	119.25	117.13	115.17	116.24
Golf courses	58.34	58.09	62.27	62.82	62.92	62.92	65.73	64.48	68.04	71.75
Fox River Recreational Area	0.00	0.00	0.00	0.00	1.77	1.77	1.77	2.47	2.47	2.47
Total	<u>274.53</u>	<u>294.74</u>	<u>297.53</u>	<u>300.33</u>	<u>304.60</u>	<u>302.93</u>	<u>304.64</u>	<u>299.31</u>	<u>297.67</u>	<u>296.71</u>

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									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
General government										
Employee Safety Training Sessions	18	20	25	24	24	14	25	25	25	25
Environmental Mitigation Projects	3	3	5	5	3	8	7	8	8	8
Computers Supported	204	199	206	189	195	188	184	189	191	189
Education and cultural resources										
Program Registrations	22,650	28,500	21,960	21,960	20,380	25,595	23,740	23,840	26,300	21,952
Program and Event Attendance	123,950	129,650	117,770	117,770	119,158	122,150	120,400	141,300	135,100	139,474
Community Use Rentals	130	150	145	145	42	183	266	251	261	272
Public safety										
Public Safety Service Calls	19,000	18,000	15,800	15,800	14,000	13,000	12,000	11,000	9,000	1,872
Public Access Areas Patrolled	130	130	123	123	120	118	116	113	99	98
Permits Processed	28,260	26,730	26,605	26,405	25,115	24,451	22,578	21,345	18,061	16,835
Maintenance and development										
Preserve Work Orders Completed	4,489	4,468	4,330	4,330	2,692	2,765	2,619	2,910	2,645	2,500
Prairie, Woodland, Wetlands Seeded	435	197	285	226	120	600	420	168	250	189
Prescribed Burn Management Acres	2,391	3,000	3,200	2,568	5,713	4,000	2,467	2,811	2,400	1,900
Golf courses										
Daily Golf Rounds	79,955	85,239	88,135	91,835	90,327	110,766	113,592	113,500	116,610	99,394
Rounds of Cart Rentals	57,581	59,667	61,695	73,607	65,487	72,076	78,239	79,512	82,793	83,650
Season Passes Sold	79	98	102	113	126	149	169	180	259	368
Fox River Recreational Area										
Boat Slip Leases	72	70	75	72	99	103	95	98	108	92
Winter Storage Leases	123	93	89	89	118	116	120	117	126	109

n/a Not available

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									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
General government										
Total Acres	30,235	30,156	30,037	29,334	29,281	28,114	27,114	26,550	25,492	25,195
Building and Structures	303	315	398	398	394	400	400	393	388	388
Miles of Trails	189	182	159	157	148	145	141	131	126	123
Education and cultural resources										
Historical/Cultural Sites	4	4	4	4	4	4	4	4	4	4
Public safety										
Patrol Units	17	17	19	18	18	27	27	27	25	25
Ranger Stations	5	7	7	7	7	7	7	7	7	7
Maintenance and development										
Vehicles and Equipment	438	452	437	507	521	486	492	491	488	486
Farmland Management Acres	2,220	2,298	2,617	2,527	1,820	1,700	1,588	1,689	1,710	1,800
Golf courses										
Number of Golf Courses	3	3	3	4	4	4	4	4	4	4
Fox River Recreational Area										
Number of Boat Slips	169	169	169	169	169	169	169	169	169	169
Trails in miles	2	2	2	2	2	2	2	2	2	1.5

Source: Lake County Forest Preserve Annual Budget