

**KENDALL COUNTY FOREST PRESERVE DISTRICT
MEETING AGENDA**

**TUESDAY, APRIL 21, 2020
9:00 A.M.**

KENDALL COUNTY BOARD ROOM

- I. Call to Order
- II. Pledge of Allegiance
- III. Invocation
- IV. Roll Call
- V. Approval of Agenda
- VI. Public Comments

CONSENT AGENDA

- VII. Approval of Minutes
 - Kendall County Forest Preserve District Commission meeting on April 7, 2020
- VIII. *Approval of Claims in the Amount of \$35,059.16

OLD BUSINESS

No Items Posted for Consideration

NEW BUSINESS

- IX. **MOTION:** Approval of the Submission of the Upland Design, Inc. Change Order Bulletin #1 to the Illinois Department of Natural Resources – Office of Grants Management for Pre-Approval of Proposed Changes to the Scope of Work for the Pickerill-Pigott Forest Preserve: Public Access–Phase I OSLAD Development Project
- X. **MOTION:** Approval of the Mack and Associates, P.C. FY19 Audit Report for the Kendall County Forest Preserve District
- XI. ***MOTION:** Approval of an Amendment to Farm License Agreement #18-01-001 with Kyle Connell of Morris, Illinois Allowing the Licensee to Exercise an Option to Convert All or Portions of the Leased Farm Fields over to Hay Production with a Base Rent Increase to \$220.00 per Acre for Each Converted Acre
- XII. ***MOTION:** Approval of a Farm License Agreement #20-03-001 with Nate Fazio of Yorkville, Illinois for Hay Production at Baker Woods Forest Preserve, Including Provisions for the Sale of District Surplus Hay based on Market Pricing and \$0.50 per Small Bale Storage and Delivery Fee
- XIII. Executive Session
- XIV. Other Items of Business
 - KCFPD COVID 19 (Coronavirus) Response Updates
- XV. Public Comments
- XVI. Adjournment

(Requires affirmative vote of the majority of those elected (6) for passage (KCFPD Rules of Order Section G.2.b.v.a)*

**KENDALL COUNTY FOREST PRESERVE DISTRICT
COMMISSION MEETING MINUTES
APRIL 7, 2020**

I. Call to Order

President Gilmour called the meeting to order at 7:04 pm in the Kendall County Board Room.

II. Pledge of Allegiance

All present recited the Pledge of Allegiance.

III. Invocation

Commissioner Prochaska offered an invocation for the meeting.

IV. Roll Call

X	Cesich (Remote)	X	Gryder
X	Flowers (Remote)	X	Hendrix (Remote)
X	Gengler (Remote)	X	Kellogg (Remote)
X	Giles (Remote)	X	Prochaska (Remote)
X	Gilmour (Remote)	X	Vickers (Remote)

Commissioners Cesich, Flowers, Gengler, Giles, Gryder, Hendrix, Kellogg, Prochaska, Vickers, and Gilmour were all present.

V. Approval of Agenda

Commissioner Hendrix made a motion to approve the Commission meeting agenda as presented. Seconded by Commissioner Gryder. Aye, all. Opposed, none.

VI. Public Comment

No public comments were offered from citizens in attendance.

CONSTENT AGENDA

VII. Approval of Minutes

• **Kendall County Forest Preserve District Commission meeting of March 18, 2020**

Director Guritz presented minutes for approval from the Kendall County Forest Preserve District Commission meeting of March 18, 2020.

VIII. Approval of Claims for an Amount Not-to-Exceed \$11,281.71

Director Guritz presented claims for an amount not-to-exceed \$11,281.71.

Commissioner Hendrix made a motion to approve the consent agenda. Seconded by Commissioner Gengler.

Motion: Commissioner Hendrix					
Second: Commissioner Gengler					
Roll call: Consent Agenda					
Aye	Opposed	Commissioner	Aye	Opposed	Commissioner
X		Cesich	X		Gryder
X		Flowers	X		Hendrix
X		Gengler	X		Kellogg
X		Giles	X		Prochaska
X		Gilmour	X		Vickers
Motion unanimously approved.					

OLD BUSINESS

No agenda items posted for consideration.

NEW BUSINESS

IX. MOTION: Approval of Proposal from Scott Kobal of Wheaton, Illinois for the Completion of Baseline Floristic Quality Surveys of Fox River Bluffs Forest Preserve in 2020, and Little Rock Creek Forest Preserve in 2021 for a total Amount Not-to-Exceed \$3,250.00

Commissioner Hendrix made a motion to approve the proposal from Scott Kobal of Wheaton, Illinois for the Completion of Baseline Floristic Quality Surveys of Fox River Bluffs Forest Preserve in 2020, and Little Rock Creek Forest Preserve in 2021 for a total amount not-to-exceed \$3,250.00. Seconded by Commissioner Gengler.

Motion: Commissioner Kellogg					
Second: Commissioner Gryder					
Roll call: Scott Kobal					
Aye	Opposed	Commissioner	Aye	Opposed	Commissioner
X		Cesich	X		Gryder
X		Flowers	X		Hendrix
X		Gengler	X		Kellogg
X		Giles	X		Prochaska
X		Gilmour	X		Vickers
Motion unanimously approved.					

X. Executive Session

There was no need for executive session.

XI. Other Items of Business

- KCFPD COVID-19 (Coronavirus) Response Report Updates

Director Guritz reported that District staff continues to monitor and report on preserve visitation and visitor behavior with respect to social distancing. Preserves have continued to experience visitation below capacity, with parked vehicles in preserve lots generally below 50% capacity, with the public taking measures to socially distance on the trail system.

XII. Public Comments

No public comments were offered from citizens in attendance.

XIII. Adjournment

Commissioner Gryder made a motion to adjourn. Seconded by Commissioner Giles. Aye, all. Opposed, none. Meeting adjourned at 7:20 pm.

Respectfully submitted,

David Guritz
Director, Kendall County Forest Preserve District

Claims Listing

4/15/2020 12:01:47 PM

Department	Vendor #	Vendor Name	Invoice #	Invoice Description	GL Account	Invoice Amount
Ellis Barn	541	FIRST NATIONAL BANK OF OMAHA	M Vick Credit Card A	Ellis - Credit Card - Supplies	19001161	\$275.61
					68580	
					Sub-Total	\$275.61
Ellis Birthday Parties					Ellis Barn	\$275.61
	541	FIRST NATIONAL BANK OF OMAHA	M Vick Credit Card A	Ellis - Credit Card - Supplies	19001165	\$58.99
					63000	
					Sub-Total	\$58.99
Ellis Camps	529	EQUINE VETERINARY PRACTICE LLC	213869,214302,214299	Ellis - Vet Care	19001165	\$164.00
					63020	
					Sub-Total	\$164.00
Ellis Birthday Parties					Ellis Birthday Parties	\$222.99
	541	FIRST NATIONAL BANK OF OMAHA	M Vick Credit Card A	Ellis - Credit Card - Supplies	19001163	\$58.98
					63000	
					Sub-Total	\$58.98
Ellis Camps	529	EQUINE VETERINARY PRACTICE LLC	213869,214302,214299	Ellis - Vet Care	19001163	\$164.00
					63020	
					Sub-Total	\$164.00
Ellis Camps	2057	MATTHEW CAVINESS	12020226	Ellis-Horse Shoe Repairs	19001163	\$70.00
					63020	
					Sub-Total	\$234.00
					Ellis Camps	\$292.96

Ellis Grounds									
1323	MENARDS	78978	Ellis Grounds	19001162	68580				\$73.82
1323	MENARDS	80366	Ellis Supplies	19001162	68580				\$265.42
2286	PROFESSIONAL GARAGE DOOR SERVICES	43364	Ellis - Grounds	19001162	68580				\$268.64
				Sub-Total					\$607.88
				Ellis Grounds	Total				\$607.88
Ellis House									
541	FIRST NATIONAL BANK OF OMAHA	D Guritz Apr 2020	D Guritz CC April 2020 - Misc Invoices	19001160	62270				\$178.37
124	BARRETT'S ECOWATER	10381 April 2020	Ellis - Water	19001160	68580				\$25.00
1323	MENARDS	79408	Ellis - Supplies	19001160	68580				\$65.49
				Sub-Total					\$90.49
				Ellis House	Total				\$268.86
Ellis Riding Lessons									
541	FIRST NATIONAL BANK OF OMAHA	D Guritz Apr 2020	D Guritz CC April 2020 - Misc Invoices	19001164	63000				\$950.50
541	FIRST NATIONAL BANK OF OMAHA	M Vick Credit Card A	Ellis - Credit Card - Supplies	19001164	63000				\$58.99
				Sub-Total					\$1,009.49
529	EQUINE VETERINARY PRACTICE LLC	213869,214302,214299	Ellis - Vet Care	19001164	63020				\$164.00
2057	MATTHEW CAVINESS	12020226	Ellis-Horse Shoe Repairs	19001164	63020				\$70.00

Ellis Riding Lessons	2057	MATTHEW CAVINESS	12020226	Ellis-Horse Shoe Repairs	19001164	63020	\$140.00
							\$374.00
							\$1,383.49
Ellis Weddings					Ellis Riding Lessons		
	541	FIRST NATIONAL BANK OF OMAHA	D Guritz Apr 2020	D Guritz CC April 2020 - Misc Invoices	19001168	63070	\$129.84
							\$129.84
					Ellis Weddings		\$129.84
Environ. Educ. Laws of Nature							
	541	FIRST NATIONAL BANK OF OMAHA	E Dombrowsk Apr 2020	Env Educ Pet Supplies & Hoover COVID	19001180	63030	\$14.86
							\$14.86
					Environ. Educ. Laws of Nature		\$14.86
Environ. Educ. Other Pblc Prg							
	2557	MARY CONOVER	Maple Syrup Program	Maple Magic Refund - COVID-19	19001179	63040	\$8.00
	2558	ANINA VOWELS	Prog COVID19	Program Refund COVID19	19001179	63040	\$24.00
	2580	KALA SWANSON	Prog Refund COVID19	Program Refund COVID19	19001179	63040	\$5.00
	2581	EMILEE FRENCH	Prog COVID19	Program Refund COVID19	19001179	63040	\$40.00
	2583	RYAN FORGUE	Prog COVID19	Program Refund COVID19	19001179	63040	\$336.00
	2584	RAECHEL PETERSON	Prog Refund COVID19	Program Refund COVID19	19001179	63040	\$5.00
	2585	CAROL GELLATLY	Prog COVID19	Program Refund COVID19	19001179	63040	\$15.00

Environ. Educ. Other Pblic Prg	MEGAN TREMBLEY	Prog Refund COVID19	Program Refundf COVID19	19001179:63040	\$5.00
					Sub-Total
					\$438.00
					Total
					\$438.00
Environ. Educ. Other Pblic Prg					
541	FIRST NATIONAL BANK OF OMAHA	S Wiencke Apr 2020	NB Supplies	19001178:63030	\$87.39
2559	BRIDGET & DEREK BABSON	NB COVID19	NB Refund COVID19	19001178:63040	\$395.00
2560	JENNIFER & DANIEL BREUNIG	NB COVID19	NB Refund COVID19	19001178:63040	\$395.00
2561	JENNIE MICHAEL COLLINS	NB COVID19	NB Refund COVID19	19001178:63040	\$395.00
2562	CASEY 7 TODD CRACKEL	NB COVID19	NB Refund COVID19	19001178:63040	\$395.00
2563	STEPHANIE & BRIAN EVANS	NB COVID19	NB Refund COVID19	19001178:63040	\$395.00
2564	CLAIRE & MICHAEL KANE	NB COVID19	NB Refund COVID19	19001178:63040	\$395.00
2565	JENNY & MIKE LISS	NB COVID19	NB Refund COVID19	19001178:63040	\$395.00
2566	CLAIRE & ANY SCHWARTZ	NB COVID19	NB Refund COVID19	19001178:63040	\$395.00
2567	JODI & ZACH WEBER	NB COVID19	NB Refund COVID19	19001178:63040	\$395.00
2568	KRISTIN & EDWARD BERINGER	NB COVID19	NB Refund COVID19	19001178:63040	\$470.00
2569	JAMIE & RYAN CHATMAN	NB COVID19	NB Refund COVID19	19001178:63040	\$30.00

2570	ALLIE & ALEX HOULE	NB COVID19	NB Refund COVID 19	19001178:63040	\$470.00
2571	MANDIE & DAVE KOLARIK	NB COVID19	NB Refund COVID19	19001178:63040	\$470.00
2572	DIANE & ERIC KRANTZ	NB COVID19	NB Refund COVID19	19001178:63040	\$470.00
2573	ANDREA & DAVID OTTO CLASSEN	NB COVID19	NB Refund COVID19	19001178:63040	\$470.00
2574	SHEILA & ADAM ROACH	NB COVID19	NB Refund COVID19	19001178:63040	\$470.00
2575	BRITTANY ROY	NB COVID19	NB Refund COVID19	19001178:63040	\$470.00
2576	AMY & BRAD SCHEINBAUM	NB COVID19	NB Refund COVID19	19001178:63040	\$470.00
2577	ANGELA & MATT SCHORSCH	NB COVID19	NB Refund COVID19	19001178:63040	\$470.00
2578	JOANNE & ANDREW SHAW	NB COVID19	NB Refund COVID19	19001178:63040	\$470.00
2579	KARN & FRANK STERIOTTI	NB COVID19	NB Refund COVID19	19001178:63040	\$470.00
				Sub-Total	\$8,755.00
				Environmental Educ. Netrl Beg.	Total \$8,842.39
2582	ELMWOOD ELEMENTARY	School COVID19	School Program Refund COVID19	19001176:63040	\$345.00
				Sub-Total	\$345.00
				Environmental Education School	Total \$345.00
541	FIRST NATIONAL BANK OF OMAHA	D Gurtz Apr 2020	D Gurtz CC April 2020 - Misc Invoices	190011:62000	\$636.87
1464	NORTHERN SAFETY CO, INC	903886058	Harris & Hoover - COVID Supplies	190011:62000	\$88.83

Forest Preserve Director						Sub-Total	\$725.70
2047	COMED	Harris	Harris		19001163510		\$81.54
2047	COMED	Harris Arena	Harris Arena		19001163510		\$25.70
2047	COMED	Jay Woods	Jay Woods		19001163510		\$24.80
2047	COMED	Richard Young	Richard Young		19001163510		\$24.80
					Sub-Total		\$156.84
49	AMALGAMATED BANK OF CHICAGO	1856367001	Bond 2017 Admin Fee		19031166500		\$475.00
					Sub-Total		\$475.00
541	FIRST NATIONAL BANK OF OMAHA	D Guritz Apr 2020	D Guritz CC April 2020 - Misc Invoices		19001168430		\$44.13
1665	SHAW MEDIA	10085118-Apr 2020	Website Hosting, Ads		19001168430		\$402.21
2591	POSITIVE MEDIA SOLUTIONS, INC	20-039	Yorkville Guide Ad		19001168430		\$675.00
					Sub-Total		\$1,121.34
541	FIRST NATIONAL BANK OF OMAHA	D Guritz Apr 2020	D Guritz CC April 2020 - Misc Invoices		19071168530		\$160.07
678	GRAINCO FS, INC.	60010678	Fox River Bluffs - Seed		19091168530		\$2,400.00
1658	SEMPER FI YARD SERVICES	2020-2453	Hoover - Prescribed Burn		19091168530		\$2,300.00
2286	PROFESSIONAL GARAGE DOOR SERVICES	KCFPD 3/19	Little Rock Creek - Shed Repair		19011168530		\$695.00
					Sub-Total		\$5,555.07
					Forest Preserve Director	Total	\$8,033.95

Grounds and Natural Resources

60	AMERICAN TIRE AND AUTOMOTIVE	3181	F-150 - Oil, Filter	19001183:62160	\$67.61
413	DEKANE EQUIPMENT CORP	RA44706	Equipment	19001183:62160	\$622.56
506	ELBURN NAPA, INC.	3-31-2020	Hoover-Harris Equipment	19001183:62160	\$242.92
1060	JOHN DEERE FINANCIAL	April 2020	Hoover & Harris Supplies	19001183:62160	\$48.49
				Sub-Total	\$981.58
1153	KENDALL CO HIGHWAY DEPT	Mar 2020	Gas-Diesel March 2020	19001183:62180	\$712.26
2153	JARED ANDERSON	Mileage Reimburs Apr	Mileage Reimbursement April 2020	19001183:62180	\$149.50
				Sub-Total	\$861.76
2597	CAROL SEIBEL	20-00046	Shelter Refund - COVID 19	19001183:63040	\$50.00
				Sub-Total	\$50.00
541	FIRST NATIONAL BANK OF OMAHA	D Guritz Apr 2020	D Guritz CC April 2020 - Misc Invoices	19001183:63070	\$263.31
1655	SERVICE SANITATION, INC	7914218,7914219	Portable Restrooms	19001183:63070	\$168.00
				Sub-Total	\$431.31
1060	JOHN DEERE FINANCIAL	April 2020	Hoover & Harris Supplies	19001183:63110	\$11.94
1060	JOHN DEERE FINANCIAL	April 2020	Hoover & Harris Supplies	19001183:63110	\$44.97
1153	KENDALL CO HIGHWAY DEPT	2019-2020 Salt	2019-2020 Salt - Hoover & Harris	19001183:63110	\$1,265.22

Grounds and Natural Resources						Sub-Total	\$1,322.13
1849	VERIZON	9850788287	Call Phones	19001183	63540		\$1,146.62
						Sub-Total	\$1,146.62
199	BUSTED KNUCKLES LANDSCAPING	2637	Tree Removal - Lyon Preserve	19001183	68530		\$1,800.00
1605	RIEMENSCHNEIDER ELECTRIC	12518	Hoover Preserve Improvements	19001183	68530		\$2,118.35
						Sub-Total	\$3,918.35
				Grounds and Natural Resources	Total		\$8,711.75
Hoover							
2596	BILL MUELLER	19-00251	Bunkhouse Sec Dep Refund - COVID-19	19001171	63040		\$100.00
2598	JASON BAKER	19-00283	Bunkhouse Sec Dep & Rental Fee Refund - COVID-19	19001171	63040		\$540.00
2599	LESTER ERWIN	19-00150	Group Site Refund - COVID 19	19001171	63040		\$135.00
2600	LUKAS WYSS	20-00041	Bunkhouse Sec Dep & Rental Fee Refund - COVID-19	19001171	63040		\$270.00
2601	NANCY WARD	20-00034	Meadowhawk Sec Dep & Rental Fee - COVID-19	19001171	63040		\$457.50
						Sub-Total	\$1,502.50
2047	COMED	Hoover Bathhouse	Hoover Bathhouse	19001171	63100		\$291.85
2047	COMED	Hoover House	Hoover House	19001171	63100		\$61.85
2047	COMED	Hoover Multiples	Hoover Multiples	19001171	63100		\$918.28
						Sub-Total	\$1,271.98

Hoover						
541	FIRST NATIONAL BANK OF OMAHA	D Guritz Apr 2020	D Guritz CC April 2020 - Misc Invoices	19001171	63110	\$83.92
541	FIRST NATIONAL BANK OF OMAHA	E Dombrowsk Apr 2020	Env Educ Pet Supplies & Hoover COVID	19001171	63110	\$17.47
1060	JOHN DEERE FINANCIAL	April 2020	Hoover & Harris Supplies	19001171	63110	\$94.66
1950	YORKVILLE ACE & RADIO SHACK	400515	Hoover - Sump Pump, Bldg. Shop	19001171	63110	\$47.98
					Sub-Total	\$244.03
1323	MENARDS	79101	Hoover - Bldg Supplies	19001171	63120	\$17.80
1323	MENARDS	79804	Hoover - Utility Scaffold	19001171	63120	\$199.99
1323	MENARDS	79887	Hoover Supplies	19001171	63120	\$14.97
1950	YORKVILLE ACE & RADIO SHACK	400515	Hoover - Sump Pump, Bldg. Shop	19001171	63120	\$45.14
					Sub-Total	\$277.90
1207	LAFARGE AGGREGATES ILLINOIS INC	712382011	Hoover - Stone - Pres Improvements	19001171	68580	\$1,211.91
					Sub-Total	\$1,211.91
				Hoover	Total	\$4,508.32
2047	COMED	Pickerill	Pickerill	19001184	63100	\$983.24
					Sub-Total	\$983.24
				Pickerill - Pigott	Total	\$983.24
					Grand Total	\$35,059.16

To: Kendall County Forest Preserve Board of Commissioners

From: David Guritz, Director

RE: Summary of Agenda Items

Date: April 21, 2020

Upland Design Change Order – Bulletin #1 – Submission to IDNR for Pre-Approval

Upland Design submitted a summary report of project costs, funding available, and additional cost impacts associated with the proposed change order.

- Item #1: \$ 8,370.00 Existing light pole west of the house to remain. Install electrical conduit with wire for future connection from existing light pole to proposed shelter. Provide connection at the two post locations on the East side of the proposed shelter.
- Item #2: \$ 39,690.00 Replace entrance drive gravel paving with asphalt paving at area starting at the curve and through the main parking lot.
- Item #3: \$ 14,769.00 Replace entrance drive gravel paving with asphalt paving starting at the bus turnaround to the Pickerill House.
- Item #4: \$ 864.00 Provide additional concrete in front of the proposed dumpster enclosure in lieu of asphalt.

Total: \$63,693.00

The potential additional District capital outlay to complete Items 1-4 is \$8,535.50. There is a \$15,000 project contingency factored into the total project costs. Should all or a portion of the project contingency be conserved, the District's additional capital outlay would be reduced.

Recommendation: Consider a motion to approve the presentation of Bulletin #1 to the IDNR for pre-approval.

Farm License Agreement Amendment – Option to Convert Row Crops to Hay Production – Baker Woods – Kyle Connell

There are 106.7 tillable acres currently in row crop production under Farm License Agreement #18-10-001 with Kyle Connell. Base rent is \$207 per acre plus a calculated yield payment extending through December 2021.

Kyle Connell is requesting permission to convert some or all of the acres over to hay production, with an increase in base rent to \$220 per acre. Mr. Connell also requested a contract extension to December 2024 in order to provide sufficient time to recover costs for seed. This agreement was let for bid in 2018 under a three year contract.

There would be several advantages to converting the fields over to hay production:

1. The current hay ground at Baker Woods has a 3-4 year life span remaining. Production is limited in the first year's cutting of a newly seeded field. Converting the remaining acres to hay would provide longer-term production.
2. Hay field production is a higher-quality habitat over row crop production.
3. Soil erosion control is improved with hay production, with reduced maintenance for District staff to maintain drainage ways and surface flow.

Recommendation: District staff recommends approval of the requested option, with the understanding that Commission renewal of an additional 3-year contract in 2022 would be in both the District's and farm operator's best interests.

Approval of Farm License Agreement #20-03-001 with Nate Fazio of Yorkville

The District received one competitive bid for the three-year hay production contract from Nate Fazio of Yorkville for the existing hay fields at Baker Woods Forest Preserve (approximately 23.6 acres). The farm operator is qualified and references were contacted. The bid price per small bale stored and delivered is \$0.50, which represents a reduction over the previous contract.

Recommendation: District staff recommends approval of Farm License Agreement #20-03-001 as presented.

KCFPD COVID-19 (Coronavirus) Response Updates

On Sunday, April 19, 2020 District staff observed and reported that all parking areas at Hoover Forest Preserve were filled to capacity. Two organized group activities were reported. The first was a group of approximately 15-equestrians; the second was a group of motorcyclists that occupied lawn space near Meadowhawk Lodge for a group picnic. Both groups showed disregard for taking proper social distancing measures.

Based on the District's inability to control visitation and visitor behavior on weekends, District staff recommends that Hoover Forest Preserve remain closed to vehicular traffic on weekends only until May 15, 2020, to be extended as needed until the State of Illinois stay-at-home restriction is lifted. Residents may still access the preserve, but the main gate will remain closed. Following Commission discussion and consensus, the following actions will be taken:

1. A sign will be posted at the front entrance notifying visitors that the preserve's main gate will be closed on weekends through May 15, 2020.
2. A press release will be sent out on Tuesday, April 21.
3. The District will post announcements on Facebook and the District's website landing page.



April 17, 2020

Project # 737

Dave Guritz
Executive Director
Kendall County Forest Preserve District
110 W. Madison Street
Yorkville, IL 60560

RE: Cost Summary Letter for Pickerill-Pigott Forest Preserve: Public Access-Phase I OSLAD Development

Dear Mr. Guritz:

The Pickerill-Pigott project is currently under budget and the Forest Preserve District would maximize the OSLAD funds. Upland Design prepared bulletins and reached out to the contractor, D Construction, to obtain pricing for items that would enhance the project and meet the needs of the District. Below is a summary in relation to the funds available and the additional monies needed to complete all bulletin items requested.

Current Project Budget Funding

OSLAD / IDNR Match	\$315,000.00	
District Match	<u>\$315,000.00</u>	
	\$630,000.00	Current Project Allocations

Construction Costs- Approved

Base Bid	\$479,067.50	(includes \$10,000 construction contingency)
Alt #1 - Dumpster Enclosure	\$ 8,500.00	
Alt #2 - Picnic Tables	\$ 14,400.00	
Alt #3 - Entry Asphalt	<u>\$ 4,500.00</u>	
	\$506,467.50	Total Approved by Commission for Construction

Total Project Expenses

A&E Fees	\$ 57,195.00	
Added Contingency	\$ 5,000.00	
Soil Borings	\$ 3,000.00	
Permitting	\$ 1,680.00	
Incidentals (Estimate)	\$ 1,500.00	
Construction Costs	<u>\$506,467.50</u>	
	\$574,842.50	Total Projected Expenses

\$ 55,157.50 Est. Remaining Project Funding Available for Additional Improvements TBD

Bulletin Cost for Additional Construction

Item #1: \$ 8,370.00 Existing light pole west of the house to remain. Install electrical conduit with wire for future connection from existing light pole to proposed shelter. Provide connection at the two post locations on the East side of the proposed shelter.

Item #2: \$ 39,690.00 Replace entrance drive gravel paving with asphalt paving at area starting at the curve and through the main parking lot.

Item #3: \$ 14,769.00 Replace entrance drive gravel paving with asphalt paving starting at the bus turnaround to the Pickerill House.

Item #4: \$ 864.00 Provide additional concrete in front of the proposed dumpster enclosure in lieu of asphalt.63000063693

\$ 63,693.00 Total Bulletin Cost

\$ 8,535.50 Potential Additional Match from District

To be able to do all items listed above, an additional \$8,535.50 would need to be allocated to the project funding. Feel free to contact me with any questions.

Sincerely,



Michelle A. Kelly, PLA, CPSI
Principal Landscape Architect



BULLETIN NO. 1

March 30, 2020
Pickerill Piggot Forest Preserve: Public Access
Phase 1 OSLAD Development
Project #737
Kendall County Forest Preserve District
IDNR OSLAD Grant # OS 19-2018

Contractor: D. Construction, inc.

Contractor is requested to provide a price for the following work, which if accepted, will form the basis of a change order. This bulletin is intended to establish a price only and does not authorize the purchase of materials or any site work.

A. Existing light pole west of the house to remain. Install electrical conduit with wire for future connection from existing light pole to proposed shelter. Provide connection at the two post locations on the East side of the proposed shelter.

Deduct 1	Existing Light Pole to Remain	-1 LS	\$ 500.00 /LS	\$ - (500.00)
NEW	1" Electrical Conduit with Fish Wire for Future Electrical Connection at Two Post Locations at Shelter terminating to an electric box at 18" height. Including Trench, Backfill, and Lawn Restoration, Complete	210 LF	\$ 27.00 /LF	\$ 5,670.00
NEW	Electrical Box at 18" height on shelter post	2 EACH	\$ 500.00/EACH	\$ 1,000.00
NEW	Electrical Handhole	2 EACH	\$ 1,100.00/EACH	\$ 2,200.00
SUB-TOTAL:				\$ 8,370.00

B. Replace entrance drive gravel paving with asphalt paving at area starting at the curve and through the main parking lot.

Deduct 10	Entry Drive & Gravel Paving -- at 12" Depth	-1470 SY	\$17.00 /SY	\$ - (24,990.00)
6	Vehicular Asphalt Paving	1470 SY	\$44.00 /SY	\$64,680.00
SUB-TOTAL:				\$39,690.00

C. Replace entrance drive gravel paving with asphalt paving starting at the bus turnaround to the Pickerill House.

Deduct 10	Entry Drive & Gravel Paving – at 12" Depth	547 SY	\$17.00 /SY	\$ - (9,299.00)
6	Vehicular Asphalt Paving	547 SY	\$44.00 /SY	\$24,068.00
SUB-TOTAL:				\$14,769.00

D. Provide additional concrete in front of the proposed dumpster enclosure in lieu of asphalt.

Deduct 6	Vehicular Asphalt Paving	-32 SY	\$44.00 /SY	\$ -(1,408.00)
9	Concrete Paving	284 SF	\$8.00 /SF	\$2,272.00
SUB-TOTAL:				\$864.00



116 E. Washington Street
Suite One
Morris, Illinois 60450

Phone: (815) 942-3306
Fax: (815) 942-9430
www.mackcpas.com

TAWNYA R. MACK, CPA
LAURI POPE, CPA
ERICA BLUMBERG, CPA
TREVOR DEBELAK, CPA
CHRIS CHRISTENSEN
SONDRA RANKIN, MBA

CERTIFIED PUBLIC ACCOUNTANTS
March 26, 2020

To the Board of Commissioners and Management
Kendall County Forest Preserve District
Yorkville, Illinois

We have audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Kendall County Forest Preserve District (the "District") for the year ended November 30, 2019. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated October 25, 2019. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the District are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2019. We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the District's financial statements were:

Management's estimate of the net pension liability related to IMRF is based on an actuarial report obtained directly from IMRF. We evaluated the key factors and assumptions used to develop the net pension liability in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the compensated absence liability related to unused time off balances is based on compensated absence reports provided by management. We evaluated the key factors and assumptions used to develop the compensated absence liability in determining that it is reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. A list of misstatements corrected by management is included with the County financial statements.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated March 26, 2020.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to management's discussion and analysis and required supplementary information, which are (is) required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the combining and individual nonmajor fund and debt service fund financial statements, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the assessed valuations, tax rates, tax extension and tax collection information, which accompanies the financial statements but are not RSI. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Restriction on Use

This information is intended solely for the information and use of the Board of Commissioners and management of Kendall County Forest Preserve District, Illinois and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Mack & Associates, P.C.

Mack & Associates, P.C.

**KENDALL COUNTY
FOREST PRESERVE DISTRICT
KENDALL COUNTY, ILLINOIS
ANNUAL FINANCIAL REPORT
NOVEMBER 30, 2019**

KENDALL COUNTY FOREST PRESERVE DISTRICT

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Independent Auditor's Report



CERTIFIED PUBLIC ACCOUNTANTS

116 E. Washington Street
Suite One
Morris, Illinois 60450

Phone: (815) 942-3308
Fax: (815) 942-8430
www.mackcpas.com

TAWNYA R. MACK, CPA
LAURI POPE, CPA
ERICA BLUMBERG, CPA
TREVOR DEBELAK, CPA
CHRIS CHRISTENSEN
SONDRA RANKIN, MBA

Independent Auditor's Report

To the Board of Commissioners
Kendall County Forest Preserve District
Yorkville, Illinois

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Kendall County Forest Preserve District (the "District"), a component unit of the County of Kendall, Illinois, as of and for the year ended November 30, 2019, 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; 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. 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, each major fund, and the aggregate remaining fund information of the Kendall County Forest Preserve District, as of November 30, 2019, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States require that the management's discussion and analysis and required supplementary information on pages 4 through 9 and 38 through 44 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's financial statements as a whole. The supplementary information on pages 45 through 54 is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The combining and individual nonmajor fund and debt service fund financial statements on pages 49-53 are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

The assessed valuations, tax rates, tax extension and tax collection information on page 54 has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Report on Summarized Comparative Information

We previously audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of Kendall County Forest Preserve District for the year ended November 30, 2018, which are presented in summary for comparison purposes with the accompanying financial statements. In our report dated February 28, 2019, we expressed an unmodified opinion on those financial statements.

Other Reporting Required by *Governmental Auditing Standards*

In accordance with *Governmental Auditing Standards*, we have also issued our report dated March 26, 2020, on our consideration of the Kendall County Forest Preserve District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Kendall County Forest Preserve District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Governmental Auditing Standards* in considering the Kendall County Forest Preserve District's internal control over financial reporting and compliance.

Mack & Associates, P.C.

Mack & Associates, P.C.
Certified Public Accountants

Morris, Illinois
March 26, 2020

Management's Discussion and Analysis

KENDALL COUNTY FOREST PRESERVE DISTRICT

Management's Discussion and Analysis (Unaudited) November 30, 2019

Kendall County Forest Preserve District (the "District") management's discussion and analysis (MD&A) is generally intended to (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the District's financial activities, (3) identify changes in the District's financial position (its ability to meet future financial demands and conditions), (4) identify any material deviations from the governmental unit's financial plan (approved budget), and (5) identify individual fund issues or concerns.

The MD&A is provided at the beginning of the report to provide an overview of the District's financial position at November 30, 2019 and the results of operations for the year. This summary should not be taken as a replacement for the audit report, which consists of the basic financial statements, notes to the financial statements, required and supplementary information.

FINANCIAL HIGHLIGHTS FOR FY2019

- The District's total governmental funds' expenditures exceeded total revenues by \$110,065 for the year.
- The District's net position increased \$3.3 million to \$39.8 million in 2019. This is an indicator that the District's financial position improved during the current fiscal year.
- The District's General Fund ended the year with a balance of \$326,072, Major Debt Service Funds' balances totaled \$4.97 million, and the overall District ended the year with a balance of \$7.56 million.

USING THIS ANNUAL REPORT

This annual report is presented in a format consistent with the presentation requirements of the Governmental Accounting Standards Board (GASB) Statement No. 34, as applicable to the District's modified accrual basis of accounting.

Report Components

The report consists of five parts as follows:

Government-wide Financial Statements: The Statement of Net Position and Statement of Activities provide information about the activities of the District's government-wide (or "as a whole") and present a longer-term view of the District's finances.

Fund Financial Statements: Fund financial statements focus on the individual parts of the District. Fund financial statements also report the District's operations in more detail than the government-wide statements by providing information about the District's most significant funds ("major") funds. For *governmental activities*, the statements present how these services were financed in the short-term as well as what remains for future spending.

Notes to the Financial Statements: The notes to the financial statements are an integral part of the government-wide and fund financial statements and provide expanded explanation and detail regarding the information reported in the statements.

KENDALL COUNTY FOREST PRESERVE DISTRICT

Management's Discussion and Analysis (Unaudited) November 30, 2019

Required Supplementary Information: This Management's Discussion and Analysis, the General Fund Budgetary Comparison Schedule, the Multiyear Schedule of Changes in Net Pension Liability and Related Ratios, and the Multiyear Schedule of IMRF Contributions represent financial information required by GASB to be presented. Such information provides users of this report with additional data that supplements the government-wide statements, fund financial statements, and notes (referred to as "the basic financial statements").

Supplementary Information: This part of the annual report includes optional financial information. This supplementary financial information is provided to address certain specific needs of various users of the District's annual report.

Reporting Kendall County Forest Preserve as a Whole

The Forest Preserve District's Entity Presentation

This annual report includes all activities for which the District is fiscally responsible. These activities are defined as the District's reporting entity.

Government-wide Statement of Net Position and the Statement of Activities

The Statement of Net Position and Statement of Activities report information about the District as a whole and about its activities in a way that helps determine if the District's overall financial position has improved or deteriorated as a result of the year's activities. These statements include all of the District's assets and liabilities resulting from the use of the accrual basis of accounting.

The Statement of Net Position includes all of the District's net position and how they have changed. The difference between the District's assets and liabilities are another way to measure the District's overall financial position. All of the current year's revenues and expenses are accounted for in the Statement of Activities.

- Over time, increases or decreases in the District's net position are an indicator of whether its financial position is improving or deteriorating.
- To assess the overall financial condition of the District additional non-financial factors such as changes in the District's property tax base and the condition of buildings and other facilities should be considered.

In the Government-wide Financial Statements, the District activities are categorized as government activities. The District's basic services are included here, such as the preservation of county land and resources, and administration of the natural heritage of the County. Property taxes and grant revenues finance most of these activities. The District receives grants from both state and federal sources to help fund projects for continued growth and improvement to the District.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's funds, focusing on its most significant or "major" funds – not the District as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs. Some funds are required by state law and by bond covenants. The District can also establish other funds to control and manage monies for particular purposes or to show that it is properly using certain revenues.

KENDALL COUNTY FOREST PRESERVE DISTRICT

Management's Discussion and Analysis (Unaudited) November 30, 2019

Governmental Funds

The District's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds report the acquisition of capital assets and payments for debt principal as expenditures and not as changes to asset and debt balances. The governmental fund statements provide a detailed short-term view of the District's general government operations and basic services it provides. Governmental fund information helps determine (through a review of changes to fund balance) whether there are more or less financial resources that can be spent in the near future to finance the District's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and Statement of Activities) and governmental funds in reconciliation at the bottom of the fund financial statements.

The District currently has no fiduciary funds.

Fiduciary funds are often used to account for assets that are held in a trustee or fiduciary capacity such as pension plan assets, assets held per trust agreements, and similar arrangements.

Capital Assets

At November 30, 2019, the District had \$72.8 million invested in capital assets, net of depreciation. This represents a net decrease of \$362,860 from last year. There were no capital additions in 2019. See Note 5 to the financial statements for more detail.

Primary Government Capital Assets (Net of Accumulated Depreciation)		
	2019	2018
Land and construction in progress	\$ 69,061,346	69,061,346
Improvements	1,881,235	2,062,730
Buildings	1,849,890	2,005,564
Equipment	59,622	85,313
Total	\$ 72,852,093	73,214,953

Long-Term Debt

At November 30, 2019, the District had \$38.0 million in long-term debt compared to \$41.1 million at November 30, 2018. See Notes 9 and 10 to the financial statements for more detail.

Primary Government Long-Term Debt			
	2019	2018	Due in One Year
G.O. Bonds - Series 2012	\$ 1,585,000	1,930,000	365,000
G.O. Bonds - Series 2015	9,010,000	9,055,000	45,000
G.O. Bonds - Series 2016	8,805,000	8,900,000	100,000
G.O. Bonds - Series 2017	16,460,000	18,750,000	2,525,000
Unamortized Refunding Premium	1,827,812	2,381,405	495,215
Compensated Absences	27,588	26,689	-
Net Pension Obligation	318,397	24,847	-
Total	\$ 38,033,797	41,067,941	3,530,215

KENDALL COUNTY FOREST PRESERVE DISTRICT

Management's Discussion and Analysis (Unaudited) November 30, 2019

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As previously addressed, net position may serve the purpose over time as a useful indicator of a District's financial position. To that end, the District's assets exceeded its liabilities by \$39.8 million as of November 30, 2019.

The following table represents a condensed Statement of Net Position of the District for governmental activities as of November 30, 2019 and 2018.

	Net Position Governmental Activities November 30	
	2019	2018
Assets:		
Current assets	\$ 12,902,505	12,568,778
Noncurrent assets	72,852,093	73,214,953
Total assets	85,754,598	85,783,731
Deferred outflows of resources	359,247	151,781
Total assets and deferred outflow of resources	86,113,845	85,935,512
Liabilities:		
Current liabilities	4,209,354	4,463,943
Noncurrent liabilities	34,503,582	37,334,348
Total liabilities	38,712,936	41,798,291
Deferred inflows of resources	7,642,004	7,679,325
Net position:		
Net investment in capital assets	35,164,281	32,198,548
Restricted	6,812,356	7,328,764
Unrestricted	(2,217,732)	(3,069,416)
Total net position	\$ 39,758,905	36,457,896

KENDALL COUNTY FOREST PRESERVE DISTRICT

**Management's Discussion and Analysis (Unaudited)
November 30, 2019**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (continued)

The following condensed financial information was derived from the Government-wide Statement of Activities and reflects how the District's net position changed during the fiscal year.

	Changes in Net Position Governmental Activities For the year ended November 30	
	2019	2018
Revenues:		
Program revenues:		
Charges for services	\$ 358,281	320,931
Capital grants and contributions	174,390	671,031
General revenue:		
Local property taxes	4,843,318	5,298,411
Other	286,707	885,342
Total revenues	<u>5,662,696</u>	<u>7,175,715</u>
Expenses:		
Culture and recreation	1,779,279	1,600,660
Interest	582,408	699,513
Total expenses	<u>2,361,687</u>	<u>2,300,173</u>
Change in net position	3,301,009	4,875,542
Net position, beginning of year	<u>36,457,896</u>	<u>31,582,354</u>
Net position, end of year	<u>\$ 39,758,905</u>	<u>36,457,896</u>

General Fund Budgetary Highlights

The Board approved the fiscal year 2019 budget and appropriations ordinance on November 20, 2018. For the year ended November 30, 2019, General Fund expenditures were \$1.1 million and budgeted expenditures were \$1.1 million. The General Fund operated within the confines of the approved budget for the year ended November 30, 2019.

KENDALL COUNTY FOREST PRESERVE DISTRICT

**Management's Discussion and Analysis (Unaudited)
November 30, 2019**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (continued)

Factors Likely to Have a Potential Impact on Financial Position

The Kendall County Forest Preserve District does not anticipate any factors that will have a negative impact on our financial position. In response to the slowed growth in Kendall County resulting in reduced year-after-year growth in local tax proceeds, the District has successfully implemented strategies to minimize the District's operating costs, increased program participation volumes and related fees and charges to cover direct program costs, and restructured positions to balance the overall budget within fiscal limits. Should additional capital funding be needed, the District's Board of Commissioners is also able to issue non-referendum limited tax general obligation bonds to address any significant and unanticipated large capital expenditure. The District is not prone to changes in financial position from issues stemming from State fiscal and budgetary issues, as the District does not rely on State or federal funding to support operations.

Analysis of the County's Financial Position and Results of Operations

The District remains in good financial position. The District increased its fund balance in its operating funds over the previous fiscal year, established a \$50,000 dedicated Risk and Liability Fund to address potential insurance deductible payments through transfer of a higher-than-expected FY19 operating budget surplus, and operated in compliance with the fund balance policy established to support and sustain general operations reserves, and prevent cash flow problems. The District's capital fund balance will be expended to complete capital funding priorities within the next 1-2 years.

The District is currently rated "A" (Stable Outlook) by Standard and Poor's and "A1" (Stable Outlook) by Moody's. It is anticipated that the District's bond rating will level off until the retirement of bonded debt in 2025. Rating agency outlooks also reflect Kendall County's access to, and participation in, the deep and diverse Chicago Metropolitan area economy; the County's very strong income and market value per capita indicators. All District tax levy rates and bonded debt are well below the State maximums allowed within the Downstate Forest Preserve District Act.

Contacting District's Financial Management

This report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact Dave Guritz, Forest Preserve Director, at 630-553-4131.

Basic Financial Statements

Statement of Net Position
 November 30, 2019
 (With Comparative Figures for November 30, 2018)

	<u>Governmental Activities</u>	
	<u>Totals</u>	
	<u>2019</u>	<u>2018</u>
<u>Assets</u>		
Current assets:		
Cash, deposits, and Investments	\$ 7,581,121	7,701,229
Receivables:		
Property taxes	5,295,073	4,853,992
Trade	28,311	13,557
Total current assets	<u>12,902,505</u>	<u>12,568,778</u>
Noncurrent assets:		
Capital assets:		
Land	69,061,346	69,061,346
Depreciable assets	8,419,790	8,419,790
Less: accumulated depreciation	(4,629,043)	(4,266,183)
Total noncurrent assets	<u>72,852,093</u>	<u>73,214,953</u>
Total assets	<u>85,754,598</u>	<u>85,783,731</u>
<u>Deferred Outflows of Resources</u>		
Deferred outflows from pensions	359,247	151,781
Total deferred outflows of resources	<u>359,247</u>	<u>151,781</u>
<u>Liabilities</u>		
Current liabilities:		
Accounts payable	12,021	8,861
Accrued payroll	11,739	12,188
Customer deposits	19,000	19,000
Accrued interest	636,379	690,301
Bonds payable - current portion	3,530,215	3,733,593
Total current liabilities	<u>4,209,354</u>	<u>4,463,943</u>
Noncurrent liabilities:		
Accrued compensated absences	27,588	26,669
Net pension obligation	318,397	24,847
Bonds payable	34,157,597	37,282,812
Total noncurrent liabilities	<u>34,503,582</u>	<u>37,334,348</u>
<u>Deferred Inflows of Resources</u>		
Property taxes levied for subsequent years	5,295,073	4,853,992
Unamortized gain on refunding	2,157,480	2,569,573
Deferred inflows from pensions	189,451	265,760
Total deferred inflows of resources	<u>7,642,004</u>	<u>7,679,325</u>
<u>Net Position</u>		
Net investment in capital assets	35,164,281	32,198,548
Restricted	6,812,356	7,328,764
Unrestricted	(2,217,732)	(3,069,416)
Total net position	<u>\$ 39,758,905</u>	<u>36,457,896</u>

The Notes to Basic Financial Statements are an integral part of this statement.

Statement of Activities

For the Year Ended November 30, 2019

(With Comparative Figures for the Year Ended November 30, 2018)

	Program Revenues				Net (Expense) Revenue and Changes in Net Position	
	Expenses	Fees, Fines and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total	
					2019	2018
Governmental activities:						
Culture and recreation	\$ 1,779,279	358,281	-	174,390	(1,246,608)	(608,698)
Unallocated interest expense	582,408	-	-	-	(582,408)	(699,513)
Total governmental activities	2,361,687	358,281	-	174,390	(1,829,016)	(1,308,211)
General revenues:						
Taxes:						
Property taxes					4,843,318	5,298,411
Interest					33,730	25,884
Donations					1,470	652,778
Project fund					189,884	155,053
Miscellaneous					61,823	51,627
Total general revenues					5,130,025	6,183,753
Change in net position					3,301,009	4,875,542
Net position, beginning of year					36,457,896	31,582,354
Net position, end of year					\$ 39,758,905	36,457,896

The Notes to Basic Financial Statements are an integral part of this statement.

KENDALL COUNTY FOREST PRESERVE DISTRICT

STATEMENT C

**Balance Sheet - Governmental Funds
November 30, 2019
(With Comparative Figures for November 30, 2018)**

	Debt Service Funds			Total Governmental Funds	
	General	Bond and Interest	Bond and Interest Series 2012	2019	2018
<u>Assets</u>					
Cash, deposits, and investments Receivables:	\$ 341,881	4,055,534	909,838	7,581,121	7,701,229
Property taxes Trade	615,000 26,311	4,258,473 -	421,600 -	5,295,073 26,311	4,853,992 13,557
Total assets	\$ 983,192	8,314,007	1,331,438	12,902,505	12,568,778
<u>Liabilities</u>					
Accounts payable	\$ 11,381	-	-	12,021	8,861
Accrued payroll	11,739	-	-	11,739	12,188
Customer deposits	19,000	-	-	19,000	19,000
Total liabilities	42,120	-	-	42,760	40,049
<u>Deferred Inflows of Resources</u>					
Property taxes levied for subsequent years	615,000	4,258,473	421,600	5,295,073	4,853,992
<u>Fund Balance</u>					
Restricted:					
Debt Service	-	4,055,534	909,838	4,965,372	5,118,077
Capital Projects	-	-	-	1,846,984	2,210,687
Assigned	-	-	-	426,244	27,990
Unassigned	326,072	-	-	326,072	317,983
Total fund balance	326,072	4,055,534	909,838	7,564,672	7,674,737
Total liabilities, deferred inflows, and fund balance	\$ 983,192	8,314,007	1,331,438	12,902,505	12,568,778

The Notes to Basic Financial Statements are an integral part of this statement.

KENDALL COUNTY FOREST PRESERVE DISTRICT

**STATEMENT C
(CONTINUED)**

**Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
November 30, 2019
(With Comparative Figures for November 30, 2018)**

	<u>2019</u>	<u>2018</u>
Total fund balance for governmental funds	\$ 7,564,672	7,674,737
Total net position reported for governmental activities in the Statement of Net Position is different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. These consist of:		
Capital assets	77,481,136	77,481,136
Accumulated depreciation	(4,629,043)	(4,266,183)
Accrued interest payable on debt is not reported in the governmental funds if payments are due subsequent to the reporting date	(636,379)	(690,301)
Long-term liabilities applicable to the County's governmental activities are not due and payable in the current period and, accordingly, are not reported as fund liabilities. All liabilities -- both current and long-term -- are reported in the Statement of Net Position. Balances at November 30 are:		
Compensated absences	(27,588)	(26,689)
Net pension obligation	(318,397)	(24,847)
Bonds, capital leases, and discounts / premiums on bonds	(37,687,812)	(41,016,405)
Deferred inflows and outflows of resources from certain sources are not reported in the governmental funds.		
Deferred outflows (inflows) related to pensions	169,796	(113,979)
Deferred inflows related to economic gain on refunding	(2,157,480)	(2,559,573)
Net position of governmental activities	<u>\$ 39,758,905</u>	<u>36,457,896</u>

The Notes to Basic Financial Statements are an integral part of this statement.

KENDALL COUNTY FOREST PRESERVE DISTRICT

STATEMENT D

Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds
 For the Year Ended November 30, 2019
 (With Comparative Figures for the Year Ended November 30, 2018)

	Debt Service Funds			Total Governmental Funds		
	General	Bond and Interest	Bond and Interest Series 2012	Non-Major Funds	2019	2018
Revenues:						
Property taxes	\$ 590,914	3,840,346	412,058	-	4,843,318	5,288,411
Intergovernmental revenue	-	-	-	174,390	174,390	667,250
Fees, fines, and charges	358,281	-	-	-	358,281	320,931
Project fund	147,541	-	-	42,143	189,684	158,834
Interest	1,595	4,437	3,632	24,066	33,730	25,884
Other revenue	62,106	-	-	1,187	63,293	704,405
Total revenues	1,160,437	3,844,783	415,690	241,786	5,662,696	7,175,715
Expenditures:						
Current:						
Culture and recreation	1,102,348	-	-	303,397	1,405,745	1,057,798
Debt service:						
Principal	-	2,430,000	345,000	-	2,775,000	2,940,000
Interest	-	1,539,291	52,725	-	1,592,016	1,723,913
Issuance costs and fees	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	1,509,487
Total expenditures	1,102,348	3,969,291	397,725	303,397	5,772,761	7,231,198
Excess (deficiency) of revenues over (under) expenditures	58,089	(124,508)	17,965	(61,611)	(110,065)	(55,483)
Other financing sources (uses):						
Transfers in (out)	(50,000)	(31,981)	(14,181)	96,162	-	-
Total other financing sources (uses)	(50,000)	(31,981)	(14,181)	96,162	-	-
Net change in fund balance	8,089	(156,489)	3,784	34,551	(110,065)	(55,483)
Fund balance, beginning of year	317,983	4,212,023	906,054	2,238,677	7,674,737	7,730,220
Fund balance, end of year	\$ 326,072	4,055,534	909,838	2,273,228	7,564,672	7,674,737

The Notes to Basic Financial Statements are an integral part of this statement.

KENDALL COUNTY FOREST PRESERVE DISTRICT

**STATEMENT D
(CONTINUED)**

**Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance to Statement of Activities
For the Year Ended November 30, 2019
(With Comparative Figures for the Year Ended November 30, 2018)**

	2019	2018
Net change in fund balances- total governmental funds	\$ (110,065)	(55,483)
The change in net position reported for governmental activities in the Statement of Activities is different because:		
Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.		
Capital debt obligation principal payments	2,775,000	2,940,000
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.		
Capital asset purchases	-	1,353,498
Depreciation expense	(362,860)	(372,196)
Some expenses reported in the Statement of Activities do not require use of current financial resources and, therefore, are not reported as expenditures in governmental funds:		
Change in accrued compensated absences	(899)	12,179
Change in net pension obligation and deferred pension sources	(9,775)	(26,856)
Change in accrued interest payable	53,922	24,725
Amortization of bond premiums and discounts	553,593	597,592
Amortization of gain on refunding	402,093	402,093
Change in net position of governmental activities	<u>\$ 3,301,009</u>	<u>4,875,542</u>

The Notes to Basic Financial Statements are an integral part of this statement.

Notes to Financial Statements

KENDALL COUNTY FOREST PRESERVE DISTRICT

Notes to Basic Financial Statements November 30, 2019

Note 1: Summary of Significant Accounting Policies

Introduction

The financial statements of the Kendall County Forest Preserve District (the "District") located in Yorkville, Illinois have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting principles and policies utilized by the District are described below.

Description of Government-wide Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. *Governmental activities* are normally supported by taxes, intergovernmental revenues, and other nonexchange transactions. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

Financial Reporting Entity

The District is governed by a nine-member Board of Commissioners. The District is a legally separate political subdivision. These financial statements present all funds of the District. The District has the statutory authority to adopt its own budget, levy taxes, and issue bonded debt without the approval of another government. There are no component units included or excluded. A component unit is a legally separate organization for which a primary government is fiscally accountable. However, the Board of Commissioners of the District includes some of the same members as those of the County of Kendall, Illinois Board and is therefore considered to be a component unit of County of Kendall, Illinois.

Basis of Presentation

Government-wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds. Separate financial statements are provided for governmental funds. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Fund Financial Statements

The fund financial statements provide information about the District's funds. Separate statements for each fund category are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

KENDALL COUNTY FOREST PRESERVE DISTRICT

Notes to Basic Financial Statements
November 30, 2019

Note 1: Summary of Significant Accounting Policies (continued)

The District reports the following major governmental funds:

General Fund – The General Fund is used to account for all financial resources of the District except those which are required to be accounted for in another fund.

Debt Service Funds – The Bond and Interest Funds are the debt service funds of the District. They are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

The District has the following debt service funds:

- Bond and Interest Fund
- Bond and Interest Fund – Series 2012

During the course of operations, the District has activity among funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers among the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column.

KENDALL COUNTY FOREST PRESERVE DISTRICT

Notes to Basic Financial Statements
November 30, 2019

Note 1: Summary of Significant Accounting Policies (continued)

Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus. The government-wide fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. For this purpose, the government generally considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Property taxes, sales taxes, franchise taxes, licenses, and interest are considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Use of Estimates

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

Cash and Cash Equivalents

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. The cash balances of most District funds are pooled and invested. Each fund's share of the investment pool is reflected on its respective balance sheet.

KENDALL COUNTY FOREST PRESERVE DISTRICT

Notes to Basic Financial Statements November 30, 2019

Note 1: Summary of Significant Accounting Policies (continued)

Investments

The District is a participant in the Local Government Investment Pool (LGIP) which is authorized in Illinois Compiled Statutes 30 ILCS 235 under the Public Funds Investment Act. The LGIP is not registered with the Securities Exchange Commission as an investment company. The LGIP operates and reports to participants on the amortized cost basis. LGIP pool shares are bought and redeemed at \$1 based on the amortized cost of the investments in LGIP. The investment is not subject to the fair value hierarchy disclosures.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the applicable governmental activities column in the government-wide financial statements. Capital assets are defined by the District as assets with an estimated useful life in excess of two years and individual cost of more than the following:

Buildings and improvements	\$25,000
Infrastructure	\$50,000
Equipment	\$ 5,000

As the District constructs or acquires additional capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost. The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the time or increase its estimated useful life. Donated capital assets are recorded at their acquisition value at the date of donation.

Land and construction in progress are not depreciated. The other property, plant, equipment and infrastructure of the primary government are depreciated using the straight-line method over the following estimated useful lives:

Buildings and improvements	30 – 50 years
Infrastructure	10 – 50 years
Equipment	5 – 10 years

Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time.

KENDALL COUNTY FOREST PRESERVE DISTRICT

Notes to Basic Financial Statements November 30, 2019

Note 1: Summary of Significant Accounting Policies (continued)

Net Position Flow Assumption

Sometimes the District will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide statements, a flow assumption must be made about the order in which the resources are considered to be applied.

It is the District's policy to consider restricted net position to have been depleted before unrestricted net position is applied. See Note 11 for additional information regarding the District's net position as of November 30, 2019.

Fund Balance Flow Assumptions

Sometimes the District will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last. See Note 12 for additional information regarding the District's fund balances as of November 30, 2019.

Program Revenues

Amounts reported as *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 (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

Property Taxes

The Township and County assessors are responsible for assessment of all taxable real property within the District. The County Clerk computes the annual tax of each parcel of real property and prepares tax books used by the County Collector as a basis for issuing tax bills to all taxpayers in the District.

Property taxes are collected by the County Treasurer, who remits to the units their respective share of the collections. Taxes levied in 2018 became due and payable in two installments; generally in June 2019 and September 2019. The owner of real property on January 1 (lien date) in any year is liable for taxes of that year.

KENDALL COUNTY FOREST PRESERVE DISTRICT

Notes to Basic Financial Statements November 30, 2019

Note 1: Summary of Significant Accounting Policies (continued)

Property Taxes (continued)

The 2018 levy was approved on November 20, 2018. Property taxes levied in 2018 are reflected as revenues in fiscal year 2019 and amounted to \$4,843,318. Amounts not collected by the Collector by November 30, 2019 are either under tax objection or forfeiture. Distributions of these tax objections and forfeiture amounts are recognized as revenue in the year of distribution since collection is uncertain.

The 2019 levy was approved on November 25, 2019. Property taxes levied in 2019 in the amount of \$5,295,073 have been recognized as deferred outflows and deferred inflows on the accompanying financial statements, as these taxes will be collected and are associated for budget purposes to be used in 2020.

Compensated Absences

Vacation

The District's policy permits employees to accumulate earned but unused vacation benefits, which are eligible for payment upon separation from government service. The liability for such leave is reported as incurred in the government-wide financial statements. The liability for compensated absences includes salary related benefits, where applicable.

Sick Leave

Accumulated sick leave lapses when employees leave the employ of the government and, upon separation from service, no monetary obligation exists.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Illinois Municipal Retirement Fund (IMRF) and additions to/deductions from IMRF's fiduciary net position have been determined on the same basis as they are reported by IMRF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Comparative Data

Comparative data for the prior year has been presented in the accompanying financial statements in order to provide an understanding of changes in the District's financial position and operations and is not intended to present all information necessary for fair presentation of prior year information in accordance with accounting principles generally accepted in the United States. However, presentation of prior year totals by fund type has not been presented in each of the statements since their inclusion would make the statement unduly complex and difficult to read.

KENDALL COUNTY FOREST PRESERVE DISTRICT

**Notes to Basic Financial Statements
November 30, 2019**

Note 2: Stewardship, Compliance and Accountability

Excess of Expenditures over Appropriations

For the year ended November 30, 2019, the General Fund and all major debt service funds operated within the confines of the approved budget.

Deficit Fund Equity

At November 30, 2019, there were no funds with a deficit fund balance.

Note 3: Cash Deposits with Financial Institutions

Custodial credit risk-deposits

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District's custodial credit risk policy is included in a formal written investment and cash management plan. As of November 30, 2019, the carrying amount of the District's deposits (excluding Illinois Funds Investments) was \$6,325,025, and the bank balance was \$6,325,025. The entire balance was insured or collateralized at November 30, 2019.

Note 4: Investments

As of November 30, 2019, the District had investments with Illinois Funds, Money Market Fund with a fair value of \$1,256,096.

Interest rate risk. Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates.

Information about the sensitivity of the fair values of the District's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the District's investments by maturity:

Investment Type	Remaining Maturity (in Years)				Total
	<1	1-5	5-10	>10	
Local Gov't Investment Pool	\$ 1,256,096	-	-	-	1,256,096

Credit risk. Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Investments in U.S. Government obligations are not considered to be of any credit risk since they carry the full obligation and guarantee of the U.S. Government. Presented below is the actual rating as of year-end for each investment type:

Investment Type	Total at	AAAm	Aa	Unrated
	11/30/19			
Local Gov't Investment Pool	\$ 1,256,096	1,256,096	-	-

Concentration of credit risk. The District's investment policy does not allow for an investment in any one issuer that is in excess of 5 percent of the District's total investments.

KENDALL COUNTY FOREST PRESERVE DISTRICT

**Notes to Basic Financial Statements
November 30, 2019**

Note 4: Investments (continued)

Custodial credit risk-investments. For an investment, this 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 investments or collateral securities that are in the possession of an outside party.

As of November 30, 2019, there are no investments with custodial credit risk in that all of its investments are insured.

Foreign Currency Risk. The District has no foreign currency risk for Investments at year end.

Note 5: Capital Assets

The governmental activities capital asset activity for the year ended November 30, 2019 is as follows:

Governmental Activities:	12/1/2018 Balance	Additions	Disposals/ Transfers	11/30/2019 Balance
Capital assets, not being depreciated:				
Land	\$ 69,061,346	-	-	69,061,346
Total capital assets, not being depreciated	69,061,346	-	-	69,061,346
Capital assets, being depreciated:				
Improvements	4,484,352	-	-	4,484,352
Buildings	3,455,762	-	-	3,455,762
Equipment	449,398	-	-	449,398
Artifacts and antiques	30,280	-	-	30,280
Total capital assets, being depreciated	8,419,790	-	-	8,419,790
Accumulated depreciation:				
Improvements	2,421,622	181,495	-	2,603,117
Buildings	1,450,198	155,674	-	1,605,872
Equipment	364,083	25,691	-	389,774
Artifacts and antiques	30,280	-	-	30,280
Total accumulated depreciation	4,266,183	362,860	-	4,629,043
Total capital assets, being depreciated, net	4,153,607	(362,860)	-	3,790,747
Governmental activities capital assets, net	\$ 73,214,953	(362,860)	-	72,852,093

Depreciation expense was charged to governmental functions as follows:

Governmental activities:	
Culture and Recreation	\$362,860

KENDALL COUNTY FOREST PRESERVE DISTRICT

Notes to Basic Financial Statements November 30, 2019

Note 6: Pension and Retirement Systems – Illinois Municipal Retirement Fund

Kendall County Regular Plan (Plan) covers employees of the County of Kendall, Kendall County Forest Preserve District, and KenCom Public Safety Dispatch. Information below is presented for the Plan as a whole, with separate disclosure of amounts allocable to the Forest Preserve District, where applicable.

IMRF Plan Description

The County's defined benefit pension plan for regular employees provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. The County's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of a multi-employer public pension fund. A summary of IMRF's pension benefits is provided in the "Benefits Provided" section of this document. Details of all benefits are available from IMRF. 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 Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. The report is available for download at www.imrf.org.

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 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 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the *lesser of*:

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

KENDALL COUNTY FOREST PRESERVE DISTRICT

**Notes to Basic Financial Statements
November 30, 2019**

Note 6: Pension and Retirement Systems – Illinois Municipal Retirement Fund (continued)

Employees Covered by the Benefit Terms

As of December 31, 2018, the following employees were covered by the benefit terms:

Retirees and beneficiaries currently receiving benefits	197
Inactive plan members entitled to but not yet receiving benefits	195
Active plan members	<u>248</u>
Total	<u>640</u>

Contributions

As set by statute, the County's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires the County to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The required contribution rates and actual County contributions for calendar year 2018 and the fiscal year ended November 30, 2019 are summarized below. The County 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 the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Plan member required contribution rate	4.50%
Employer required contribution rate for 2018	10.04%
Employer required contribution rate for 2019	7.89%
Actual contributions for 2018:	
County	\$ 1,015,451
Forest Preserve	42,477
KenCom	169,191
Total	<u>\$ 1,227,119</u>
Actual contributions for fiscal year 2019:	
County	\$ 818,290
Forest Preserve District	27,343
KenCom	164,101
Total	<u>\$ 1,009,734</u>

Net Pension Liability

The County's net pension liability was measured as of December 31, 2018. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

KENDALL COUNTY FOREST PRESERVE DISTRICT

**Notes to Basic Financial Statements
November 30, 2019**

Note 6: Pension and Retirement Systems – Illinois Municipal Retirement Fund (continued)

Actuarial assumptions

The following are the methods and assumptions used to determine total pension liability at December 31, 2018:

- The Actuarial Cost Method used was Entry Age Normal.
- The Asset Valuation Method used was Market Value of Assets.
- The Inflation Rate was assumed to be 2.50%.
- Salary Increases were expected to be 3.39% to 14.25%, including inflation.
- The Investment Rate of Return was assumed to be 7.25%.
- Projected Retirement Age was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2017 valuation according to an experience study from years 2014 to 2016.
- For Non-Disabled Retirees, an IMRF-specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF-specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience.
- For Disabled Retirees, an IMRF-specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF-specific rates were developed from the RP-2014 Disabled Retirees Mortality Table, applying the same adjustments that were applied for non-disabled lives.
- For Active Members, an IMRF- specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF-specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.
- The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting 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 of return for each major asset class are summarized in the following table:

Asset Class	Portfolio Target Percentage	Long-term Expected Real Rate of Return
Domestic Equity	37%	7.15%
International Equity	18%	7.25%
Fixed Income	28%	3.75%
Real Estate	9%	6.25%
Alternative Investments	7%	2.50-8.50%
Cash Equivalents	1%	2.50%
Total	100%	

KENDALL COUNTY FOREST PRESERVE DISTRICT

**Notes to Basic Financial Statements
November 30, 2019**

Note 6: Pension and Retirement Systems – Illinois Municipal Retirement Fund (continued)

Single Discount Rate

A Single Discount Rate of 7.25% was used to measure the total pension liability. The projection 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 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 7.25%, the municipal bond rate is 3.71%, and the resulting single discount rate is 7.25%.

Changes in the Net Pension Liability

	Pension Liability (A)	Plan Net Position (B)	Net Pension Liability (A)-(B)
Balances at December 31, 2017	\$49,018,828	48,467,902	550,926
Changes for the year:			
Service cost	1,175,617	-	1,175,617
Interest on the total pension liability	3,641,720	-	3,641,720
Differences between expected and actual experience of the total pension liability	150,780	-	150,780
Changes of assumptions	1,594,509	-	1,594,509
Contributions - employer	-	1,227,119	(1,227,119)
Contributions - employee	-	543,232	(543,232)
Net investment income	-	(2,530,620)	2,530,620
Benefit payment, including refunds of employee contributions	(2,100,734)	(2,100,734)	-
Other (net transfer)	-	814,027	(814,027)
Net changes	4,461,892	(2,046,976)	6,508,868
Balances at December 31, 2018	\$53,480,720	46,420,926	7,059,794

Net Plan pension liability was allocated to the District based on the percentage of the calendar year 2018 contributions. The District's beginning net pension liability was \$24,847 and ending net pension liability was \$318,397 with an increase of \$293,550.

KENDALL COUNTY FOREST PRESERVE DISTRICT

**Notes to Basic Financial Statements
November 30, 2019**

Note 6: Pension and Retirement Systems – Illinois Municipal Retirement Fund (continued)

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

The following represents the County's proportionate share of the net pension liabilities calculated using the above-referenced single discount rate, as well as what the County's proportionate share of the net pension liabilities would be if they were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate.

	1% Lower (6.25%)	Current Discount (7.25%)	1% Higher (8.25%)
County	\$ 11,440,264	5,631,543	902,790
Forest Preserve District	646,812	318,397	51,043
KenCom	2,254,627	1,109,854	177,922
Net pension liability	\$ 14,341,703	7,059,794	1,131,755

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

For the year ended November 30, 2019, the County recognized pension expense of \$1,002,232 with \$34,667 related directly to the District. At November 30, 2019, the County reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

Deferred Amounts Related to Pensions	Deferred Outflows of Resources	Deferred Inflows of Resources
<i>Deferred amounts to be recognized in pension expense in future periods:</i>		
Differences between expected and actual experience	\$ 297,873	776,443
Changes of assumptions	1,233,408	943,065
Net difference between projected and actual earnings on pension plan investments	<u>5,583,516</u>	<u>2,481,173</u>
Total deferred amounts to be recognized in pension expense in future periods	<u>7,114,797</u>	<u>4,200,681</u>
Pension contributions made subsequent to the measurement date	<u>850,768</u>	<u>-</u>
Total deferred amounts related to pensions	<u>\$ 7,965,565</u>	<u>4,200,681</u>

KENDALL COUNTY FOREST PRESERVE DISTRICT

**Notes to Basic Financial Statements
November 30, 2019**

Note 6: Pension and Retirement Systems – Illinois Municipal Retirement Fund (continued)

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions (continued)

Deferred outflows and inflows were allocated to the District based on the percentage of the calendar year 2018 contributions. Deferred outflows allocated to the District were \$359,247. Deferred inflows allocated to the District were \$189,451. The Plan reported \$850,768, with \$29,440 directly relating to the District, as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ended November 30, 2019.

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>Year Ending December 31,</u>	<u>Net Deferred Outflows of Resources</u>
2019	\$ 802,708
2020	222,305
2021	525,565
2022	1,363,538
2023	-
Thereafter	-
Total	\$ 2,914,116

Payable to the Pension Plan

At November 30, 2019, the County reported a payable of \$56,832 for the outstanding amount of contributions to the pension plan required for the year ended November 30, 2019.

Note 7: Other Postemployment Benefits

The District has evaluated its potential other postemployment benefits liability. The District provides continued health insurance coverage at the active employer rate to all eligible employees in accordance with Illinois statutes, which creates an implicit subsidy of retiree health insurance. Former employees who choose to retain their rights to health insurance through the government are required to pay 100% of the current premium. However, there are no former employees that have chosen to stay on the District's health insurance plan. Therefore, there has been low utilization and an immaterial implicit subsidy to calculate in accordance with GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. Additionally, the District has no former employees for whom the government was providing an explicit subsidy and no employees with agreements for future explicit subsidies upon retirement. Therefore, the District has not recorded any postemployment benefit liability as of November 30, 2019.

KENDALL COUNTY FOREST PRESERVE DISTRICT

**Notes to Basic Financial Statements
November 30, 2019**

Note 8: Risk Management

The District's risk management activities are part of County of Kendall, Illinois' insurance contract. The County administers the property and casualty, liability, worker's compensation, and unemployment insurance programs of the District. The District is allocated a portion of the insurance premium as determined by the insurance carrier, which is then remitted to the County of Kendall, Illinois.

For all major programs, significant losses are covered by Illinois Counties Risk Management Trust (a local government risk pool) under a year-by-year contract (12/1 – 11/30). There are three broad categories of coverage:

- Legal Liability
- Worker's Compensation
- Property and Boiler and Machinery

For insured programs, there have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

Note 9: Long-Term Debt

Long-term debt activity for the year ended November 30, 2019 is as follows:

	Beginning Balance	Increase	Decrease	Ending Balance	Amounts Due Within One Year
Bonds payable:					
General obligation bonds	\$ 38,635,000	-	2,775,000	35,860,000	3,035,000
Net premium on bonds	2,381,405	-	553,593	1,827,812	495,215
Total bonds payable	41,016,405	-	3,328,593	37,687,812	3,530,215
Net pension obligation	24,847	293,550	-	318,397	-
Compensated absences	26,689	19,884	18,985	27,588	-
Governmental activity Long-term liabilities	\$ 41,067,941	313,434	3,347,578	38,033,797	3,530,215

KENDALL COUNTY FOREST PRESERVE DISTRICT

**Notes to Basic Financial Statements
November 30, 2019**

Note 9: Long-Term Debt (continued)

General Obligation Bonds

The District issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the District. These bonds generally are issued as serial bonds with equal amounts of principal maturing each year with original maturities that range from 5 to 20 years. General obligation bonds outstanding at November 30, 2019 are as follows:

General Obligation Bonds	Sale Date	Original Borrowing	Interest Rates Maturity Date	Final Maturity	Outstanding 11/30/19
Series 2012	4/10/2012	2,925,000	2.00 - 3.00	1/1/2023	\$ 1,585,000
Series 2015	5/13/2015	9,360,000	1.70 - 4.00	1/1/2027	9,010,000
Series 2016	5/31/2016	9,270,000	3.23 - 4.00	1/1/2026	8,805,000
Series 2017	4/26/2017	19,130,000	4.00 - 5.00	1/1/2024	16,460,000
Total					<u>\$ 35,860,000</u>

Bond Series 2012 Refunding

On October 4, 2012, the Board of Commissioners of the Kendall County Forest Preserve District authorized issuance of \$2,925,000 in general obligation refunding bonds, Series 2012 with a variable interest rate (2.0 – 3.0%). Of the bond proceeds, \$2,820,000 was used to refund a portion of the general obligation, Series 2003 bonds.

The bonds shall mature each year as follows:

Date	Principal	Interest	Payments
2020	\$ 365,000	52,725	417,725
2021	385,000	42,075	427,075
2022	405,000	30,825	435,825
2023	430,000	18,975	448,975
Total	<u>\$ 1,585,000</u>	<u>144,600</u>	<u>1,729,600</u>

KENDALL COUNTY FOREST PRESERVE DISTRICT

**Notes to Basic Financial Statements
November 30, 2019**

Note 9: Long-Term Debt (continued)

Bond Series 2015 Refunding

On May 13, 2015, the Board of Commissioners of the Kendall County Forest Preserve District authorized issuance of \$9,360,000 in general obligation refunding bonds, Series 2015 with a variable interest rate (1.7 – 4.0%). Of the bond proceeds, \$8,680,000 was used to refund a portion of the general obligation, Series 2007 bonds.

The bonds shall mature each year as follows:

<u>Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Payments</u>
2020	\$ 45,000	356,053	401,053
2021	45,000	355,017	400,017
2022	40,000	354,040	394,040
2023	45,000	352,950	397,950
2024	45,000	351,690	396,690
2025	45,000	350,430	395,430
2026	2,375,000	302,300	2,677,300
2027	6,370,000	127,400	6,497,400
Total	\$9,010,000	2,549,880	11,559,880

Bond Series 2016 Refunding

On May 31, 2016, the Board of Commissioners of the Kendall County Forest Preserve District authorized issuance of \$9,270,000 in general obligation refunding bonds, Series 2016 with a variable interest rate (3.23 – 4.0%). Of the bond proceeds, \$8,915,000 was used to refund a portion of the general obligation, Series 2007 bonds.

The bonds shall mature each year as follows:

<u>Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Payments</u>
2020	\$ 100,000	298,186	398,186
2021	100,000	294,187	394,187
2022	105,000	290,088	395,088
2023	115,000	285,687	400,687
2024	230,000	278,788	508,788
2025	5,040,000	187,450	5,227,450
2026	3,115,000	50,356	3,165,356
Total	\$8,805,000	1,684,742	10,489,742

KENDALL COUNTY FOREST PRESERVE DISTRICT

**Notes to Basic Financial Statements
November 30, 2019**

Note 9: Long-Term Debt (continued)

Bond Series 2017 Refunding

On April 26, 2017, the Board of Commissioners of the Kendall County Forest Preserve District authorized issuance of \$19,130,000 in general obligation refunding bonds, Series 2017 with a variable interest rate (4.0 – 5.0%). Of the bond proceeds, \$20,205,000 was used to refund a portion of the general obligation, Series 2007 bonds.

The bonds shall mature each year as follows:

<u>Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Payments</u>
2020	\$ 2,525,000	759,875	3,284,875
2021	2,765,000	627,625	3,392,625
2022	3,255,000	477,125	3,732,125
2023	3,740,000	302,250	4,042,250
2024	4,175,000	104,375	4,279,375
Total	\$ 16,460,000	2,271,250	18,731,250

Debt service requirements for all bonds are summarized below:

<u>Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Payments</u>
2020	\$ 3,035,000	1,456,189	4,491,189
2021	3,295,000	1,307,654	4,602,654
2022	3,805,000	1,140,228	4,945,228
2023	4,330,000	947,337	5,277,337
2024	4,450,000	734,853	5,184,853
2025	5,085,000	537,880	5,622,880
2026	5,490,000	352,656	5,842,656
2027	6,370,000	127,400	6,497,400
Total	\$ 35,860,000	6,604,197	42,464,197

Legal Debt Margin

Legal debt margin is the percent of the District's assessed valuation which is subject to debt limitation. The statutory debt limitation for the District is 5.750%. The legal debt margin is as follows for the year ended November 30, 2019:

Assessed valuation (2018)	<u>\$ 3,227,251,848</u>
Statutory debt limitation (5.750%)	\$ 185,566,981
Amount of debt applicable to debt limitation	<u>35,860,000</u>
Legal debt margin	<u>\$ 149,706,981</u>

KENDALL COUNTY FOREST PRESERVE DISTRICT

Notes to Basic Financial Statements November 30, 2019

Note 10: Debt Defeasance

In prior years, the District defeased certain general obligation bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the District's financial statements.

Note 11: Net Position

Net position reported on the government-wide Statement of Net Position at November 30, 2019 is composed of the following:

Governmental Activities	
Net investment in capital assets	
Land	\$ 69,061,346
Other capital assets, net of accumulated depreciation	3,790,747
Less: related long-term debt outstanding	<u>(37,687,812)</u>
Total net investment in capital assets	<u>35,164,281</u>
Restricted:	
State statutes and enabling legislation	5,932,474
Donor restrictions	<u>879,882</u>
Total restrictions	<u>6,812,356</u>
Unrestricted	<u>(2,217,732)</u>
Total governmental activity net position	<u>\$ 39,758,905</u>

Note 12: Fund Balance

According to Government Accounting Standards, fund balances are to be classified into five major classifications; Nonspendable Fund Balance, Restricted Fund Balance, Committed Fund Balance, Assigned Fund Balance, and Unassigned Fund Balance. Below are definitions of the how these balances are reported.

Nonspendable Fund Balance

The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example inventories and prepaid amounts. The District does not have any nonspendable balances at year end.

KENDALL COUNTY FOREST PRESERVE DISTRICT

**Notes to Basic Financial Statements
November 30, 2019**

Note 12: Fund Balance (continued)

Restricted Fund Balance

The restricted fund balance classification refers to amounts that are subject to outside restrictions, not controlled by the entity. Examples of these restrictions could be those imposed by creditors, grantors, contributors, or laws and regulations of other governments, or imposed by law through constitutional provisions or enabling legislation. The District has restricted balances at year end that are listed below:

Externally imposed by donors:	
Endowment Fund - Capital Improvement	\$ 879,882
State statutes and enabling legislation	
Capital projects	967,102
Debt service	<u>4,965,372</u>
Total restricted fund balance	<u>\$ 6,812,356</u>

Committed Fund Balance

The District commits fund balance by making motions or passing resolution to adopt policy or to approve contracts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contract requirements. There was no committed fund balance as of November 30, 2019.

Assigned Fund Balance

The assigned fund balance classification refers to amounts that are constrained by the District's intent to be used for a specific purpose but are neither restricted nor committed. Intent may be expressed by the Board to assign amounts to be used for specific purposes. The District has assigned balances of \$50,000 in the Insurance Fund to pay for insurance claims as they arise, and \$376,244 in the Improvement Fund to be used on future capital projects.

Unassigned Fund Balance

The unassigned fund balance classification is the residual classification for amounts in the General Fund for amounts that have not been restricted, committed, or assigned to specific purposes within the General Fund and for funds with negative fund balances. The General Fund had an unassigned fund balance of \$326,072 at November 30, 2019.

To avoid service disruption due to revenue short falls, the District has set a minimum fund balance target of 25% annual appropriated expenses and transfers for the General Fund. If the fund balance drops below 25% value, the District will develop an action plan to restore the fund balance to the desired level. The fund balance in the general fund exceeded the minimum fund balance target at November 30, 2019.

KENDALL COUNTY FOREST PRESERVE DISTRICT

**Notes to Basic Financial Statements
November 30, 2019**

Note 13: Interfund Transfers

The Board approved the following interfund transfers during the year ended November 30, 2019:

	<u>Transfers In</u>	<u>Transfers Out</u>
Major Funds:		
General Fund	\$ -	50,000
Bond and Interest Fund	-	31,981
Bond and Interest Fund - Series 2012	-	14,181
Non-Major Funds:		
Capital Projects Fund	-	329,065
Liability Insurance Fund	50,000	-
Forest Preserve Improvement Fund	375,227	-
	<u>\$ 425,227</u>	<u>425,227</u>

The General Fund transferred \$50,000 to the Liability Insurance Fund to establish the fund and accumulate funds for future insurance claim deductible payments. The Bond and Interest and Capital Improvement Funds transferred \$375,227 to the Forest Preserve Improvement Fund to establish a fund for future capital improvements to the Forest Preserve.

Note 14: Contingencies

The District is periodically involved in various lawsuits. It is the opinion of the County of Kendall's State's Attorney that as of November 30, 2019, there are no matters that will have a material adverse effect on the financial condition of the District.

Note 15: Farm License Agreements

The District issues licenses for the purpose of farming unused land owned by the District. The licensee is responsible for maintaining the soil according to the methods adopted in the farming plan approved by the Kendall County Soil & Water Conservation District. The District receives rent payments based upon annual agreements approved by the District board. The revenue is based upon the number of tillable acres used for farming and the amount per tillable acre signed in each individual agreement. During the current fiscal year, the District received \$143,723 in farm license revenue.

Note 16: Donations

During the 2011 and 2014 fiscal years, the District received a donation in the amount of \$817,219 from the trust of John and Mary Subat to be used for a nature preserve building at Subat Forest Preserve. The donation will be kept in a dedicated fund until the time is right for the District to build a nature preserve building as requested. The net proceeds are recorded in the Endowment Fund.

KENDALL COUNTY FOREST PRESERVE DISTRICT

Notes to Basic Financial Statements November 30, 2019

Note 17: Federal Awards

The District shares a federal identification number with the County of Kendall, Illinois; therefore, any expenditures of federal awards made by the District are reported on the County's Schedule of Expenditures of Federal Awards. This schedule is included with the County's audited annual financial report.

Note 18: Subsequent Event

Management evaluated subsequent events through March 26, 2020, the date the financial statements were available to be issued. No amounts were required to be recorded or disclosed in the financial statements as of November 30, 2019 as a result of events occurring between December 1, 2019 and March 26, 2020.

Required Supplementary Information

**KENDALL COUNTY FOREST PRESERVE DISTRICT
GENERAL FUND**

SCHEDULE A-1

**Schedule of Revenues, Expenditures, and Changes In Fund Balance - Budget and Actual
For the Year Ended November 30, 2019
(With Comparative Figures for the Year Ended November 30, 2018)**

	2019		Variance with Budget	2018
	Original & Final Appropriations	Actual		Actual
Revenues:				
Property taxes	\$ 595,374	590,914	(4,460)	571,545
Revenue from services:				
Program fees	217,680	267,649	49,969	204,134
Reservations	121,875	90,632	(31,243)	116,797
Total revenue from services	339,555	358,281	18,726	320,931
Project fund:				
Farm license revenue	151,030	143,723	(7,307)	152,489
Preserve improvements - grants	3,500	3,818	318	2,564
Total project fund	154,530	147,541	(6,989)	155,053
Interest	700	1,595	895	978
Other revenue:				
Donations	4,500	1,470	(3,030)	2,778
Security deposits	26,800	25,485	(1,115)	23,299
Miscellaneous	35,100	35,151	51	28,328
Total other income	66,200	62,106	(4,094)	54,405
Total revenues	1,156,359	1,160,437	4,078	1,102,912
Expenditures:				
Culture and recreation				
Administration:				
Personnel:				
Salary - full time	142,035	145,904	(3,869)	136,511
Salary - part time	14,250	7,938	6,312	-
Board per diem	3,200	4,011	(811)	2,994
Employee benefits:				
IMRF and Social Security	24,287	23,877	410	26,526
Medical insurance	38,970	23,018	15,954	18,379
Liability insurance	48,088	45,356	2,732	43,325
Insurance deductible	10,000	-	10,000	-
Contractual:				
Dues and memberships	1,200	1,114	86	1,249
Conferences	2,000	2,570	(570)	1,001
Legal publications	400	182	218	195
Contractual services	2,250	1,650	600	2,400
Audit	7,750	7,500	250	7,500
Farm lease contract expenditures	500	-	500	870
Environmental education presenters	-	300	(300)	-
Credit card fee	4,000	6,734	(2,734)	6,002

**KENDALL COUNTY FOREST PRESERVE DISTRICT
GENERAL FUND**

**SCHEDULE A-1
(CONTINUED)**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Year Ended November 30, 2019
(With Comparative Figures for the Year Ended November 30, 2018)**

	2019		Variance with Budget	2018
	Original & Final Appropriations	Actual		Actual
Expenditures (continued):				
Culture and recreation (continued):				
Administration (continued):				
Commodities:				
Office supplies and postage	\$ 7,700	8,541	(841)	8,184
Electric	2,940	2,681	259	2,241
Promotion	5,000	4,854	146	7,891
Newsletter	400	-	400	99
Other:				
Preserve Improvements	-	-	-	975
Contributions	-	2,411	(2,411)	882
Ellis House:				
Personnel:				
Salary - part time	101,438	107,451	(6,015)	100,385
Employee benefits:				
IMRF and social security	11,070	11,996	(926)	13,382
Contractual:				
Refuse pickup	1,500	1,420	80	1,611
Veterinarian and farrier	3,600	6,740	(3,140)	3,769
Event tent lease	15,255	15,255	-	15,255
Credit card fee	-	-	-	50
Commodities:				
Utilities	12,840	12,133	707	11,879
Office supplies and postage	1,000	1,425	(425)	1,708
Volunteer expenditures	500	593	(93)	552
Promotion	3,550	515	3,035	3,568
Animal care and supplies	8,000	9,388	(1,388)	6,795
Horse acquisition and tack	2,160	-	2,160	1,501
Uniforms	320	-	320	310
Program supplies	1,550	1,441	109	1,339
Other:				
Equipment	13,000	10,161	2,839	11,480
Security deposit refunds	4,800	9,539	(4,939)	13,390
Hoover:				
Personnel:				
Salary - full time	50,077	50,086	(9)	48,612
Salary - part time	49,927	54,740	(4,813)	38,761
Employee benefits:				
IMRF and social security	15,495	13,509	1,986	15,030
Medical insurance	13,351	10,273	3,078	10,078

**KENDALL COUNTY FOREST PRESERVE DISTRICT
GENERAL FUND**

**SCHEDULE A-1
(CONTINUED)**

**Schedule of Revenues, Expenditures, and Changes In Fund Balance - Budget and Actual
For the Year Ended November 30, 2019
(With Comparative Figures for the Year Ended November 30, 2018)**

	2019		Variance with Budget	2018
	Original & Final Appropriations	Actual		Actual
Hoover (continued):				
Commodities:				
Utilities and maintenance:				
Gas	\$ 5,300	7,873	(2,573)	4,884
Electric	15,000	16,988	(1,988)	14,093
Other utilities	6,500	3,272	3,228	4,437
Shop supplies	2,000	3,897	(1,897)	3,002
Building maintenance	9,800	10,726	(926)	9,023
Grounds maintenance	3,500	5,136	(1,636)	2,447
Other expense	3,000	2,949	51	240
Other:				
Security deposit refunds	13,000	14,294	(1,294)	15,335
Environmental education:				
Personnel:				
Salary - full time	22,877	24,602	(1,725)	22,029
Salary - part time	104,050	108,679	(2,629)	110,120
Employee benefits:				
IMRF and social security	15,791	15,644	147	17,144
Commodities:				
Environmental education	-	-	-	337
School programs	1,000	1,970	(970)	1,037
Camps	1,750	1,248	502	1,755
Natural beginnings	4,000	2,995	1,005	3,258
Other public programs	600	568	32	920
Laws of nature	550	553	(3)	553
Other:				
Security deposit refunds	-	235	(235)	-
Grounds & Natural Resources:				
Personnel:				
Salary - full time	148,502	102,027	46,475	142,491
Salary - part time	25,346	34,412	(9,066)	30,414
Employee benefits:				
IMRF and social security	25,919	10,485	15,434	22,189
Medical insurance	40,498	38,732	1,766	40,726
Contractual:				
Telephone	10,500	12,594	(2,094)	9,326
Refuse pickup	6,750	7,330	(580)	6,566
Commodities:				
Fuel	13,500	13,388	112	13,264
Uniforms	1,500	2,156	(656)	1,793
Gas	3,025	3,031	(6)	3,324
Supplies - shop	5,000	5,667	(667)	6,254
Other:				
Equipment	12,000	29,518	(17,518)	17,505
Preserve Improvements	5,500	10,683	(5,183)	8,015

**KENDALL COUNTY FOREST PRESERVE DISTRICT
GENERAL FUND**

**SCHEDULE A-1
(CONTINUED)**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Year Ended November 30, 2019
(With Comparative Figures for the Year Ended November 30, 2018)**

	2019			2018
	Original & Final Appropriations	Actual	Variance with Budget	Actual
Natural area management:				
Volunteer supplies	\$ 500	1,229	(729)	562
Management supplies	-	-	-	947
Pickerill Pigott:				
Personnel:				
Salary - part time	10,400	-	10,400	-
Employee benefits:				
IMRF and social security	1,617	-	1,617	81
Commodities:				
Electric	5,300	5,052	248	5,409
Supplies	500	1,038	(538)	1,816
Other:				
Security deposit refunds	-	75	(75)	-
Total expenditures	1,149,276	1,102,348	49,662	1,087,971
Excess (deficiency) of revenues over (under) expenditures	7,083	58,089	(45,584)	14,941
Other financing sources (uses):				
Transfers In(out)	-	(50,000)	50,000	-
Total other financing sources (uses)	-	(50,000)	50,000	-
Net change in fund balance	\$ 7,083	8,089	4,416	14,941
Fund balance, beginning of year		317,983		303,042
Fund balance, end of year		\$ 326,072		317,983

KENDALL COUNTY FOREST PRESERVE DISTRICT

SCHEDULE 1

Required Supplementary Information
 Illinois Municipal Retirement Fund - Regular Plan
 Multiyear Schedule of Changes in the Employer's Net Pension Liability and Related Ratios*

	Calendar Year Ending December 31,				
	2018	2017	2016	2015	2014
TOTAL PENSION LIABILITY					
Service cost	\$ 1,175,617	1,252,601	1,231,562	1,176,000	1,251,728
Interest on the total pension liability	3,641,720	3,592,721	3,492,759	3,194,904	2,916,900
Benefit changes					
Differences between expected and actual experience	150,780	(491,763)	(1,458,515)	1,315,246	(450,802)
Assumption changes	1,594,509	(1,579,871)	(126,416)	61,936	1,820,108
Benefit payments and refunds	(2,100,734)	(2,063,018)	(1,820,170)	(1,653,476)	(1,419,485)
Net change in total pension liability	4,461,862	710,670	1,319,220	4,094,610	3,918,449
Total pension liability - beginning	49,018,828	48,308,158	46,988,938	42,894,328	38,975,879
Total pension liability - ending	\$ 53,480,720	49,018,828	48,308,158	46,989,938	42,894,328
PLAN FIDUCIARY NET POSITION					
Employer contributions	\$ 1,227,119	1,327,501	1,224,073	1,265,025	1,219,788
Employee contributions	543,232	540,612	510,863	545,967	480,532
Pension plan net investment income	(2,530,620)	7,256,630	2,721,370	196,690	2,247,690
Benefit payments and refunds	(2,100,734)	(2,063,018)	(1,820,170)	(1,663,476)	(1,419,485)
Other	814,027	(618,318)	198,917	(421,988)	18,910
Net change in plan fiduciary net position	(2,046,976)	6,443,407	2,833,053	(67,782)	2,567,425
Plan net position - beginning	48,467,902	42,024,495	39,191,442	39,259,224	38,701,799
Plan net position - ending	\$ 46,420,926	48,467,902	42,024,495	39,191,442	39,259,224
EMPLOYER'S NET PENSION LIABILITY (ASSET)					
Plan fiduciary net position as a percentage of total pension liability	\$ 7,059,794	690,926	6,283,663	7,797,496	3,636,104
Covered valuation payroll	86.80%	98.86%	86.96%	83.41%	91.53%
Employer's net pension liability as a percentage of covered valuation payroll	\$ 12,067,273	12,013,585	11,334,007	11,552,748	10,474,794
	58.50%	4.56%	55.44%	67.49%	34.70%

* Schedule is being built prospectively from 2014 to show ten years' data.

Notes to Schedule:

The schedule above represents the combined changes in the Employer's Net Pension Liabilities for the County of Kendall, Illinois, the Kendall County Forest Preserve District, and KanCom Public Safety Dispatch.

**Required Supplementary Information
Illinois Municipal Retirement Fund
Multiyear Schedules of Employer Contributions***

Calendar Year	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Contributions as a Percentage of Covered Payroll
2018	\$ 1,211,554	1,227,119	(15,565)	12,067,273	10.17%
2017	1,327,501	1,327,501	-	12,013,585	11.05%
2016	1,224,073	1,224,073	-	11,334,007	10.80%
2015	1,265,026	1,265,025	1	11,552,748	10.95%
2014	1,172,129	1,219,788	(47,659)	10,474,794	11.64%

Notes to Schedule:

Valuation Date: Actuarially determined contribution rates are calculated as of December 31 each year, which are 12 months prior to the beginning of the fiscal year in which contributions are reported.

Methods and assumptions used to determine 2018 contribution rate:

Actuarial cost method Aggregate entry age normal
 Amortization method Level percent of payroll, closed
 Remaining amortization period Non-Taxing bodies: 10-year rolling period.
 Taxing bodies (Regular, SLEP, and ECO groups): 25-year closed period
 Early Retirement Incentive Plan liabilities; a period up to 10 years selected by the Employer upon adoption of ERI.

SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 20 years for most employers (two employers were financed over 29 years).

Asset valuation method 5-year smoothed market; 20% corridor

Wage growth 3.50%

Price inflation 2.75%

Salary increases 3.75% to 14.50% 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 2014 valuation pursuant to an experience study of the period 2011 - 2013.

Mortality For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

* Schedule is being built prospectively from 2014 to show ten years' data.

The schedule above represents the combined employer contributions for the County of Kendall, Illinois, the Kendall County Forest Preserve District, and KenCom Public Safety Dispatch.

Notes to Required Supplementary Information

KENDALL COUNTY FOREST PRESERVE DISTRICT

Notes to Required Supplementary Information November 30, 2019

Note 1: Budgetary Comparison Schedules

The budgetary comparison schedule for the General Fund presents a comparison of the budget with actual data on a modified accrual basis. This is consistent with the modified accrual basis of accounting used to prepare the schedules of revenues, expenditures, and changes in fund balance for that fund.

The District's fiscal year 2019 budget was adopted on November 20, 2018 and was not amended.

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

The appropriated budget is prepared by fund. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the fund level. Appropriations in all budgeted funds lapse at the end of the fiscal year.

Supplementary Information

**KENDALL COUNTY FOREST PRESERVE DISTRICT
BOND AND INTEREST FUND**

SCHEDULE B-1

**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget & Actual
For the Year Ended November 30, 2019
(With Comparative Figures for the Year Ended November 30, 2018)**

	2019		Variance with Budget	2018
	Original & Final Appropriations	Actual		Actual
Revenues:				
Property taxes	\$ 3,846,068	3,840,346	(5,722)	4,325,082
Interest	500	4,437	3,937	4,763
Total revenues	3,846,568	3,844,783	(1,785)	4,329,845
Expenditures:				
Principal	2,430,000	2,430,000	-	2,610,000
Interest	1,539,291	1,539,291	-	1,661,063
Total expenditures	3,969,291	3,969,291	-	4,271,063
Excess (deficiency) of revenues over (under) expenditures	(122,723)	(124,508)	(1,785)	58,782
Other financing sources (uses):				
Transfers in (out)	-	(31,981)	31,981	-
Total other financing sources (uses)	-	(31,981)	31,981	-
Net change in fund balance	\$ (122,723)	(156,489)	30,196	58,782
Fund balance, beginning of year		4,212,023		4,153,241
Fund balance, end of year		\$ 4,055,534		4,212,023

**KENDALL COUNTY FOREST PRESERVE DISTRICT
BOND AND INTEREST FUND - SERIES 2012**

SCHEDULE B-2

**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget & Actual
For the Year Ended November 30, 2019
(With Comparative Figures for the Year Ended November 30, 2018)**

	2019		Variance with Budget	2018
	Original & Final Appropriations	Actual		Actual
Revenues:				
Property taxes	\$ 412,550	412,058	(492)	401,784
Interest	500	3,632	3,132	2,630
Total revenues	413,050	415,690	2,640	404,414
Expenditures:				
Principal	345,000	345,000	-	330,000
Interest	52,725	52,725	-	62,850
Total expenditures	397,725	397,725	-	392,850
Excess (deficiency) of revenues over (under) expenditures	15,325	17,965	2,640	11,564
Other financing sources (uses):				
Transfers in (out)	-	(14,181)	14,181	-
Total other financing sources (uses)	-	(14,181)	14,181	-
Net change in fund balance	\$ 15,325	3,784	(2,640)	11,564
Fund balance, beginning of year		906,054		894,490
Fund balance, end of year		\$ 909,838		906,054

SCHEDULE C-1

KENDALL COUNTY FOREST PRESERVE DISTRICT

**Combining Balance Sheet - Non-Major Funds
November 30, 2019
(With Comparative Figures for November 30, 2018)**

	Liability Insurance	Grant Fund	Capital Project Fund	Endowment Fund	Improvement Fund	Total 2019
<u>Assets</u>						
Cash, deposits, and investments	\$ 50,000	138,391	828,351	879,882	376,244	2,273,868
Total assets	\$ 50,000	138,391	828,351	879,882	376,244	2,273,868
<u>Liabilities</u>						
Accounts payable	-	-	640	-	-	640
Total liabilities	-	-	640	-	-	640
<u>Fund Balance</u>						
Restricted	-	138,391	828,711	879,882	-	1,846,984
Assigned	50,000	-	-	-	376,244	426,244
Total fund balance	50,000	138,391	828,711	879,882	376,244	2,273,228
Total liabilities, deferred inflows, and fund balance	\$ 50,000	138,391	828,351	879,882	376,244	2,273,868

KENDALL COUNTY FOREST PRESERVE DISTRICT

SCHEDULE C-2

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances - Non-Major Funds
 For the Year Ended November 30, 2019
 (With Comparative Figures for the Year Ended November 30, 2018)

	Liability Insurance	Grant Fund	Capital Projects Fund	Endowment Fund	Improvement Fund	Total 2019
Revenues:						
Intergovernmental revenue	\$ -	158,250	16,140	-	-	174,390
Project fund receipts	-	-	42,143	-	-	42,143
Interest	-	-	3,227	19,822	1,017	24,066
Other revenue	-	-	1,187	-	-	1,187
Total revenues	-	158,250	62,697	19,822	1,017	241,786
Expenditures:						
Culture and recreation	-	19,859	283,538	-	-	303,397
Total expenditures	-	19,859	283,538	-	-	303,397
Excess (deficiency) of revenues over (under) expenditures	-	138,391	(220,841)	19,822	1,017	(61,611)
Other financing sources (uses):						
Transfers in (out)	50,000	-	(328,065)	-	375,227	96,162
Total other financing sources (uses)	50,000	-	(328,065)	-	375,227	96,162
Net change in fund balance	50,000	138,391	(549,906)	19,822	376,244	34,551
Fund balance, beginning of year	-	-	1,378,617	860,060	-	2,238,677
Fund balance, end of year	\$ 50,000	138,391	828,711	879,882	376,244	2,273,228

**KENDALL COUNTY FOREST PRESERVE DISTRICT
LIABILITY INSURANCE FUND**

SCHEDULE C-3

**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget & Actual
For the Year Ended November 30, 2019
(With Comparative Figures for the Year Ended November 30, 2018)**

	2019		2018
	Original & Final Appropriations	Actual	Variance with Budget
Revenues	\$ -	-	-
Expenditures	-	-	-
Excess (deficiency) of revenues over (under) expenditures	-	-	-
Other financing sources (uses):			
Transfers in (out)	-	50,000	(50,000)
Total other financing sources (uses)	-	50,000	(50,000)
Net change in fund balance	\$ -	50,000	-
Fund balance, beginning of year		-	-
Fund balance, end of year		\$ 50,000	-

**KENDALL COUNTY FOREST PRESERVE DISTRICT
FOREST PRESERVE GRANT FUND**

SCHEDULE C-4

**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget & Actual
For the Year Ended November 30, 2019
(With Comparative Figures for the Year Ended November 30, 2018)**

	2019		2018	
	Original & Final Appropriations	Actual	Variance with Budget	Actual
Revenues:				
Grant Award	\$ -	158,250	-	-
Total revenues	-	-	-	-
Expenditures:				
Other expenditures	-	19,859	-	-
Total expenditures	-	19,859	-	-
Excess (deficiency) of revenues over (under) expenditures	\$ -	138,391	-	-
Fund balance, beginning of year		-		-
Fund balance, end of year		\$ 138,391		-

**KENDALL COUNTY FOREST PRESERVE DISTRICT
CAPITAL PROJECTS FUND**

SCHEDULE C-5

**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget & Actual
For the Year Ended November 30, 2019
(With Comparative Figures for the Year Ended November 30, 2018)**

	2019			2018
	Original & Final Appropriations	Actual	Variance with Budget	Actual
Revenues:				
Intergovernmental:				
Grant revenue	\$ 352,500	16,140	(336,360)	-
Project fund:				
Receipts	207,100	42,143	(164,957)	1,321,031
Interest	1,500	3,227	1,727	2,662
Other revenue:				
Kendall County highway mitigation	157,500	-	(157,500)	-
Hoover easements	42,000	1,187	(40,813)	-
Trail Improvement escrow	23,177	-	(23,177)	-
Donations	32,000	-	(32,000)	-
Total revenues	815,777	62,697	(753,080)	1,323,693
Expenditures:				
Salaries	2,500	-	2,500	-
Bond disclosure fee	1,900	2,300	(400)	-
Project fund expense	420,865	118,656	302,209	1,479,314
Equipment replacement	81,950	-	81,950	-
Natural areas management	73,000	54,989	18,011	-
Preserve Improvements/ master planning	1,411,552	33,075	1,378,477	-
Building Improvements	203,470	74,518	128,952	-
Total expenditures	2,195,237	283,538	1,911,699	1,479,314
Excess (deficiency) of revenues over (under) expenditures	(1,379,460)	(220,841)	(2,664,779)	(155,621)
Other financing sources (uses):				
Transfers In (out)	-	(329,065)	329,065	-
Total other financing sources (uses)	-	(329,065)	329,065	-
Net change in fund balance	\$ (1,379,460)	(549,906)	(2,993,844)	(155,621)
Fund balance, beginning of year		1,378,617		1,534,238
Fund balance, end of year		\$ 828,711		1,378,617

**KENDALL COUNTY FOREST PRESERVE DISTRICT
ENDOWMENT FUND**

SCHEDULE C-6

**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget & Actual
For the Year Ended November 30, 2019
(With Comparative Figures for the Year Ended November 30, 2018)**

	2019		Variance with Budget	2018
	Original & Final Appropriations	Actual		Actual
Revenues:				
Interest	\$ 10,000	19,822	9,822	14,851
Expenditures		-	-	-
Net change in fund balance	\$ 10,000	19,822	9,822	14,851
Fund balance, beginning of year		860,060		845,209
Fund balance, end of year		\$ 879,882		860,060

**KENDALL COUNTY FOREST PRESERVE DISTRICT
FOREST PRESERVE IMPROVEMENT FUND**

SCHEDULE C-7

**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget & Actual
For the Year Ended November 30, 2019
(With Comparative Figures for the Year Ended November 30, 2018)**

	2019		2018	
	Original & Final Appropriations	Actual	Variance with Budget	Actual
Revenues:				
Interest	\$ -	1,017	1,017	-
Total revenues	-	1,017	1,017	-
Expenditures	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	-	1,017	1,017	-
Other financing sources (uses):				
Transfers in (out)	-	375,227	(375,227)	-
Total other financing sources (uses)	-	375,227	(375,227)	-
Net change in fund balance	\$ -	376,244	(1,017)	-
Fund balance, beginning of year		-		-
Fund balance, end of year		\$ 376,244		-

**Assessed Valuations, Tax Rates, Tax Extensions
and Tax Collections**

	Tax Year				
	2014	2015	2016	2017	2018
Assessed valuations	\$ 2,528,541,825	2,638,618,544	2,839,493,270	3,029,500,354	3,227,251,848
Tax rates:					
General (Corporate)	0.0211	0.0206	0.0196	0.0189	0.0183
Bond and Interest	0.1615	0.1581	0.1560	0.1563	0.1320
Total	0.1826	0.1787	0.1756	0.1752	0.1503
Tax extensions:					
General (Corporate)	\$ 534,028	544,347	553,701	572,576	591,878
Bond and Interest	4,082,331	4,171,920	4,429,894	4,735,412	4,259,327
Total	\$ 4,616,359	4,716,267	4,983,595	5,307,988	4,851,205
Tax Collections	\$ 4,592,588	4,703,288	4,973,937	5,298,411	4,843,318

Other Required Reporting



116 E. Washington Street
Suite One
Morris, Illinois 60450

Phone: (815) 942-3306
Fax: (815) 942-9430
www.mackcpas.com

TAWNYA R. MACK, CPA
LAURI POPE, CPA
ERICA BLUMBERG, CPA
TREVOR DEBELAK, CPA
CHRIS CHRISTENSEN
SONDRA RANKIN, MBA

CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND
ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Commissioners
Kendall County Forest Preserve District
Yorkville, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund and the aggregate remaining fund in the Kendall County Forest Preserve District ("the District"), as of and for the year ended November 30, 2019, and the related notes to the financial statements, which collectively comprise the Kendall County Forest Preserve District's basic financial statements and have issued our report thereon dated March 26, 2020.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Kendall County Forest Preserve District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Kendall County Forest Preserve District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Kendall County Forest Preserve District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings that we consider to be significant deficiencies (2019-01).

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Kendall County Forest Preserve District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an

opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Kendall County Forest Preserve District's Response to Findings

Kendall County Forest Preserve District's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Kendall County Forest Preserve District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Mack & Associates, P.C.

Mack & Associates, P.C.

Morris, Illinois
March 26, 2020

KENDALL COUNTY FOREST PRESERVE DISTRICT

Schedule of Findings For the Year Ended November 30, 2019

Finding 2019-1: Financial Statement Preparation

Condition:

The District does not have an internal control policy in place over annual financial reporting that would enable management to prepare its annual financial statements and ensure related footnote disclosures are complete and presented in accordance with U.S. generally accepted accounting principles (GAAP). Management prepared a schedule of accounts receivable and payable for the year, however, adjusting journal entries were required to ensure compliance with GAAP.

Criteria:

Management is responsible for establishing and maintaining internal controls and for the fair presentation of the financial statements including the related disclosures, in conformity with GAAP.

Cause:

The District relies on the audit firm to prepare the annual financial statements and the related footnote disclosures. However management has reviewed and approved the annual financial statements and the related footnote disclosures.

Effect:

The completeness of the financial statement disclosures and the accuracy of the overall financial presentation is negatively impacted as external auditors do not have the same comprehensive understanding of the District as its internal staff.

Recommendation:

Management should continue to review and approve the annual financial statements and the related footnote disclosures.

Views of Responsible Officials and Planned Corrective Action:

We agree with the finding and have developed a corrective action plan.



CERTIFIED PUBLIC ACCOUNTANTS

116 E. Washington Street
Suite One
Morris, Illinois 60450

Phone: (815) 942-3306
Fax: (815) 942-9430
www.mackcpas.com

TAWNYA R. MACK, CPA
LAURI POPE, CPA
ERICA BLUMBERG, CPA
TREVOR DEBELAK, CPA
CHRIS CHRISTENSEN
SONDRA RANKIN, MBA

To the Board of Commissioners
and Management
Kendall County Forest Preserve District
Yorkville, Illinois

In planning and performing our audit of the financial statements of the Kendall County Forest Preserve District, for the year ended November 30, 2019, we considered its internal control in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control.

However, during our audit we became aware of matters that are opportunities for strengthening internal controls and operating efficiency. The memorandum that accompanies this letter summarizes our comments and suggestions regarding those matters. This letter does not affect our report dated March 26, 2020 on the financial statements of the Kendall County Forest Preserve District.

We will review the status of these comments during our next audit engagement. We have already discussed these comments and suggestions with personnel, and we will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations.

Very truly yours,

Mack & Associates, P.C.

Mack & Associates, P.C.
Certified Public Accountants

Morris, Illinois
March 26, 2020

Kendall County Forest Preserve District

Schedule of Management Comments and Recommendations November 30, 2019

In addition to the significant deficiency reported in the audit report, we became aware of the following matters that are opportunities for strengthening internal controls and operating efficiency:

2019-02: Credit Card Transactions (Reoccurring)

Description:

The department head has the ability to initiate credit card purchases and is also responsible for approving the disbursement voucher.

Recommendation:

Someone other than the department head should review and approve the detail of those expenses charged by the department head. The District is currently in the process of implementing a credit card policy. The District should consider implementing an employee reimbursement policy as well.

2019-03: Policies and Procedures

Description:

There are no formally documented accounting policies and procedures. Reliance is placed on the Human Resources, Accounting, and Preserve Reservations Manager for handling all transactions. However, it is unclear whether controls would still operate at a high level if the Human Resources, Accounting, and Preserve Reservations Manager were no longer with the District.

Recommendation:

The District should consider developing written accounting policies and procedures to maintain the current control environment at the District. Based on the Government Finance Officers Association best practice, the accounting policies and procedures should:

- Delineate the authority and responsibility of all employees, especially the authority to authorize transactions and the responsibility for the safekeeping of assets and records.
- Indicate which employees perform which procedures.
- Describe procedures as they are actually intended to be performed rather than in some idealized form.
- Explain the design and purpose of control related procedures to increase employee understanding of and support for controls.

The District should also consider cross-training employees.

Kendall County Forest Preserve District

Schedule of Management Comments and Recommendations November 30, 2019

2019-04: Program Fee Completeness

Description:

There is no process in place to verify completeness of lesson/program fees collected at Ellis House and remitted to the forest preserve office for deposit.

Recommendation:

Periodically, a report or schedule of programs, lessons, enrollment, etc. should be prepared by staff at Ellis House and remitted to the forest preserve office to reconcile to fees received in order to ensure that all fees collected were deposited.

2019-05: Budgetary Compliance

Description:

Expenditures in the Forest Preserve Grant Fund exceeded appropriations by \$19,859 because the District did not budget for expenditures in this non-major fund. Even though the District budgeted for the expenditures in the Capital Projects and the total expenditures for all funds were less than total appropriations, budgetary compliance is evaluated at the fund-level.

Recommendation:

Management should monitor the budget to ensure that expenditures are properly budgeted for.

2019-06: Security Deposit Liability

Description:

Management does not perform an evaluation of the security deposit liability and make the necessary adjustments to appropriately state the liability balance at year-end.

Recommendation:

Even though the year end liability is not materially misstated, management should track outstanding security deposits and prepare a journal entry to appropriately state the year-end liability based on the outstanding balances at November 30.

KENDALL COUNTY FOREST PRESERVE DISTRICT

County Revenues by Source and Expenditures by Function Last Five Fiscal Years (Information Presented Under Modified Accrual Basis) For Discussions Purposes Only

	2015	2016	2017	2018	2019
Revenues by amount					
Property taxes	\$ 4,592,588	4,703,288	4,973,937	5,298,411	4,843,318
Intergovernmental revenues	750,000	-	-	667,250	174,390
Fees, fines, and charges	96,096	301,204	304,047	320,931	358,281
Project fund	1,359,638	203,405	263,419	158,834	189,684
Interest	3,241	2,213	2,654	25,884	33,730
Other revenues	39,018	40,423	58,675	704,405	63,293
Total revenues	\$ 6,840,581	5,250,533	5,602,732	7,175,715	5,662,696
Revenues by percentage					
Property taxes	67.14%	89.58%	88.78%	73.84%	85.53%
Intergovernmental revenues	10.96%	0.00%	0.00%	9.30%	3.08%
Revenues from services	1.40%	5.74%	5.42%	4.47%	6.33%
Project fund	19.88%	3.87%	4.70%	2.21%	3.35%
Interest	0.05%	0.04%	0.05%	0.36%	0.60%
Other revenue	0.57%	0.77%	1.05%	9.82%	1.12%
Total revenues	100.00%	100.00%	100.00%	100.00%	100.00%
Expenditures by amount					
Culture and recreation	\$ 1,121,229	1,099,722	1,109,092	1,057,798	1,405,745
Debt service	3,509,670	4,148,561	4,135,658	4,663,913	4,367,016
Capital outlay	2,261,744	-	239,953	1,509,487	-
Total revenues	\$ 6,892,643	5,248,283	5,484,703	7,231,198	5,772,761
Expenditures by percentage					
Culture and recreation	16.27%	20.95%	20.22%	14.63%	24.35%
Debt service	50.92%	79.05%	75.40%	64.50%	75.65%
Capital outlay	32.81%	0.00%	4.38%	20.87%	0.00%
Total revenues	100.00%	100.00%	100.00%	100.00%	100.00%

KENDALL COUNTY FOREST PRESERVE DISTRICT

**County General Information
Last Five Fiscal Years
(Information Presented Under Modified Accrual Basis)
For Discussions Purposes Only**

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Total fund balance - all funds	\$ 7,254,969	7,414,011	7,730,220	7,674,737	7,564,672
Cash and investments on hand	6,508,875	7,434,002	7,739,740	7,701,229	7,581,121
General fund - fund balance	245,789	269,180	303,042	317,983	326,072
Change in fund balance - all funds	91,028	159,042	316,209	(55,483)	(110,065)
General fund expenditures	1,010,238	1,014,737	1,045,771	1,087,971	1,102,348
Number of days in general fund balance	87.59	95.50	104.32	106.68	107.97

FARM LEASE AGREEMENT #18-10-001
UPDATED – PROPOSED AMENDMENT

Baker Woods Forest Preserve

This AGREEMENT is made this 25TH day of October, 2018 between the KENDALL COUNTY FOREST PRESERVE DISTRICT, a Body Corporate and Politic, 110 West Madison Street, Yorkville, IL, 60560, Lessor, and Kyle Connell, of 7485 Nettle Creek Road, Morris, Illinois, 60450, Lessee, including all heirs and assigns.

WHEREAS, the Lessor is the owner of certain lands situated in the County of Kendall, Township of Seward and State of Illinois described as:

PIN#s: Field A and B: 09-16-200-013
 Field C: 09-10-300-002 and 09-09-400-003

WHEREAS, Lessee desires to use the above-described real estate for farming purposes and Lessor desires to have the real estate farmed.

WHEREAS, both Lessee and Lessor hereby agree that there are 106.7 tillable acres suitable for row crops on the above referenced parcels, these tillable acres hereinafter referred to as the 'Subject Property'; and the Lessor hereby grants to the Lessee a farm lease in exchange for the following goods, services, and considerations, submitted as a use fee for a term of three (3) years, beginning on January 1, 2019, and ending on December 31, 2021 subject to the conditions and limitations hereinafter mentioned.

Lessee shall pay Lessor a **Base Rate** of \$207.00 (two-hundred and seven dollars) per tillable acre for each of the three years of the lease agreement. The Base Rate shall be payable no later than May 30 within each of the three lease years, and Lessee agrees that failure to pay by this date may terminate this Lease Agreement.

Lessee shall pay Lessor a **Flexible Rate** equal to:
(((Average Grain Price - Basis) x Yield) + Crop Insurance) x 33.33% - Base Rent
(See Exhibit A for example.)

Average Grain Price shall be calculated by utilizing the closing price on the Chicago Board of Trade futures market on the first trading day of each month from January through October. The Basis shall be fixed at \$0.30 for corn and \$0.40 for soybeans.

The Yield shall be the amount of dry bushels harvested divided by the tillable acres as provided on page one of this agreement.

Crop Insurance shall be any funds from a multi-peril or crop hail claim on the Subject Property collected by the Lessee, less the premiums paid on such policy(s).

The Flexible Rate is payable on or before December 31 of each Lease year. Should the computed Flexible Rate be less than the Base Rate, then the Base Rate shall be the total due to Lessor.

NOW, THEREFORE, in consideration of the grants, covenants, and conditions of this Agreement, IT IS HEREBY AGREED AS FOLLOWS:

1. The proceeding introductory language is made a part hereof and incorporated herein.
2. The “Baker Woods Forest Preserve – 2019 through 2021 Farm Lease Agreement Call for Proposals” information packet and base rent bid sheet submitted by the Lessee is incorporated into and made part of this agreement as Exhibit B.
3. This Agreement grants only a contractual lease to use the Subject Property under the terms and conditions state above. Further, the rights granted by District herein shall vest only in Lessee and no such rights shall vest in any of Lessee’s employees, agents, subcontractors or partners, if any. Nothing in this Agreement shall be construed to convey to Lessee any legal or equitable interest in the Subject Property.
4. Lessor makes no claims as to the tax status of the Subject Property. In the event the Subject Property should be assessed and taxed pursuant to the process outlined in 35 ILCS 205/19, it shall be the obligation of the Lessee to pay such taxes as are incurred during the term of this lease. In the event the Subject Property becomes taxable at any time during the term of this Lease, Lessee shall be required to pay those taxes that are incurred during the term of this Lease. At the termination of this Agreement, Lessee shall pay tax incurred during the term of this lease, though not yet due and owing. Where taxes have yet to be determined, Lessee shall pay the estimated taxes based on 100% of the previous year’s taxes. Any such taxes shall be prorated as needed.
5. The Lessor agrees that the Lessee may, without further license on the part of the Lessor, use the Subject Property for the purpose of farming the land. If there are highly erodible soils on the Subject Property, the Lessee is responsible for maintaining the soil according to the methods adopted in Lessee’s farming plan approved by the Kendall County Soil and Water Conservation District. Said report must be submitted to the Lessor on or before ground breaking on the first year covered by this License. Failure to submit this report by this date may terminate this License.
6. The Lessee has inspected the Subject Property prior to signing this Agreement and accepts the condition of this “as is.”
7. The Lessee agrees to farm the Subject Property in a husband-like manner, utilizing conservation tillage methods.
8. Lessee shall keep and provide to the Lessor the following records:
 - A. Soil Samples – The Lessee shall conduct annual soil testing (2.5 acre grid), with such costs split evenly with the Lessor. Soil test results shall be due to the Lessor by July 1. The Lessee shall apply the minimum amount of fertilizer required to maintain the soil fertility based on the following:
 - i. For corn, elemental P (phosphorus) shall be maintained at 80 pounds per acre and elemental K (potassium) shall be maintained at 50 pounds per acre.
 - ii. For soybeans, elemental P (phosphorus) shall be maintained at 50 pounds per acre and elemental K (potassium) shall be maintained at 75 pounds per acre.

- B. Global Positioning System data of crops and yields harvested.
 - C. Fertilizers and rates applied.
 - D. Pesticide applications, including dates of applications, types and amounts of pesticide used, fields treated, and the identity of the applicator for each application.
9. Fertilizer replacement of P (phosphorus) and K (potassium) will be calculated using crop removal method as outlined in the Illinois Agronomy Handbook. Replacement of P and K for a crop year calculated on total nutrient removal per tillable acre and applied at the Lessee's expense for product and application. No carry over credit will be allowed from previous year's application.
10. If Lessee applies limestone to the Subject Property, the cost of the limestone will be depreciated at 25% annually. If the Lessee farms the Subject Property for a period less than four (4) years, the Lessor will reimburse the Lessee for the cost of the limestone less the total annual depreciation. Lime shall be applied when soil pH is less than 6.2.
11. The Lessee shall deliver and sell the crop yield to no buyers other than those listed below without the written approval of the Lessor. Lessee shall provide grain sheets to Lessor.
- A. _____
 - B. _____
 - C. _____
12. It is agreed that the tillable land on this farm should be devoted to row crops. The Lessor may require an un-tilled buffer a minimum of 10 feet from certain woodlands or waterways. This buffer shall be planted with a cover crop by the Lessee at the inception of this Lease with a seed mix approved by Lessor. Lessor shall provide map to Lessee showing buffer areas to be planted.
13. Pesticide Use
- A. Lessee shall, and shall cause all other persons working on the Subject Property, to follow all label instructions of any pesticides used on the Subject Property. Upon signing this Agreement, Lessee shall supply Lessor with a copy of a valid State of Illinois pesticide applicator's license for each person who will be applying pesticide on the Subject Property during the term of this Agreement. If any such licenses expire during the term of this Agreement, Lessee shall be responsible for obtaining a renewal or new license to replace such an expired license and shall promptly provide Lessor with a copy thereof.
 - B. No pesticides shall be stored on the Subject Property unless they are in original, labeled containers, and then only during the period during which such pesticide is applied, which shall not exceed ten (10) days.
 - C. Lessee shall provide Lessor with a record of pesticide applications, including dates of applications, types and amounts of pesticide used, fields treated, and the identity of the applicator for each application.
 - D. Licensee shall provide Licensor with a record of pesticide applications, including dates of applications, types and amounts of pesticide used, fields treated, and the identity of the applicator for each application. Use of atrazine (weed control) and neonicotinoid pesticides (seed treatments including imidacloprid, thiamethoxam, and clothianidin formulas) are prohibited from application within the license area.

- E. Lessee is responsible, at the Lessee's sole expense, to repair any damage done to native vegetation due to pesticide drift and to repair rutting caused by farm equipment in non-tilled areas owned by the Lessor.
14. Lessee shall comply with all federal, state, and local laws, ordinances, rules and regulations that regulate, restrict or prohibit any material defined therein as a hazardous, radioactive, toxic or carcinogenic material, substance, pollutant, or contaminant when using such materials on the Subject Property.
15. The Lessee agrees to take care of the Subject Property, not to alter or change the physical landscape of the Subject Property and to farm in a careful and prudent manner.
16. Upon termination of this Agreement, Lessor may request the Lessee to provide services associated with restoration of the Subject Property. Such services may include plowing, herbiciding, tilling, seeding, and maintenance mowing. Financial arrangement shall be mutually agreed upon by Lessor and Lessee should these services be requested.
17. Lessor reserves the right to enter upon said land to inspect, make improvements thereon, and for any and all lawful purposes arising from the ownership of the land so long as it does not interfere with the rights of the Lessee, as provided in this Lease.
18. The Lessee agrees that this Lease is purely a personal lease to use the Subject Property for farming purposes. The Lessor may terminate this Agreement at any time and for any reason by giving thirty (30) days notice in writing to that effect to the Lessee. In the event of any termination, Lessor shall pay the Lessee for planted but unharvested crops on the Subject Property on the basis of average county yield and unit price, based on available County data. Fertilizer and pesticide costs for planted but unharvested crops on the Subject Property shall be reimbursed, provided that the Lessee provides fertilizer and pesticide receipts for these costs. Other than amount for planted but unharvested crops, and fertilizer and pesticide costs, as provided in this section, Lessee hereby waives its rights to request or seek any other amount from Lessor in the event the License granted herein is terminated.
19. **Insurance & Liability**
- A. The Lessee shall maintain one million dollars (\$1,000,000.00) of liability insurance on the Subject Property with an insurance company acceptable to the Lessor. Lessee shall purchase insurance with said company naming the Lessor as additional insured on the liability policy. Proof of such coverage must be on file with the Lessor on or before March 30th of the first year of the License. Failure to submit such proof by this date may terminate this License. Policy must cover all contractors hired by the Lessee to apply soil amendments, pesticides, or for other purposes, or the contractor must provide proof of insurance for the above referenced amount.
- B. Lessee shall obtain and maintain, at the Lessee's expense, appropriate and adequate insurance coverage for the Lessee's personal property in amounts determined by the Lessee to be adequate. Lessee shall provide a copy of all insurance policies to Lessor upon request of Lessor.
- C. Lessee shall hold harmless, indemnify, and defend the Lessor, its Commissioners, Officers, Agents, Attorneys and Employees against any and all losses, expenses, claims, costs, causes and damages, including without limitation litigation costs and attorneys'

fees, on account of (a) any failure on the part of the Lessee to perform or comply with any terms or conditions of this Agreement, or (b) any personal injuries or death or damages to property arising from, occurring, growing out of, incident to, or resulting directly or indirectly from the grant of this License or the use of the Subject Property or the structures by Lessee. The provisions of this section shall be in addition to, and shall not be limited by, the amounts of any insurance provided by Lessee pursuant to this Agreement.

20. This Lease is not assignable or transferable to any person, company, or corporation, in whole or in part.

21. It is mutually agreed that the Lessee is an independent contractor, not subject to the control of the Lessor and is not an employee of the Lessor.

22. Lessee shall, and without any charge to District, keep the Subject Property free of any and all liens against the Subject Property in favor of any person whatsoever for or by reason of any equipment, material, supplies or other item furnished, labor performed or other thing done in connection with Lessee's use or occupancy of the Subject Property (a "Lien"). If the Subject Property becomes encumbered with any Lien, Lessor may, at Lessor's option, terminate this Agreement or direct Lessee to remove any such lien from the subject property. Lessee shall remove such Lien promptly and, in any event, not later than five (5) days after being directed to do so in writing by District. District shall have the right to remove or satisfy any Lien upon the Subject Property at any time with or without notice to Lessee, and shall be reimbursed by Lessee within ten (10) days after such amount is incurred, any amount that District incurs to remove or satisfy the Lien, including the costs, expenses, attorneys' fees, and administrative expenses incurred by District in connection therewith or by reason thereof.

23. Lessee shall give all notices, pay all fees, and take all other action that may be necessary to ensure that all activities on the Subject Property are provided, performed, and completed in accordance with all applicable laws, statutes, rules, regulations, ordinances, and requirements, and all required governmental permits, licenses or other approvals and authorizations that may be required in connection with providing, performing, and completing such activities.

24. This Agreement shall be interpreted and enforced under the laws of the State of Illinois and the parties agree that the venue for any legal proceeding between them shall be Kendall County, Twenty-third Judicial Circuit, State of Illinois.

25. In any action with respect to this Agreement, the parties are free to pursue any legal remedies at law or in equity. The prevailing party by 75% or more of damages sought, in any action brought pursuant to this Agreement shall be entitled to reasonable attorneys' fees and court costs arising out of any action or claim to enforce the provisions of this Agreement.

26. If any provision of this Agreement shall be held invalid, the validity of any other provision of this Agreement that can be given effect without such invalid provision shall not be affected thereby. The waiver of one breach of any term, condition, covenant or obligation of this Agreement shall not be considered to be a waiver of that or any other term, condition, covenant or obligation or of any subsequent breach thereof.

27. This Agreement represents the entire agreement between the parties and there are no other promises or conditions in any other agreement whether oral or written. This agreement supersedes any prior written or oral agreements between the parties and may not be modified except in writing acknowledged by both parties.

Lessor:

Kendall County Forest Preserve District

By: _____
Judy Gilmour, President

Date: _____

Lessee:

By: _____
Kyle Connell, Farm Operator

Date: _____

Proposed Amendment to License Agreement #18-10-001
April 21, 2020

Licensee may exercise an option to convert the 106.7 acres as described on page 1 of this Agreement for hay production. Base rent on acres converted from row crop production to hay production will be charged a base rent only of \$220.00 per acre payable by May 30 for each lease-year, with no calculated yield payment owed for those acres converted for hay production.

Lessor:

Kendall County Forest Preserve District

By: _____
Judy Gilmour, President

Date: _____

Lessee:

By: _____
Kyle Connell, Farm Operator

Date: _____

Exhibit A

Flexible Rate Calculation Example

For the following values for a 100 acre site with a base rent of \$200 per acre:

Average grain price = Corn \$5 per bushel

Basis = \$0.30 per bushel

Yield = 200 bushels per acre x 100 acres = 20,000 bushels

Crop Insurance = 0

Base Rent = 100 acres x \$200 per acre = \$20,000

$$(((\text{Average Grain Price} - \text{Basis}) \times \text{Yield}) + \text{Crop Insurance}) \times 33.33\% - \text{Base Rent}$$

$$(((\$5 - \$0.30) \times 20,000) + 0) \times 33.33\% - \$20,000 = \$11,330.20$$

The base rate amount is due May 30.

The flexible rate amount is due December 31.

FARM LICENSE AGREEMENT #20-03-001

Baker Woods Forest Preserve – Hay Production

This Agreement is made this 21st day of April, 2020 (“Date of Execution”), between the Kendall County Forest Preserve, a Body Corporate and Politic, 110 West Madison Street, Yorkville, Illinois, 60560, (“Licensor”), and Nate Fazio, located at 11010 Caton Farm Road, Yorkville, IL 60560 (Licensee”), including all heirs and assignees, collectively referred to as the “Parties.”

WHEREAS, the Licensor is the owner of certain lands situated in Baker Woods Forest Preserve, in the County of Kendall, Township of Fox and State of Illinois described as:

Portions of PIN#: 09-09-400-004, 09-16-200-013, identified in the map of the subject fields, attached as Exhibit 1.

WHEREAS, Licensee desires to use the above-described real estate solely for farming purposes and Licensor desires to have the real estate farmed; and

WHEREAS, both Licensee and Licensor hereby agree that there are three fields, Field A with 14.7 acres, Field B with 2.7 acres, and Field C with 6.2 acres on the above referenced parcels, these acres are hereinafter collectively referred to as the “Subject Property,” identified in Exhibit 1; and that the Licensor hereby grants to the Licensee a farm License in exchange for the following goods, services, and considerations, for a term beginning on the Date of Execution, and ending on December 21, 2022, subject to the conditions and limitations in this Agreement; and

NOW, THEREFORE, in consideration of the grants, covenants, and conditions of this Agreement, IT IS HEREBY AGREED AS FOLLOWS:

1. The proceeding introductory language is made a part hereof and incorporated herein.
2. **Prior Agreements:** All previous agreements between the Parties, whether oral or in writing, are hereby revoked. Neither party will seek to enforce any previous oral or written agreement between the Parties, regarding the license or use of the Subject Property.
3. **Term:** This license is for a term of three years, ending December 31, 2022, with Storage provisions in effect through June 1, 2023.
4. **Product:** Licensee will seed and maintain Field A and Field B with straight grass hay and Field C with 50/50 grass and alfalfa hay. **Licensee and Licensor shall split evenly the bales of hay produced from the Subject Property.**

Further, Licensee, with prior approval by the Licensor, is required to purchase surplus hay bales from the Licensor’s portion of hay produced.

The surplus bale purchase price will be based on published hay market prices for the month of the each cutting.

The Iowa Hay Report in the cutting month shall serve to determine market price for “Good” Alfalfa and Mixed Grass Hay priced per ton, using the low price range figure for determining the cost per ton:

<https://usda.library.cornell.edu/concern/publications/wd375w32h?locale=en&page=4#release-items>

Small bale cost equivalency will be based on a two-string bale standard weight and dimensions:

A standard two string bale measure is 14” high x 18” wide x 35” long and weighs 60 lbs.

Formula:

- 1) Convert pricing per ton to small bale equivalency:

2,000 lbs. per ton divided by 60 lb. per standard bale = 33.33 bales per ton

- 2) Apply the Iowa Hay Report market pricing for the cutting month to determine market price for “Good” Alfalfa and Mixed Grass Hay priced per ton, using the low price range figure for determining the cost per ton:

Cost per ton divided by 33.33 bales per ton = \$ ____ small bale price equivalency

- 3) Surplus hay purchase cost to the Farm Operator will be 50% of the small bale equivalency price per ton based on the reported market price in the month of cutting.

\$ ____ small bale price equivalency X .5 = \$ ____ Licensee purchase price per small bale.

5. **Storage:** Licensee shall extend an option for storage of remaining portions of the Licensor’s share of hay produced at a cost of \$0.50 per small bale delivered. The storage fee will be paid (or deducted from amounts owed to the Licensor) no later than November 30 of each license year.

6. **Expenses and Inputs:** Licensee and Licensor shall split evenly the expenses, fertilizer, and other agreed upon inputs to the Subject Property. All of the expenses, however, must be approved by Licensor before they are incurred. Licensee shall provide all machinery and equipment, at Licensee’s expense.

7. **Limited License:** This Agreement grants only a contractual license to use the Subject Property under the terms and conditions stated herein. Further, the rights granted by Licensor herein shall vest only in Licensee and no such rights shall vest in any of Licensee’s employees, agents, subcontractors or partners, if any. Nothing in this Agreement shall be construed to convey to Licensee any legal or equitable interest in the Subject Property.

8. **Delivery to Ellis Equestrian Center:** Licensee will communicate with Ellis Equestrian Center staff on timeliness and delivery of hay. Licensee will be responsible for delivery of hay bales on racks to Ellis Equestrian Center, and Ellis Equestrian Center staff will be responsible for unloading of hay bales.

9. **Taxes:** Licensor makes no claims as to the tax status of the Subject Property. As required by section 15-15 of the Illinois Property Tax Code, the Licensor will file a copy of the

Agreement and a complete description of the premises with the assessment officer. 35 ILCS 200/15-15. In the event the Subject Property should be assessed and taxed pursuant to the process outlined in the Illinois Property Tax Code, at any time during the term of this License, it shall be the obligation of the Licensee to pay such taxes as are incurred during that term. At the termination of this Agreement, Licensee shall pay all taxes incurred, though not yet due and owing. Any such taxes shall be prorated based on 100% of the previous year's taxes. Licensee's obligations under this paragraph extend beyond the license year, and until all incurred taxes are paid.

10. **Erodible Soils:** The Licensor agrees that the Licensee may, without further license on the part of the Licensor, use the Subject Property for the purpose of farming the land. If there are highly erodible soils on the Subject Property, the Licensee is responsible for maintaining the soil according to the methods adopted in Licensee's farming plan approved by the Kendall County Soil and Water Conservation District. Said report must be submitted to the Licensor on or before ground breaking on the first year covered by this License. Failure to submit this report by this date may terminate this License.

11. **"As is" Property:** The Licensee has inspected the Subject Property prior to signing this Agreement and accepts the condition of the Subject Property "as is."

12. **Records Requirements:** Licensee shall keep and provide to the Licensor the following records at the end of the License term:

- A. Soil Samples – The Licensee shall conduct annual soil testing (2.5 acre grid), with such costs split evenly with the Licensor. Soil test results shall be due to the Licensor by December 30 of each year of the License. The Licensee shall apply the minimum amount of fertilizer required to maintain the elemental P (phosphorus) at 80 pounds per acre and elemental K (potassium) at 50 pounds per acre.
- B. Fertilizers and rates applied.
- C. Pesticide applications, including dates of applications, types and amounts of pesticide used, fields treated, and the identity of the applicator for each application.
- D. Number and dates of bales harvested from the Subject Property.
- E. Number and dates of bales delivered to Ellis Equestrian Center.

13. **Pesticide Use:**

- A. Licensee shall, and shall cause all other persons working on the Subject Property, to follow all label instructions of any pesticides used on the Subject Property. Upon signing this Agreement, Licensee shall supply Licensor with a copy of a valid State of Illinois pesticide applicator's license for each person who will be applying pesticide on the Subject Property during the term of this Agreement. If any licenses expire during the term of this Agreement, Licensee shall be responsible for obtaining a renewal or new license to replace the expired license and shall promptly provide Licensor with a copy thereof.
- B. No pesticides shall be stored on the Subject Property unless they are in original, labeled containers, and then only for the period during which the pesticides are applied, which shall not exceed ten (10) days.
- C. Licensee shall provide Licensor with a record of pesticide applications, including dates of applications, types and amounts of pesticide used, fields treated, and the identity of the applicator for each application.

- D. Licensee is responsible, at the Licensee's sole expense, to repair any damage done to native vegetation due to pesticide drift and to repair rutting caused by farm equipment in areas owned by the Licensor.
 - E. Licensee agrees to indemnify, defend with counsel, and hold harmless the Licensor for all claims, demands, damage, judgments, fees (including attorneys' fees) and costs that may arise out of Licensee's application of pesticides on the Subject Property. Any attorney representing the Licensor pursuant to this paragraph must first be approved by the Kendall County State's Attorney and shall be appointed as a Special Assistant State's Attorney.
14. **Hazardous Materials:** Licensee shall comply with all federal, state, and local laws, ordinances, rules, and regulations that regulate, restrict, or prohibit any material defined therein as a hazardous, radioactive, toxic or carcinogenic material, substance, pollutant, or contaminant when using such materials on the Subject Property.
15. **Duty of Care:** The Licensee agrees to take care of the Subject Property, not to alter or change the physical landscape of the Subject Property and to farm in a careful and prudent manner.
16. **Right of Entry:** Licensor reserves the right to enter upon said land to inspect, make improvements thereon, and for any and all lawful purposes arising from the ownership of the land.
17. **Termination:** The Licensee agrees that this License is purely a personal license to use the Subject Property for farming purposes. To the extent permitted by law, the Licensor may terminate this Agreement at any time and for any reason by giving thirty (30) days' notice in writing to the Licensee. In the event of early termination, Licensor shall pay the Licensee for its one-half share of any hay cutting that has not yet taken place during the License year when the License is terminated based on the formula for surplus hay sales set forth above. Licensee hereby waives its rights to seek any other amounts from Licensor in the event the License is terminated.
18. **Insurance & Liability:**
- A. Licensee shall procure and maintain for the duration of this Agreement insurance against claims for injuries to persons or damages to property which may arise from or in connection with the Licensee's operation and use of the Subject Property. The cost of such insurance shall be borne by the Licensee. Minimum scope and limit of insurance coverage shall be at least as broad as:
 - i. **Commercial General Liability (CGL):** Insurance Services Office Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than \$2,000,000 per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.
 - ii. **Workers' Compensation insurance** as required by the State of Illinois, with Statutory Limits, and **Employer's Liability Insurance** with limits of no less than \$1,000,000 per accident for bodily injury or disease. (This applies to a Licensee with employees).

iii. Property insurance against all risks of loss to any Licensee improvements or betterments, at full replacement cost with no coinsurance penalty provision.

iv. Farm Pollution Liability covering third party liability for bodily injury or property damage with limits no less than \$1,000,000 per occurrence.

B. If the Licensee maintains broader coverage and/or higher limits than the minimums shown above, Licensor requires and shall be entitled to the broader coverage and/or the higher limits maintained by Licensee. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to Licensor. The insurance required under this Agreement does not represent that coverage and limits will necessarily be adequate to protect Licensee, nor be deemed as a limitation on Licensee's liability to Licensor in this Agreement.

C. Other Insurance Provisions:

The insurance policies are to contain, or be endorsed to contain, the following provisions:

i. Additional Insured Status. Licensor, its officers, officials, employees, and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Licensee including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the Licensee's insurance (at least as broad as ISO Form CG 20 10).

ii. Primary Coverage. For any claims related to this contract, the Licensee's insurance coverage shall be primary insurance coverage at least as broad as ISO CG 20 01 04 13 as respects the Licensor, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the Licensor, its officers, officials, employees, or volunteers shall be excess of the Licensee's insurance and shall not contribute with it.

iii. Notice of Cancellation. Each insurance policy required above shall provide that coverage shall not be canceled, except with notice to the Licensor.

iv. Waiver of Subrogation. Licensee hereby grants to Licensor a waiver of any right to subrogation which any insurer of said Licensee may acquire against the Licensor by virtue of the payment of any loss under such insurance. Licensee agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the Licensor has received a waiver of subrogation endorsement from the insurer.

v. Acceptability of Insurers. Insurance is to be placed with insurers authorized to conduct business in the state with a current A.M. Best's rating of no less than A: VII, unless otherwise acceptable to the Licensor.

D. Licensee shall furnish the Licensor with original Certificates of Insurance including all required amendatory endorsements (or copies of the applicable policy language effecting coverage required by this clause) and a copy of the Declarations and Endorsement Page of the CGL policy listing all policy endorsements to Licensor before

work begins. However, failure to obtain the required documents prior to the work beginning shall not waive the Licensee's obligation to provide them. The Licensor reserves the right to require complete, certified copies of all required insurance policies, including endorsements, required by these specifications, at any time.

E. **Special Risks or Circumstances.** Licensor reserves the right to modify these requirements at any time, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

F. Licensee shall indemnify, hold harmless and defend with counsel of Licensor's own choosing, Licensor, its past, present and future elected officials, department heads, employees, insurers, and agents (hereinafter collectively referred to as "Releasees") from and against all liability, claims, suits, causes of action, demands, proceedings, set-offs, liens, attachments, debts, expenses, judgments, or other liabilities including costs, reasonable fees and expense of defense, arising from any loss, damage, injury, death, or loss or damage to property, of whatsoever kind or nature as well as for any breach of any covenant in this Agreement and any breach by Licensee of any representations or warranties made within the contract documents (collectively, the "Claims"), to the extent such Claims result from the performance of this contract by Licensee or those Claims are due to any act or omission, neglect, willful acts, errors, omissions or misconduct of Licensee in its performance under this Agreement.

Nothing contained herein shall be construed as prohibiting Releasees from defending through the selection and use of their own agents, attorneys and experts, any claims, suits, demands, proceedings and actions brought against them. No attorney may be assigned to represent the Releasees pursuant to this Section of the Agreement unless the attorney has been approved in writing by the Kendall County State's Attorney. Releasees' participation in its defense shall not remove Licensee's duty to indemnify, defend, and hold Releasees harmless, as set forth above. Releasees do not waive their defenses or immunities under the Local Government and Governmental Employees Tort Immunity Act (745 ILCS 10/1 et seq.) by reason of this indemnification provision. Indemnification shall survive the termination of this Agreement.

19. **Anti-Discrimination Compliance:** Licensee, his officers, employees, and agents agree not to commit unlawful discrimination and agree to comply with all applicable provisions of the Illinois Human Rights Act, Title VII of the Civil Rights Act of 1964, as amended, the Americans with Disabilities Act, the Age Discrimination in Employment Act, Section 504 of the Federal Rehabilitation Act, and all applicable rules and regulations.

20. **Conflict of Interest:** Both parties affirm no Kendall County Forest Preserve officer or elected official has a direct or indirect pecuniary interest in Licensee or this Agreement, or, if any Kendall County Forest Preserve officer or elected official does have a direct or indirect pecuniary interest in Licensee or this Agreement, that interest, and the procedure followed to effectuate this Agreement has and will comply with 50 ILCS 105/3.

21. **Assignment:** This License is not assignable or transferable to any person, company, or corporation, in whole or in part. Any attempt to assign or so transfer shall be void and without legal effect and shall constitute grounds for immediate termination of the license.

22. **Independent Contractor:** It is understood and agreed that Licensee is an independent contractor and is not an employee of, partner of, agent of, or in a joint venture with Licensor. Licensee understands and agrees that Licensee is solely responsible for paying all wages, benefits and any other compensation due and owing to Licensee's officers, employees, and agents for the performance of services set forth in the Agreement. Licensee further understands and agrees that Licensee is solely responsible for making all required payroll deductions and other tax and wage withholdings pursuant to state and federal law for Licensee's officers, employees and/or agents who perform services as set forth in the Agreement. Licensee also acknowledges its obligation to obtain appropriate insurance coverage for the benefit of Licensee, Licensee's officers, employees and agents and agrees that Kendall County is not responsible for providing any insurance coverage for the benefit of Licensee, Licensee's officers, employees and agents. Licensee hereby agrees to defend with counsel of Licensor's own choosing, indemnify and waive any right to recover alleged damages, penalties, interest, fees (including attorneys' fees), and/or costs from Licensor, its past, present and future board members, elected officials, employees, insurers, and agents for any alleged injuries that Licensee, its officers, employees and/or agents may sustain while performing services under the Agreement.

23. **Liens:** Licensee shall, and without any charge to Licensor, keep the Subject Property free of any and all liens against the Subject Property in favor of any person whatsoever for or by reason of any equipment, material, supplies or other item furnished, labor performed or anything done in connection with Licensee's use or occupancy of the Subject Property (a "Lien"). If the Subject Property becomes encumbered with any Lien, Licensor may, at Licensor's option, terminate this Agreement or direct Licensee to remove any such lien from the subject property. Licensee shall remove such Lien promptly and, in any event, not later than five (5) days after being directed to do so in writing by Licensor. Licensor shall have the right to remove or satisfy any Lien upon the Subject Property at any time with or without notice to Licensee, and shall be reimbursed by Licensee within ten (10) days after such amount is incurred, any amount that Licensor incurs to remove or satisfy the Lien, including the costs, expenses, attorneys' fees, and administrative expenses incurred by Licensor in connection therewith or by reason thereof.

24. **Legal Compliance:** Licensee shall give all notices, pay all fees, and take all other action that may be necessary to ensure that all activities on the Subject Property are provided, performed, and completed in accordance with all applicable laws, statutes, rules, regulations, ordinances, and requirements, and obtain all required governmental permits, licenses or other approvals and authorizations that may be required in connection with providing, performing, and completing such activities.

25. **Waiver of Lien:** Licensee hereby waives any claim of lien against subject premises on behalf of Licensee, its officers, insurers, employees, agents, suppliers and/or sub-contractors

26. **Venue:** This Agreement shall be interpreted and enforced under the laws of the State of Illinois, and the parties agree that the venue for any legal proceeding between them shall be Kendall County, Twenty-Third Judicial Circuit, State of Illinois.

27. **Legal Remedies:** In any action with respect to this Agreement, the parties are free to pursue any legal remedies at law or in equity. The prevailing party by 75% or more of damages sought, in any action brought pursuant to this Agreement shall be entitled to reasonable attorneys' fees and court costs arising out of any action or claim to enforce the provisions of this Agreement.

28. **Severability:** If any provision of this Agreement shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court finds that any provision of this agreement is invalid or unenforceable, but that by limiting such provision it becomes valid and enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.

29. **Waiver:** The waiver of one breach of any term, condition, covenant or obligation of this Agreement shall not be considered to be a waiver of that or any other term, condition, covenant or obligation or of any subsequent breach thereof.

30. **Notice:** Any notice required or permitted to be given pursuant to this Agreement shall be duly given if sent by certified mail or personal service and received. Notice should be send to the following parties:

Licensors, send to:

Judy Gilmour, President
Kendall County Forest Preserve District
110 W. Madison Street
Yorkville, Illinois 60560

with a copy to:

Kendall County State's Attorney
Kendall County Courthouse
807 John Street
Yorkville, Illinois 60560

Licensee send to:

31. **Entire Agreement:** This Agreement, together with the Call for Proposals and Licensee's bid, represent the entire agreement between the parties, and there are no other promises or conditions in any other agreement whether oral or written. This agreement supersedes any prior written or oral agreements between the parties and may not be modified except in writing acknowledged by both parties.

32. **Authority:** Each party represents and warrants that their representative, whose signature appears below, has the power and authority to enter into this agreement and to obligate the party to the terms of this agreement.

Licensors:

Kendall County Forest Preserve District

By: _____
Judy Gilmour, President

Date: _____

Licensee:

By: _____

Date: _____

Subject Property - Exhibit 1a - Hay Fields and Acreage



**Baker Woods Forest Preserve – 2020 - 2022
Farm License Agreement
Statement of Professional Experience**

Farm Operator Name: Nate Fazio

Farm Operator Address:

Address: 11010 Caton Farm Rd.

City: Yorkville

State: IL

Zip Code: 60560

Contact Information:

Home Phone: _____

Cell: 815-531-4484

E-mail: fazio.nate@gmail.com

Statement of Professional Experience

(Please briefly summarize your experience as a Farm Operator, particularly focused on hay production, including any education or specialized training received).

I started at a young age working for several different farmers in the Plainfield area. That is where I began to learn how to run the equipment and the process of making good hay. As I got older I decided that I wanted to purchase my own equipment. I rented some ground in the Minooka area and since then I have continued to expand my operation. I have all of the necessary equipment as well as sheds for storage in the Minooka area.

References

(Provide three references from other Agricultural Industry Professionals and/or current property owners you are leasing property from for farming purposes).

Name	Contact Information	Title / Relationship
Kyle Connell	815-719-0727	Farm owner/operator Friend
Jeremiah Finnestad	815-409-0637	Farm owner/operator Friend/Partner
Matt Kellogg	630-546-3559	Farm owner/operator Friend

Certifications:

Bidder certifies that they are able to store a portion (5-hayrack loads or 750 small bales) of the District's share of small-bale hay harvested in each growing year, for future delivery to the Ellis House and Equestrian Center, within an enclosed dry storage space.

Bidder certifies they have the ability to deliver stored hay per the stated price in the accompanying bid form on hay racks, and will extend sufficient time (no less than 5 work days) for District staff to unload delivered hay from the hayracks provided.

Bidder further certifies that they have access to the machinery, equipment, and storage spaces for cutting, harvesting, baling (small-bales only for the District's share), and delivering hay as required by the contract.

 Matt Kellogg
Farm Operator

 4-8-2020
Date

**Baker Woods Forest Preserve – 2020 through 2022
Farm License Agreement
Bid Form**

Farm Operator Name: Nate Fazio

This is a 3-year 50/50 hay contract where Farm Operators harvest, bale, and rack hay (*small-bales only for the District share only*). Farm Operators retain 50% of the hay produced from each field's cutting(s) in each year. Cost for fertilizer and other field inputs are shared 50/50 by the District and Farm Operator. The District reimburses the Farm Operator for pre-approved documented costs incurred for fertilizer and other field inputs.

1. Buy-back Provision for District Surplus Hay:

This contract requires all bidders to purchase surplus hay from the District when harvest exceeds supply needs within each year of the Farm License Agreement. The surplus bale purchase price will be based on market price in the month of the cutting based on the following formula:

Market prices will be based on pricing for "Good" quality mixed grass and alfalfa hay based on two-string bale standard weight and dimensions:

- 1) A standard two string bale measure is 14" high x 18" wide x 35" long and weighs 60 lbs.
- 2) Convert to tons: 2,000 lbs. per ton divided by 60 lb. per standard bale = 33.33 bales per ton.
- 3) The Iowa Hay Report in the cutting month shall serve to determine market price for "Good" Alfalfa and Mixed Grass Hay priced per ton, using the low price range figure for determining the cost per ton.
- 4) Surplus hay purchase cost to the Farm Operator will be 50% of the small bale equivalency price per ton based on the reported market price in the month of cutting.

<https://usda.library.cornell.edu/concern/publications/wd375w32h?locale=en&page=4#release-items>

2. Provisions for Storage and Delivery of District Small Bales:

- A. This contract requires all bidders to extend an option for relocation and storage of portions of the District's share of hay at a cost per small bale delivered.

\$.50¢ per small-bale stored and delivered

Dollars and cents in words: Zero dollars and fifty cents