MINUTES OF THE SPECIAL COMMISSION MEETING

TOWN OF LADY LAKE, FLORIDA

May 18, 2019

This special meeting of the Lady Lake Town Commission was held via teleconference with public attendance available in the Commission Chambers at Lady Lake Town Hall, 409 Fennell Blvd., Lady Lake, Florida, with Mayor Jim Richards presiding. The meeting convened at 5:45 p.m.

## CALL TO ORDER

Mayor Jim Richards

## ROLL CALL

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| --- | --- |
| Commissioner (Ward) | Present Via Teleconference |
| Hannan (Four) | YES |
| Kussard (One) | YES |
| Holden (Two) | YES |
| Vincent (Three) | YES |
| Richards (Five) | YES |

STAFF PRESENT Via Teleconference or In-Person

Kris Kollgaard, Town Manager; Derek Schroth, Town Attorney; Thad Carroll; Growth Management Director; John Pearl, I.T. Director; C.T. Eagle, Public Works Director; Pam Winegardner, Finance Director; Maureen Gochee, Human Resource Director; and Nancy Slaton, Deputy Town Clerk

## PUBLIC COMMENT

There were no comments.

## PRESENTATION

1. Presentation and Acceptance of the Audit Report for Fiscal Year Ending September 30, 2019 (Chet Ross of Shumacker, Johnston and Ross)

Mayor Richards introduced Chet Ross of Shumacker, Johnston & Ross, PA, to present the audit report.

Mr. Ross stated that he is presenting the audited Comprehensive Annual Financial Report for the Town for fiscal year-ending September 30, 2019. He stated a 30-day extension was requested from Government Accounting and Financial Office for the Town to send in the audit report because of Covid-19. He stated that the official letter to the Commissioners communicating the formal results of the audit as required by Government Auditing Standards will be handed in to the Clerk’s Office for distribution. There were no recommendations for changes in the Town’s accounting processes.

Mr. Ross commented that the amortization of sewer capacity reservation agreement assets (with The Villages) continues to be the most sensitive area affecting financial statements, although there is still plenty of capacity.

Mr. Ross stated there is some uncertainty surrounding the Covid-19 pandemic which may affect the Town in regard to tax revenues such as asset sales tax, surcharge taxes, and gas sales tax if it continues long term. He noted that the Police Pension fund has been volatile these past few months, and a report from Salem Trust caught his eye. He stated the fund showed a loss of $1.2 million in March but was currently down only $300,000 in April.

Mr. Ross reported that the Town’s net position and utility fund went up almost $3.7 million and the unrestricted net position of the Town is very strong at $15,000,000. He noted that a format change was included in the report regarding the general employees’ retirement trust fund.

Mr. Ross reported that FEMA has finally settled the claims for the tornado which occurred in 2007 and for Hurricane Irma. He stated the fiber project driven by the I.T. Director, which consists of conduit being installed in ground, will be considered an asset that will build up as construction-in-progress each year until the fiber is connected.

Commissioner Kussard commented that she thought Mr. Ross did a wonderful job presenting the audit report, and that she believes the Town will remain in great shape despite the Covid-19 event.

Mayor Richards noted that the Town is holding up well thanks to its reserves.

Mr. Ross noted that the Utility fund lost some operating revenue, mostly due to depreciation of the sewer plant. He stated some of that will be made up by the Fruitland Park revenue for their tie-in.

Mayor Richards reported that the utility rate study which will be presented at the following meeting is recommending an increase in rates which should help.

 Commissioner Kussard made a motion to approve the distribution of the Comprehensive Annual Financial Report for Fiscal Year Ending September 30, 2019. Commissioner Hannan seconded the motion. The motion passed by a vote of 5 to 0.

The Mayor, Commissioners and Town Manager thanked Mr. Ross for his report.

1. Acknowledgement of the Certificate of Achievement for Excellence in Financial Reporting for the Fiscal Year Ending September 30, 2018 (Mayor Richards)

Mayor Richards acknowledged the receipt of the Certificate of Achievement for Excellence in Financial Reporting for Fiscal Year Ending September 30, 2018 by reading the letter noting the achievement. He noted that this is the 24th year the Town has received this award.

## ADJOURN

There being no further business, the meeting was adjourned at 6 p.m.

s/ Kristen Kollgaard, Town Clerk

s/ Jim Richards, Mayor

Minutes transcribed by Nancy Slaton, Deputy Town Clerk