

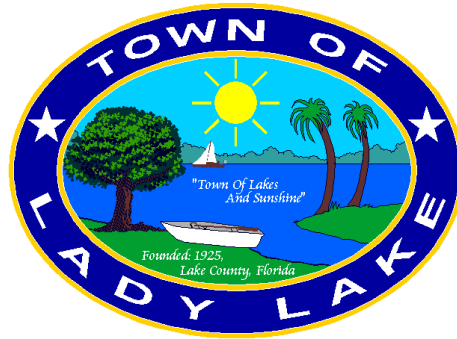
Comprehensive Annual Financial Report for the Fiscal Year Ended September 30, 2020



*Public Works Utility Building
Completed Summer 2019*



**Town of Lady Lake
Florida**



TOWN OF LADY LAKE, FLORIDA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED SEPTEMBER 30, 2020

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Prepared by:
Pamela Winegardner, CGFO
Finance Director

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**TOWN OF LADY LAKE, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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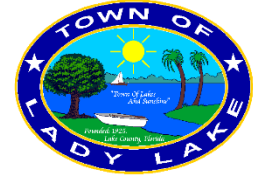
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March 30, 2021

Honorable Mayor, Commissioners, and to the Citizens of the Town of Lady Lake

We are pleased to present the Comprehensive Annual Financial Report of the Town of Lady Lake, Florida, (hereinafter referred to as “the Town”), for the fiscal year ended September 30, 2020, pursuant to Article III, Section 3.01 (f) of the Town Charter; *Florida Statutes* Chapters 11.45 and 218.32, and Chapter 10.550 Rules of the Auditor General of the State of Florida. The financial statements were prepared in accordance with U.S. Generally Accepted Accounting Principles and audited in accordance with auditing standards generally accepted in the United States by an independent and licensed firm of Certified Public Accountants. We publish the Comprehensive Annual Financial Report to provide the Town Commission, Town staff, our citizens, our lenders and other interested parties with detailed information concerning the financial condition and activities of the Town.

Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the Town. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds of the Town. All disclosures necessary to enable the reader to gain an understanding of the Town’s financial activities has been included.

Town management and administration is responsible for establishing and maintaining internal controls designed to ensure that the assets of the Town are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements. The internal controls are designed to provide reasonable assurance, not absolute assurance, that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of controls should not exceed the derived benefits; (2) the valuation of costs and benefits requires estimates and judgments from management.

We believe the Town’s internal accounting controls adequately safeguard assets and provide reasonable assurance that this financial report is complete and reliable in all material respects.

Shumacker, Johnston & Ross, PA, a firm of licensed certified public accountants have audited the Town’s financial statements in accordance with generally accepted auditing standards. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Town for the fiscal year ended September 30, 2020, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Town’s financial statements for the fiscal year ended September 30, 2020, are fairly presented in conformity with Generally Accepted Accounting Principles.. The independent auditor’s report is presented as the first component of the financial section of this report.

Honorable Mayor, Commissioners,
and Citizens of the Town of
Lady Lake, Florida
March 30, 2021

Federal and State Awards. As a recipient of Federal and State financial assistance, the Town also is responsible for ensuring that adequate internal controls are in place to ensure compliance with applicable laws and regulations related to these programs. Their internal controls are subject to periodic evaluation by management.

Generally Accepted Accounting Principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis. The letter of transmittal is designed to complement Management's Discussion and Analysis and should be read in conjunction with it. The Town of Lady Lake's Management's Discussion and Analysis can be found immediately following the report of the independent auditor.

This report and other fiscal operating budgets may be accessed via the Town's website at www.ladylake.org

THE REPORTING ENTITY AND ITS ORGANIZATION

The Town of Lady Lake is located in north Lake County, Florida, approximately fifty miles northwest of Orlando on U.S. Highway 27/441. It currently occupies 8.57 square miles and serves a population of 15,754. The Town was incorporated in 1925 and has operated under a Commission/Manager form of government since 1987. The Town Commission consists of five elected officials who are elected from their respective wards on a non-partisan basis and are responsible for enacting ordinances and resolutions that govern the Town. The five commissioners are elected to staggered two-year terms. The commissioners from the even-numbered wards are elected in the even-numbered years and the commissioners from the odd-numbered wards are elected in the odd-numbered years. Each year the Commission elects one of its members to serve as Mayor. The Mayor presides over commission meetings and public ceremonies. The Commission appoints the Town Manager and the Town Attorney. As chief executive officer, the Town Manager is charged with the enforcement of all ordinances and resolutions passed by the Commission and appointment of heads of the various departments.

The Town of Lady Lake is a political subdivision of the State of Florida. As such, it is governed by and derives its operating authority from the constitution and laws of the State of Florida. The Town of Lady Lake is empowered to levy a property tax on both real and personal property (millage rate) located within its boundaries. The Fiscal Year 2020 property tax millage rate of \$3.3962 per \$1,000 of taxable value was again the second lowest municipal levy of the fourteen municipalities located within Lake County. It also is empowered by state statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the Town Commission.

The Town can, and in future cases predict we will, provide a wide range of governmental services. These services include a library; police protection; the construction and maintenance of highways, streets, and infrastructure; recreational activities and cultural events; building inspections; code enforcement; growth management and administrative services. In addition to general government services, the Town also provides utility services including water, sewer, reuse and contracted garbage services. The Town Commission has financial accountability and

Honorable Mayor, Commissioners,
and Citizens of the Town of
Lady Lake, Florida
March 30, 2021

oversight of the Police Officers' and General Employees' Retirement Systems; therefore, these activities are included in this entity's report. There are no component units nor legally separate entities that could be included as component units of the Town within the financial statements,

The annual budget serves as the foundation for the Town's financial planning and control. Department heads are required to submit requests for appropriations to the Town Manager, who uses these requests as the basis for developing a proposed budget. The appropriated budget is prepared by fund, function, department and line item. The Town Commission is required to hold two public hearings on the proposed budget and millage rate in September with adoption no earlier than September 2nd and no later than September 30th, the close of the Town's fiscal year.

The Town's adopted budget establishes budgetary controls at department level. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Town Commission. Authority to adjust at the various department budgets levels is held by the Town Commission. The legally adopted annual operating budgets consist of; (1) the General Fund; (2) Sales Tax Revenue Fund; and (3) the Utility Fund. Adopted budgets for all governmental fund types are adopted on a basis consistent with Generally Accepted Accounting Principles. The Utility Fund budget is adopted on a basis other than Generally Accepted Accounting Principles. Budgets are not adopted for the pension trust funds. The Town maintains an encumbrance accounting system as one technique of accomplishing budgetary control. These encumbrances lapse at year-end.

FACTORS AFFECTING ECONOMIC CONDITION

The information presented in the financial statements is best understood when it is considered from the broader perspective of the specific environment within which the Town operates.

Local economy. Until 1980, the Town was primarily dependent on the local agricultural economy. Since 1980, however, the Town has expanded rapidly due to the development of "The Villages" retirement community. This is reflected in the Town's population, which has increased 1321% from a population of 1,193 in 1980 to an estimated 15,754.

Lake, Sumter and Marion Counties are still attracting retirees from all over the world resulting in an increase in commercial and residential growth. Estimated Just Value, which is a low market price estimate, is still at an all-time high and the real estate and construction industries in particular, which were hard hit many years ago by the economic downturn are finally past where they were in 2008.

Significant commercial construction that were permitted and completed or still under construction include Water Oak Estates Sales Center a 2,900 square feet administrative building, a new 2,841 square feet sales center building. Other construction includes Ye Olde Thrift Shoppe approved for redevelopment and expansion from 5,939 square feet to 9,532 square feet, Serenity Cottages of Lady Lake, a memory care facility complex, 6,556 square feet building and seven 13,815 square feet buildings, Church at the Springs Remodel project, Cart World, a new Sales building, and Sabal Palms' interior remodel.

Honorable Mayor, Commissioners,
and Citizens of the Town of
Lady Lake, Florida
March 30, 2021

Several new businesses opened during the 19-20 fiscal year in retail, restaurants, fitness, professional offices, real estate, insurance and commercial public service. Some of the new businesses and retail openings include; Dental Care 2100 square feet, Lady Lake Dermatology & Mohs Surgery, New Postal Facility, Juan C Yordan, Family Medicine 3078 Square Feet, Total Wine, L'or Nail Bar, Huey Magoo's, JR Anchor and Small Shops 22,962 square feet, Stick and Stone Flooring 2,000 square feet, MUV 1,707 square feet and Villages Health Call Center 1,817 square feet besides other potential businesses scheduled throughout the town.

Lake County's September 2020 unemployment rate was 7.2%. This is higher than last year and is close to the state average and slightly lower than the United States average of 7.9% for the same period. Florida's unemployment rate has been increased dramatically.

Taxable values for real and personal property has increased by 45.1% from fiscal year 2008, when the Town of Lady Lake's property value was at its last peak. The Florida electorate approved amendment 1 on January 29, 2008 and its impact contributed to the limited growth in taxable values. Taxable values for Fiscal Year 2020 rose 7.9% from FY2019. The Town Commission elected to keep the millage at 3.3962 per \$1,000 of taxable value for FY2020.

Long-term financial planning. The General Fund's unassigned fund balance at September 30, 2020 is \$7,321,945. This balance represents 59.8% of the FY2020 General Fund final budget of \$13,375,272 when the pass thru costs of the contracted fire services of \$1,151,344 are removed.

Relevant financial policies. The one-cent sales surtax revenue (Sales Tax Revenue Fund) is authorized through December 31, 2032. This revenue can only be used for projects eligible for funding as specified in the infrastructure surtax referendum. The Town received \$2,170,183 of sales tax revenue in Fiscal Year 2020. This was used to pay for five Police Vehicles in the amount of \$196,637 this year as part of the replacement program for the Police Department. The balance was held to fund the new Utility Building completed in September 2020 and \$200,000 for paving.

Honorable Mayor, Commissioners,
and Citizens of the Town of
Lady Lake, Florida
March 30, 2021

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Lady Lake for its Comprehensive Annual Financial Report for the fiscal year ended September 30, 2019. This was the twenty-fifth consecutive year that the Town of Lady Lake achieved this prestigious award.

In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

The preparation of the comprehensive annual financial report on a timely basis is made possible by the efficient and dedicated service of the entire staff of the Finance Department. Special appreciation is expressed for the contributions made throughout the year by Debbie Lopez, Rebecca Hewett, Dawn Woods and Michelle Sloane.

Special appreciation is also expressed to the Town's Auditor, W. Chet Ross of Shumacker, Johnston & Ross, PA, who contributes every year valuable reporting suggestions in addition to adding credibility to the contents therein.

In closing, we again extend our sincere appreciation to the members of the Town of Lady Lake Commission for their leadership, concern and continued support in planning and conducting the fiscal operations of the Town in a responsible and progressive manner.

Respectfully submitted,

Thad Carroll
Interim Town Manager

Pamela Winegardner
Finance Director

Official Signatures on File in Town Clerk's Office

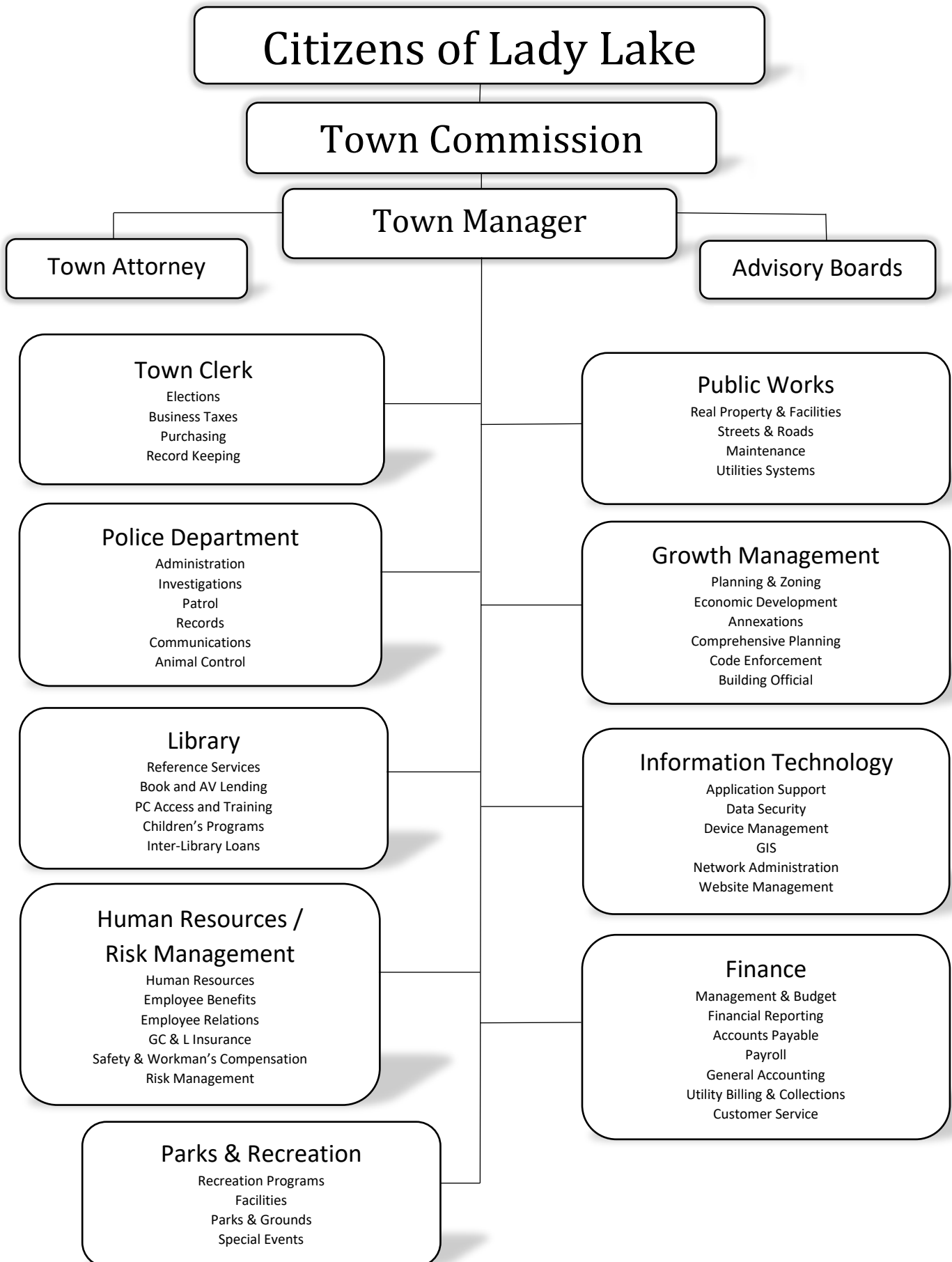
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**TOWN OF LADY LAKE, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED SEPTEMBER 30, 2020**

**TOWN COMMISSION AND OFFICIALS
AT SEPTEMBER 30, 2020**

Mayor - Commissioner - Ward 5.....	James A. Richards
Commissioner - Ward 1.....	Ruth Kussard
Commissioner - Ward 2.....	Anthony Holden
Commissioner - Ward 3.....	Dan Vincent
Commissioner - Ward 4.....	Paul F. Hannan
Town Manager/Town Clerk.....	Kristen Kollgaard
Finance Director.....	Pamela Winegardner
Director of Human Resources.....	Maureen Gochee
Director of Growth Management.....	Thad Carroll
Director of Library and Information Services.....	Lori Sadler
Information Technology Director.....	John Pearl
Parks and Recreation Director.....	Michael Burske
Police Chief.....	Robert Tempesta
Public Works Director.....	C. T. Eagle
Town Attorney.....	Derek A. Schroth
Town Auditor.....	Shumacker, Johnston & Ross, PA

Town of Lady Lake Organizational Chart



Town of Lady Lake, Florida

Certificate of Achievement

For the year ended September 30, 2019

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Lady Lake, Florida for its comprehensive annual financial report (CAFR) for the fiscal year ended September 30, 2019. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of a state and local government financial report.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. The CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to Certificate of Achievement Program requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Town of Lady Lake
Florida**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

September 30, 2019

Christopher P. Morrell

Executive Director/CEO

Shumacker, Johnston & Ross, PA

Certified Public Accountants

J. Cecil Shumacker, CPA
Robert E. Johnston, CPA (1982-2001)
W. Chet Ross, CPA

American Institute of
Certified Public Accountants

Florida Institute of
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

March 30, 2021

Honorable Mayor and Members of
the Town Commission
Town of Lady Lake, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Lady Lake, Florida as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements, and the individual fund financial statements of the Town of Lady Lake, Florida as of and for the year ended September 30, 2020, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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 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 in the first paragraph present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Lady Lake, Florida as of September 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparison for the General Fund and the Sales Tax Revenue Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Also, in our opinion, the individual fund financial statements as of September 30, 2020, and for the year then ended, present fairly, in all material respects, the financial position of each of the individual funds of the Town of Lady Lake, Florida, as of September 30, 2020, and the results of operations of such funds and the cash flows of individual proprietary funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Emphasis of Matter

Citizens and the economies of the United States and other countries have been significantly impacted by the coronavirus (COVID-19) pandemic. While it is premature to accurately predict how the coronavirus will ultimately affect the Town's operations because the disease's severity and duration are uncertain, we expect fiscal year 2021 financial results too may be significantly impacted and the implications beyond 2021, while unclear, could also be adversely impacted. Our opinion is not modified with respect to this matter and no pandemic implications are accounted for in these financial statements.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 5 through 16, and the required supplementary information as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Government Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Lady Lake, Florida's basic financial statements and on the individual fund financial statements. The financial information listed in the table of contents as Introductory Section, Schedule of Budgetary Compliance, Capital Assets Used in the Operation of Governmental Activities, Schedule of Expenditures of Federal Awards and State Financial Assistance, and the Statistical Section are presented for the purpose of additional analysis and are not a required part of the basic financial statements. The Schedule of Expenditures of Federal Awards and State Financial Assistance is presented for the purpose of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The Schedule of Budgetary Compliance, Capital Assets Used in the Operation of Governmental Activities, and the Schedule of Expenditures of Federal Awards and State Financial Assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic and individual fund financial statements and certain other procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Budgetary Compliance, Capital Assets Used in the Operation of Governmental Activities, and the Schedule of Expenditures of Federal Awards and State Financial Assistance are fairly stated, in all material respects, in relation to the basic financial statements and to the financial statements of each of the respective individual funds taken as a whole.

The Introductory Section and the Statistical Section as listed in the table of contents have not been subjected to the auditing procedures applied in the audit of the basic and individual fund financial statements, and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 30, 2021 on our consideration of the Town of Lady Lake's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Lady Lake's internal control over financial reporting and compliance.


Shumacker, Johnston & Ross, PA

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**TOWN OF LADY LAKE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2020**

As management of the Town of Lady Lake, Florida, we offer readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended September 30, 2020. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal on pages i - v of this report.

As with other sections of this financial report, the information contained within this MD&A is considered only a part of a greater whole. The reader of this statement should take time to read and evaluate all sections of this report, including the notes to the financial statements and the other required supplementary information that is provided in addition to this MD&A.

FINANCIAL HIGHLIGHTS

- The assets of the Town exceeded its liabilities at the close of the most recent fiscal year by \$ 56,730,284 (net position). Of this amount, \$16,825,012 (unrestricted net position) may be used to meet the Town's ongoing obligations to citizens and creditors in accordance with the Town's fund designation and fiscal policies.
- The Town's total net position increased by \$869,680 of which \$645,848 represents a decrease in net position from business-type activities. The decrease in business-type activities was due to a \$548,000 operating loss and Transfers Out to the General Fund administrative costs.
- As of the close of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$ 15,565,106, an increase of \$ 1,504,145 in comparison with the prior year. This change is the result of not making any transfers of Sales Tax revenue to the Utility Fund compared to a \$2,000,000 transfer for the prior year for the new Public Works building.
- Of the Town's governmental combined ending fund balances, unassigned funds and available for use, \$ 7,321,945 or 54.7% are within the Town's fund designation and fiscal policies. The unassigned fund balance for the General Fund in comparison with the prior year shows a decrease of \$490,371. The governmental combined ending fund balances represent 62.6% of total General Fund expenditures.
- The Town's total debt was paid off in October of 2016.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Town's basic financial statements. The Town's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves. **Government-wide financial statements.** The government-wide financial statements are designed to provide readers with a broad overview of the Town's finances, in a manner similar to a private-sector business.

TOWN OF LADY LAKE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2020

The statement of net position presents information on all of the Town's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

The statement of activities presents information showing how the Town's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Town include general government, public safety, growth management, public works (which includes street maintenance), and culture and recreation. The business-type activities of the Town include a utility fund to account for water, sewer and garbage services.

The government-wide financial statements do not include any component units.

The government-wide financial statements can be found on pages 17-19 of this report.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the funds of the Town can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

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

TOWN OF LADY LAKE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2020

Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Town maintains two individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund and the Sales Tax Revenue Fund, which are considered major funds.

The Town adopts an annual appropriated budget for all governmental funds. Budgetary comparison schedules have been provided for these funds to demonstrate budgetary compliance.

The governmental fund financial statements can be found on pages 21 through 25 of this report.

Proprietary funds. The Town maintains only one type of proprietary fund. It is an enterprise fund used to report the same functions presented as business-type activities in the government-wide financial statements. The Town's enterprise fund accounts for its water, sewer and garbage utility operations.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.

The basic proprietary fund financial statements can be found on pages 26 through 30 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the Town's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The Town reports one pension trust fund for police as a fiduciary fund.

The basic fiduciary fund financial statements can be found on pages 31 through 32 of this report.

Notes to the financial statements. The notes provide additional as information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements are found on pages 33 through 52 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Town's progress in funding its obligation to provide pension benefits to its police officers. Required supplementary information are found on page 54 through 57 of this report.

Comparative individual fund statements and schedules are found on pages 60 through 82 of this report.

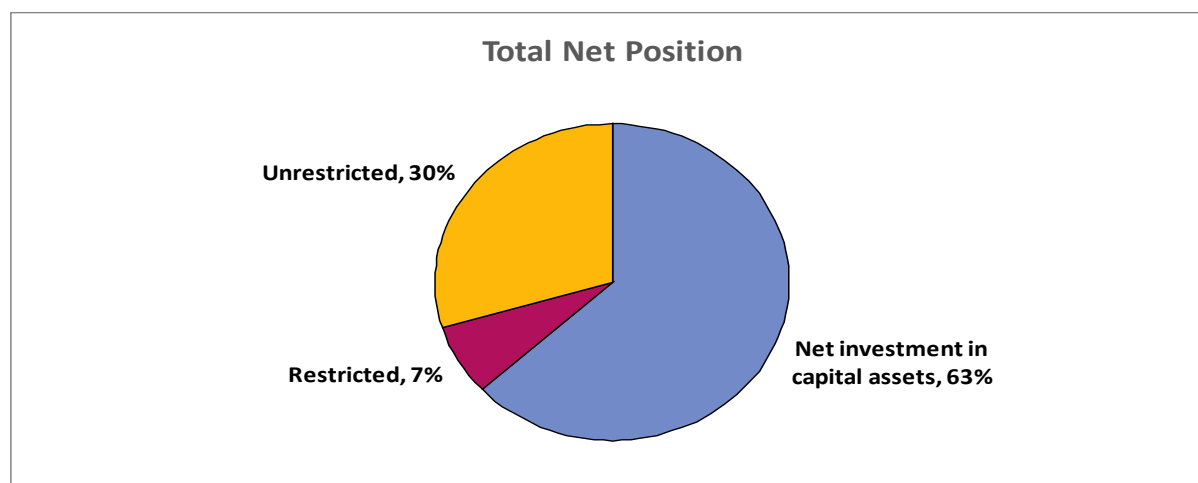
TOWN OF LADY LAKE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2020

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of net position. As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Town, assets exceeded liabilities by \$56,730,284 as of September 30, 2020. The following table reflects the condensed statement of net position for the current fiscal year as compared to the prior fiscal year.

TOWN OF LADY LAKE'S NET POSITION

	Governmental activities		Business-type activities		Total	
	2020	2019	2020	2019	2020	2019
Current and other assets	\$ 18,184,593	\$ 15,903,648	\$ 5,773,309	\$ 6,288,710	\$ 23,957,902	\$ 22,192,358
Capital assets	14,304,285	14,427,310	21,515,103	21,773,936	35,819,388	36,201,246
Total Assets	32,488,878	30,330,958	27,288,412	28,062,646	59,777,290	58,393,604
Deferred Outflows Pension Related	143,466	245,687	-	-	143,466	245,687
Current and other liabilities	1,160,060	649,826	822,812	962,077	1,982,872	1,611,903
Long-term liabilities outstanding	682,175	601,219	111,831	100,952	794,006	702,171
Total Liabilities	1,842,235	1,251,045	934,643	1,063,029	2,776,878	2,314,074
Deferred Inflows Pension Related	413,594	464,613	-	-	413,594	464,613
Net Position:						
Net investment in capital assets	14,304,285	14,427,310	21,515,103	21,502,753	35,819,388	35,930,063
Restricted	2,266,913	2,327,563	1,818,971	2,420,018	4,085,884	4,747,581
Unrestricted	13,805,317	12,106,114	3,019,695	3,076,846	16,825,012	15,182,960
Total Net Position	\$ 30,376,515	\$ 28,860,987	\$ 26,353,769	\$ 26,999,617	\$ 56,730,284	\$ 55,860,604



TOWN OF LADY LAKE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2020

The largest portion of the Town's net position \$35,819,388 or 63% reflects its investment in capital assets (e.g., land, buildings, utility systems, improvements other than buildings, equipment, and infrastructure) less any related debt used to acquire those assets that is still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the Town's net position \$4,085,884 represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position \$16,825,012 may be used to meet the Town's ongoing obligations to citizens and creditors.

As of September 30, 2020, the Town is able to report positive balances in all three categories of net position, both for the government, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

There was a decrease of \$60,650 in the restricted net position reported in connection with the Town's governmental activities. The major portion was due to a decrease of \$144,127 in building inspections.

The business-type activities had a decrease of \$645,848 or 2.4 % in total net position compared to the prior year. The net investment in capital assets increased by only \$12,350 or .06 %. The business-type activities' restricted net position decreased by \$601,047 or 24.8 % due to use of water and sewer impact fees for projects such as the moving of utilities for the widening of 27/441.

TOWN OF LADY LAKE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2020

Statement of activities. As noted earlier, the statement of activities presents information showing how the Town's net position changed during the current year. The following table reflects the condensed statement of activities for the current fiscal year as compared to the prior fiscal year.

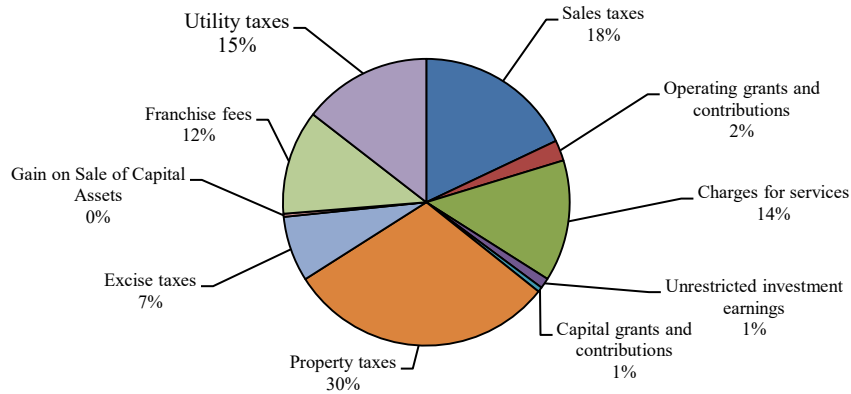
TOWN OF LADY LAKE'S CHANGES IN NET POSITION

	Governmental Activities 2020	Governmental Activities 2019	Business- Type Activities 2020	Business- Type Activities 2019	Total 2020	Total 2019
Revenues:						
Program Revenues:						
Charges for Services	\$ 1,769,613	\$ 1,593,282	\$ 3,830,132	\$ 3,662,022	\$ 5,599,745	\$ 5,255,304
Operating grants and contributions	299,482	545,935	0	0	299,482	545,935
Capital grants and contributions	70,798	100,751	92,286	2,252,749	163,084	2,353,500
General Revenues:						
Property Taxes	3,913,190	3,626,787	0	0	3,913,190	3,626,787
Sales Taxes	2,321,548	2,523,438	0	0	2,321,548	2,523,438
Franchise Fees	1,521,408	1,557,631	0	0	1,521,408	1,557,631
Utility Taxes	1,873,916	1,941,351	0	0	1,873,916	1,941,351
Excise Taxes	953,422	1,043,088	0	0	953,422	1,043,088
Unrestricted						
Investment Earnings	151,478	306,890	50,215	78,406	201,693	385,296
Gain on Sale of Assets	45,555	1,045	0	0	45,555	1,045
Total Revenues	12,920,410	13,240,198	3,972,633	5,993,177	16,893,043	19,233,375
Expenses:						
General Government	2,269,596	2,056,037	0	0	2,269,596	2,056,037
Public Safety	4,927,303	4,958,150	0	0	4,927,303	4,958,150
Growth Management	350,102	379,399	0	0	350,102	379,399
Public Works	2,238,018	2,032,846	0	0	2,238,018	2,032,846
Culture and Recreation	1,875,363	1,655,769	0	0	1,875,363	1,655,769
Utility Services	0	0	4,362,981	4,052,323	4,362,981	4,052,323
Total Expenses	11,660,382	11,082,201	4,362,981	4,052,323	16,023,363	15,134,524
Changes in Net Position						
Before Transfers	1,260,028	2,157,997	-390,348	1,940,854	869,680	4,098,851
Transfers	255,500	-1,745,000	-255,500	1,745,000	0	0
Change in Net Position	1,515,528	412,997	-645,848	3,685,854	869,680	4,098,851
Net Position 10/01/2019	28,860,987	28,447,990	26,999,617	23,313,763	55,860,604	51,761,753
Net Position 09/30/2020	30,376,515	28,860,987	26,353,769	26,999,617	56,730,284	55,860,604

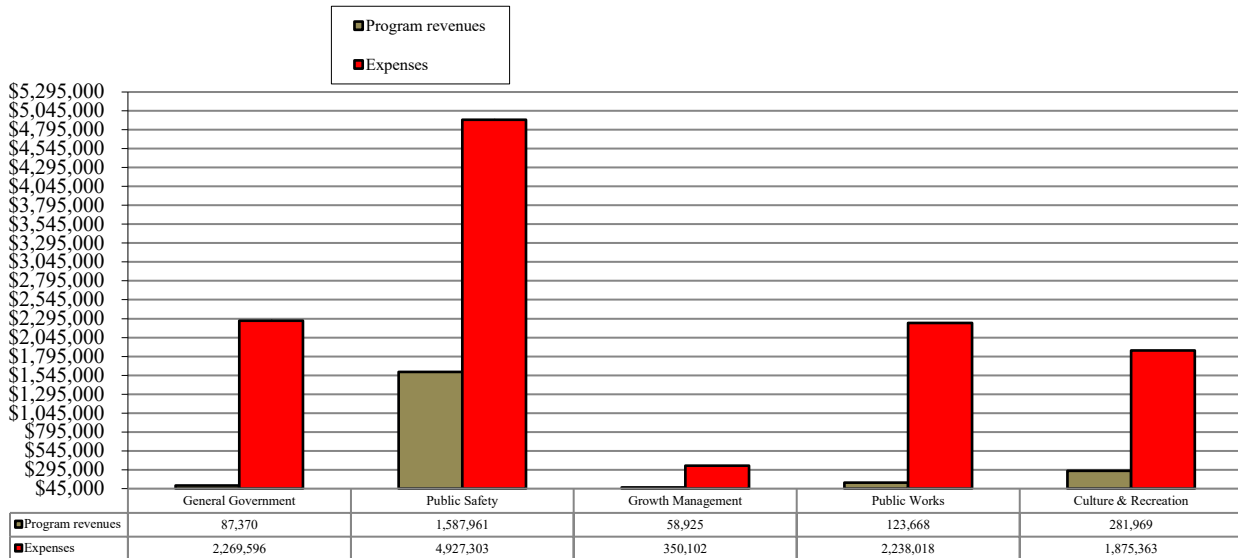
TOWN OF LADY LAKE, FLORIDA MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2020

Governmental activities. Governmental activities increased the Town's net position by \$1,515,528. The fiscal year 2020 millage rate was kept the same as FY19 millage rate of 3.3962 but with an increase in net taxable value of 8.2%, which includes new construction, and increased value of properties, the net result was an increase in the total fund balance.

Revenues by Source - Governmental Activities



Program Revenues and Expenses - Governmental Activities

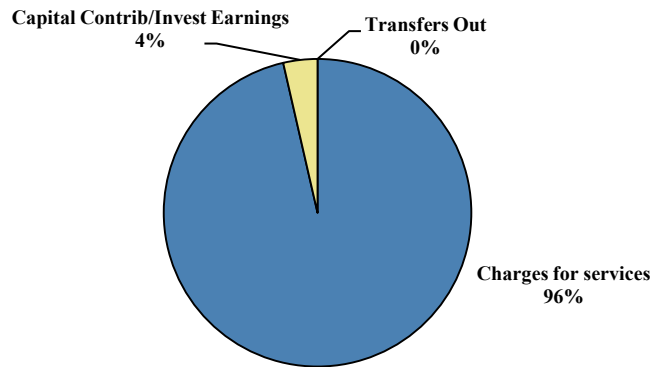


A comparison of the Town's functional program revenues and costs of providing program services to its citizens is useful in identifying the programs, and the extent of which each are dependent on taxes and other non-exchange revenues to subsidize their program operations

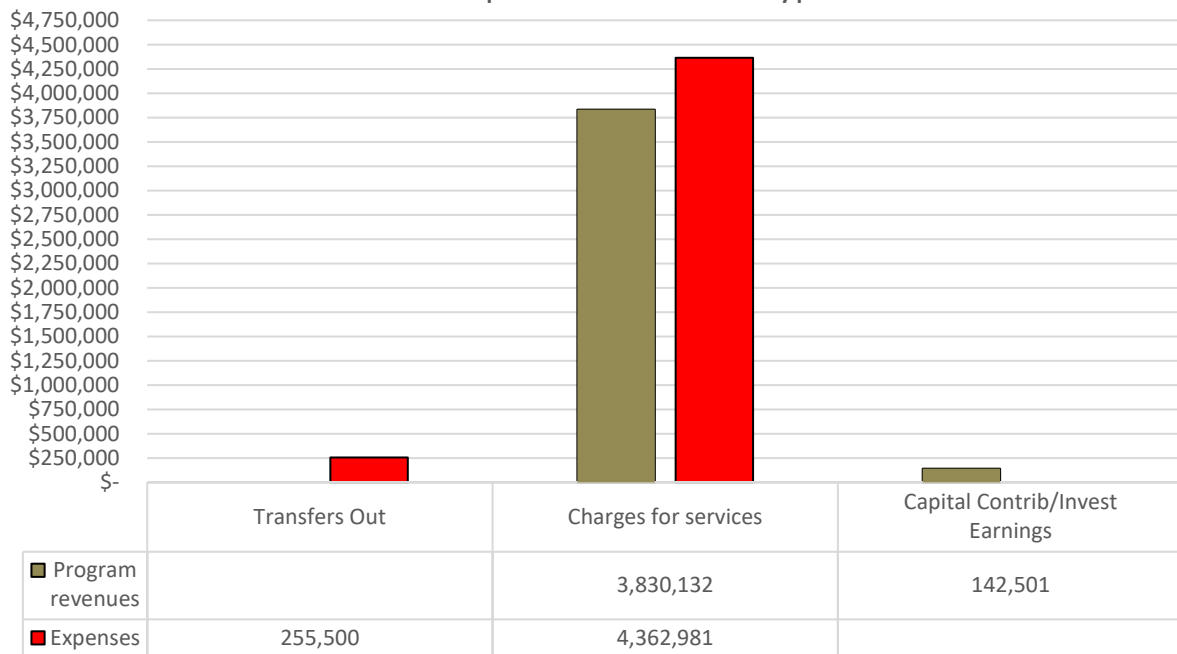
**TOWN OF LADY LAKE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2020**

Business-type activities. Business-type activities decreased the Town's net position by \$645,848. The decrease is due primarily to a decreased collection of water and sewer impact fees. The percentage breakdown of the business-type activities revenues can be seen below.

Revenues by Source - Business-type Activities



Revenues and Expenses - Business-Type Activities



**TOWN OF LADY LAKE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2020**

FINANCIAL ANALYSIS OF THE TOWN'S FUNDS

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

As of the end of fiscal year 2020, the Town's governmental funds reported combined ending fund balances of \$15,565,106 an increase of \$1,504,145 in comparison with the prior year. Approximately 47% of this total amount \$7,321,945 constitutes the unassigned fund balance that is available for spending at the Town's discretion. The remainder of the fund balance is not available for new spending. The various constraints placed on the General Fund are as follows: Non-spendable \$47,178 for Prepaids and Real Property Held for Resale; Restricted \$2,266,913 for Education, Police Training & Equipment, Recreation and Library Capital Improvements, Committed \$3,725,258 for certain capital Improvements, and Assigned \$33,629 for Tree Beautification.. Restricted for Infrastructure in the Sales Tax Revenue Fund was \$2,170,183.

As was discussed on page 11 under Governmental Activities although the millage stayed the same as FY19, new construction and values increased. The funds that are Restricted decreased by \$60,650 due to funding projects such as the Fiber Project.

The General Fund, which is the primary operating fund of the Town, had a fund balance of \$13,394,923 but \$6,072,978 was dedicated for purposes other than general spending. The unassigned fund balance decreased by \$490,371 with a major contribution being a lower return on investments with a decrease of \$146,093.

Other disclosures on these funds can be found in Note 8 on page 44 of this report.

The Sales Tax Revenue Fund had a fund balance of \$2,170,183 at the end of the fiscal year, an increase of \$ 758,628 from the prior year. This increase was largely due to not needing to fund any new projects this year except for police vehicles, playground equipment and the fiber conduit project. Of this amount, 100% is restricted for infrastructure improvements.

Proprietary funds. The Town's proprietary fund statements provide the same type of information found in the government-wide financial statements but in more detail.

As of the end of fiscal year 2020, the Town's Utility Fund reported unrestricted net position of \$ 3,019,695, a decrease of \$57,151 from the prior year. The decrease in the unrestricted net position of the Utility Fund is due to a decrease in net cash used in noncapital financing activities as shown on page 29.

TOWN OF LADY LAKE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2020

CAPITAL ASSETS

The Town's investment in capital assets for its governmental and business-type activities as of September 30, 2020, amounts to \$35,819,388 (net of depreciation and amortization). This investment in capital assets includes land, buildings and utility systems, improvements other than buildings, equipment, infrastructure and construction in progress. It also includes the Town's investment in the sewer capacity reservation agreement with the VCCDD. The Town's net capital assets decreased \$381,858 from the prior year. The change is primarily due to depreciation expense exceeding capital investments. Additional information is addressed in the notes to the financial statements; Note 1 Summary of Significant Accounting Policies Section G Capital Assets on page 36.

Major capital asset events during the current fiscal year included the following:

Government Fund:		
1601	Information Technology Cybersecurity	\$ 110,827
1601	Information Technology Data Center	\$ 50,666
1601	Information Technology Server	\$ 14,237
1601	Information Technology Tape Library	\$ 33,437
1501	Growth Management Plot Printer	\$ 3,633
1901	Conduit Infrastructure-Hwy 27/441 Road Widening *In Process*	\$ 257,678
1901	Town Hall Two AC Units with Heater Box/Air Damper	\$ 32,473
1903	Motor Pool Scan Tool	\$ 3,000
2101	PD Six Vehicles and Equipment	\$ 227,151
4101	Public Works-Admin One A/C Unit	\$ 13,712
4102	Roads & Streets 900D Grasshopper Mower w/Blower	\$ 31,607
7101	Library One AC Unit	\$ 23,340
7201	Parks & Rec Gate Opener System	\$ 3,565
7201	Parks & Rec Playground Equipment	\$ 115,430
7201	Parks & Rec Concrete Bleacher Pads	\$ 3,800
7201	Parks & Rec Sunshades	\$ 14,012
7201	Parks & Rec Scagg mower	\$ 10,833
Business-type funds:		
Water	2020 F450	\$ 68,977
	2020 F150 Pickup	\$ 36,024
Sewer	Emergency Bypass Pump on Trailer	\$ 49,995
	2020 F150 4X4	\$ 35,619
Water/Sewer	441 Widening Project Construction *In Process*	\$ 721,190
	GIS Tracker	\$ 6,300

**TOWN OF LADY LAKE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2020**

**TOWN OF LADY LAKE'S CAPITAL ASSETS
(net of depreciation)**

	Governmental Activities 2020	Governmental Activities 2019	Business-type activities 2020	Business-type activities 2019	Total 2020	Total 2019
Land	2,143,894	2,143,894	509,453	509,453	2,653,347	2,653,347
Buildings	7,032,344	7,466,672	2,684,638	2,777,366	9,716,982	10,244,038
Improvements other than buildings	1,063,459	943,484	0	0	1,063,459	943,484
Furniture and equipment	1,436,159	1,400,137	658,852	585,426	2,095,011	1,985,563
Infrastructure including Utility	2,265,127	2,367,499	15,611,130	16,532,797	17,876,257	18,900,296
Construction in Progress	363,302	105,624	1,172,297	451,107	1,535,599	556,731
Total Capital Assets	14,304,285	14,427,310	20,636,370	20,856,149	34,940,655	35,283,459

GENERAL FUND BUDGETARY HIGHLIGHTS

The Town amended the original appropriations approved by the Town Commission. The General Fund changes resulted in an increase to the appropriations of approximately 14%. The increase is due to approval of additional capital asset purchases, IT equipment and putting in empty conduit for fiber when moving utilities during the widening of 27/441. The budget is approved at Department level and all departments were within their budget. The Sales Tax Revenue Fund Budget was unchanged.

LONG-TERM LIABILITIES

The balance of \$794,006 represents amounts due for compensated absences.

Additional information on the Town's long-term debt can be found in Note 7 on pages 43 of this report.

**TOWN OF LADY LAKE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2020**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

On January 29, 2008, the Florida electorate approved an amendment to the Florida Constitution relative to property taxation. This amendment (referred to as Amendment 1) was placed on the ballot by the Florida Legislature at a special session held in October 2007. With respect to homestead property, Amendment 1 increases the current \$25,000 homestead exemption by another \$25,000 (for property values between \$50,000 - \$75,000), except for school district taxes. Amendment 1 also allows property owners to transfer (make portable) up to \$500,000 of their Save Our Homes benefits to their next homestead when they move. Save Our Homes became effective in 1992 and limits (caps) the annual increase in assessed value for homestead property to three percent (3%) or the percentage change in the Consumer Price Index, whichever is less.

With respect to non-homestead property, Amendment 1 limits (caps) the annual increase in assessed value for non-homestead property (businesses, industrial property, rental property, second homes, etc.) to ten percent (10%), except for school district taxes. The Amendment also provides a \$25,000 exemption for tangible personal property. Amendment 1 became effective on January 1, 2008, (tax year 2008, fiscal year 2009) with the exception of the ten percent (10%) assessment cap on non-homestead property, which became effective on January 1, 2009 (tax year 2009, fiscal year 2010).

The Town's net taxable value of commercial and residential property increased 8.2% in tax year 2020 as compared to tax year 2019. This increase in taxable value was due to 8.6% increased taxable values due to an increase in market conditions and Amendment 1 provisions. This includes .17% of new construction taxable values. With this increase in taxable value, which increased ad valorem tax revenue, the Town Commission was able to set the millage rate at 3.3962 mills for fiscal year 2020, which is the same millage rate as fiscal year 2019.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the government's finances and for accountability. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Finance Director, 409 Fennell Blvd., Lady Lake, Florida 32159.

TOWN OF LADY LAKE, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2020

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
<u>ASSETS</u>			
Cash and Equivalents	\$ 8,808,676	\$ 2,779,776	\$ 11,588,452
Investments	7,220,582	-	7,220,582
Receivables (net of allowance for uncollectibles)	286,719	376,174	662,893
Due from Other Governments	624,926	6,015	630,941
Internal Balances	4,774	(4,774)	-
Assets Held for Resale	6,800	-	6,800
Inventory and Prepaid Items	40,378	94,384	134,762
Restricted Cash	-	2,521,734	2,521,734
Capital Assets (net of accumulated depreciation and amortization):			
Sewer Capacity Reservation Agreement	-	878,733	878,733
Land	2,143,894	509,453	2,653,347
Buildings	7,032,344	2,684,638	9,716,982
Improvements Other Than Buildings	1,063,459	-	1,063,459
Equipment	1,436,159	658,852	2,095,011
Infrastructure and Utility Systems	2,265,127	15,611,130	17,876,257
Construction in Progress	363,302	1,172,297	1,535,599
Net Pension Asset	1,191,738	-	1,191,738
Total Assets	32,488,878	27,288,412	59,777,290
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Deferred Outflows Pension-Related	143,466	-	143,466
<u>LIABILITIES</u>			
Accounts Payable	872,139	56,329	928,468
Accrued Liabilities	250,833	32,463	283,296
Customer Deposits	-	702,263	702,263
Due to Other Governments	2,271	-	2,271
Unearned Revenue	34,817	31,757	66,574
Noncurrent Liabilities:			
Due within one year	450,236	49,206	499,442
Due in more than one year	231,939	62,625	294,564
Total Liabilities	1,842,235	934,643	2,776,878
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Deferred Inflows Pension-Related	413,594	-	413,594
<u>NET POSITION</u>			
Net Investment in Capital Assets	14,304,285	21,515,103	35,819,388
Restricted for:			
Capital Improvements	592,936	1,818,971	2,411,907
Police	12,847	-	12,847
Education	1,625,466	-	1,625,466
Building Inspections	35,664	-	35,664
Unrestricted	13,805,317	3,019,695	16,825,012
Total Net Position	\$ 30,376,515	\$ 26,353,769	\$ 56,730,284

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

**TOWN OF LADY LAKE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES		
		CHARGES FOR	OPERATING	CAPITAL
		SERVICES	GRANTS AND	GRANTS AND
			CONTRIBUTIONS	CONTRIBUTIONS
Governmental Activities:				
General Government	\$ 2,269,596	\$ 24,999	\$ 62,371	\$ -
Public Safety	4,927,303	1,567,838	20,123	-
Growth Management	350,102	58,925	-	-
Public Works	2,238,018	43,796	79,872	-
Culture and Recreation	1,875,363	74,055	137,116	70,798
Total Governmental Activities	11,660,382	1,769,613	299,482	70,798
Business-Type Activities				
Water	1,609,735	1,304,191	-	20,986
Sewer	1,586,891	1,302,328	-	71,300
Garbage	1,166,355	1,223,613	-	-
Total Business-Type Activities	4,362,981	3,830,132	-	92,286
Total	\$ 16,023,363	\$ 5,599,745	\$ 299,482	\$ 163,084

General Revenues:

Property Taxes
Sales Taxes
Franchise Fees
Utility Taxes
Excise Taxes
Unrestricted Investment Earnings
Gain on Sale of Capital Assets
Transfers

Total General Revenues and Transfers

Change in Net Position

Net Position - Beginning

Net Position - Ending

NET (EXPENSE) REVENUE AND
CHANGES IN NET POSITION

GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
\$ (2,182,226)	\$ -	\$ (2,182,226)
(3,339,342)	-	(3,339,342)
(291,177)	-	(291,177)
(2,114,350)	-	(2,114,350)
(1,593,394)	-	(1,593,394)
(9,520,489)	-	(9,520,489)
-	(284,558)	(284,558)
-	(213,263)	(213,263)
-	57,258	57,258
-	(440,563)	(440,563)
(9,520,489)	(440,563)	(9,961,052)
3,913,190	-	3,913,190
2,321,548	-	2,321,548
1,521,408	-	1,521,408
1,873,916	-	1,873,916
953,422	-	953,422
151,478	50,215	201,693
45,555	-	45,555
255,500	(255,500)	-
11,036,017	(205,285)	10,830,732
1,515,528	(645,848)	869,680
28,860,987	26,999,617	55,860,604
\$ 30,376,515	\$ 26,353,769	\$ 56,730,284

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TOWN OF LADY LAKE, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2020

		SALES TAX REVENUE	TOTAL GOVERNMENTAL FUNDS
<u>ASSETS</u>	<u>GENERAL</u>		
Cash and Equivalents	\$ 6,787,378	\$ 2,021,298	\$ 8,808,676
Investments	7,220,582	-	7,220,582
Accounts Receivable (net of allowance for uncollectibles)	286,719	-	286,719
Due from Other Funds	4,774	-	4,774
Due from Other Governments	225,628	148,885	374,513
Real Property Held for Resale	6,800	-	6,800
Prepaid Items	40,378	-	40,378
Total Assets	<u>\$ 14,572,259</u>	<u>\$ 2,170,183</u>	<u>\$ 16,742,442</u>
<u>LIABILITIES</u>			
Accounts Payable	\$ 872,139	\$ -	\$ 872,139
Accrued Liabilities	250,833	-	250,833
Due to Other Governments	2,271	-	2,271
Unearned Revenue	34,817	-	34,817
Total Liabilities	<u>1,160,060</u>	<u>-</u>	<u>1,160,060</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Unavailable Revenue	<u>17,276</u>	<u>-</u>	<u>17,276</u>
<u>FUND BALANCES</u>			
Nonspendable	47,178	-	47,178
Restricted	2,266,913	2,170,183	4,437,096
Committed	3,725,258	-	3,725,258
Assigned	33,629	-	33,629
Unassigned	7,321,945	-	7,321,945
Total Fund Balances	<u>13,394,923</u>	<u>2,170,183</u>	<u>15,565,106</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 14,572,259</u>	<u>\$ 2,170,183</u>	
Amounts reported for governmental activities in the Statement of Net Position are different because:			
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Cost of capital assets \$27,486,174 less accumulated depreciation of \$13,181,889.			14,304,285
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds. These assets consist of taxes due from other governments \$250,413 and hurricane grant receivables \$17,276.			267,689
Net pension asset is not an available financial resource and, therefore, is not reported as an asset in the funds.			1,191,738
Deferred outflows \$143,466 and deferred inflows \$(413,594) related to pensions are not reported in the governmental funds but will be recognized in pension expense on a long term basis.			(270,128)
Long-term liabilities are not due and payable in the current-period and, accordingly, are not reported in the governmental funds. Long term liabilities consist of compensated absences.			(682,175)
NET POSITION OF GOVERNMENTAL ACTIVITIES			<u>\$ 30,376,515</u>

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

TOWN OF LADY LAKE, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	GENERAL	SALES TAX REVENUE	TOTAL GOVERNMENTAL FUNDS
REVENUES:			
Taxes	\$ 7,724,222	\$ 1,398,258	\$ 9,122,480
Licenses and Permits	418,776	-	418,776
Intergovernmental	1,758,214	-	1,758,214
Charges for Services	211,544	-	211,544
Fines and Forfeitures	21,444	-	21,444
Miscellaneous	1,349,157	10,140	1,359,297
	<u>11,483,357</u>	<u>1,408,398</u>	<u>12,891,755</u>
Total Revenues	<u>11,483,357</u>	<u>1,408,398</u>	<u>12,891,755</u>
EXPENDITURES:			
Current:			
General Government	2,304,152	-	2,304,152
Public Safety	5,134,138	-	5,134,138
Growth Management	346,542	-	346,542
Public Works	2,012,006	-	2,012,006
Culture and Recreation	1,634,149	-	1,634,149
Capital Outlay	257,678	-	257,678
	<u>11,688,665</u>	<u>-</u>	<u>11,688,665</u>
Total Expenditures	<u>11,688,665</u>	<u>-</u>	<u>11,688,665</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(205,308)</u>	<u>1,408,398</u>	<u>1,203,090</u>
OTHER FINANCING SOURCES (USES):			
Transfers In	905,270	-	905,270
Transfers Out	-	(649,770)	(649,770)
Sale of Capital Assets	45,555	-	45,555
	<u>950,825</u>	<u>(649,770)</u>	<u>301,055</u>
Total Other Financing Sources (Uses)	<u>950,825</u>	<u>(649,770)</u>	<u>301,055</u>
Net Change in Fund Balances	745,517	758,628	1,504,145
Fund Balance, Beginning of Year	<u>12,649,406</u>	<u>1,411,555</u>	<u>14,060,961</u>
Fund Balance, End of Year	<u>\$ 13,394,923</u>	<u>\$ 2,170,183</u>	<u>\$ 15,565,106</u>

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

TOWN OF LADY LAKE, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2020

Amounts reported for governmental activities in the Statement of Activities (pages 18 - 19) are different because:

Net Change in Fund Balances - Total Governmental Funds	\$ 1,504,145
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Governmental funds report capital outlays as expenditures. In the Statement of Activities the costs of those assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation, \$1,072,426, exceeded capital outlays, \$949,401, in the current period.	(123,025)
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Revenues in the Statement of Activities that do not provide current financial resources (Federal grants, intergovernmental taxes) are not reported as revenues in the funds.	(36,373)
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Current year repayment of communications services tax that was overpaid to the Town by the State of Florida in prior years uses current financial resources in the governmental funds, but is reported as a liability in prior years in the Statement of Activities.	19,473
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Compensated absences reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	(80,956)
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Changes in pension expense do not require the use of current financial resources and therefore, are not reported as expenditures in governmental funds.	232,264
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Change in Net Position of Governmental Activities	<div style="border-top: 1px solid black; border-bottom: 3px double black; display: inline-block; width: 100%;">\$ 1,515,528</div>
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The notes to the financial statements are an integral part of this statement.

TOWN OF LADY LAKE, FLORIDA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES:				
Taxes	\$ 7,842,030	\$ 7,842,030	\$ 7,724,222	\$ (117,808)
Licenses and Permits	437,525	437,525	418,776	(18,749)
Intergovernmental	1,701,050	1,701,050	1,758,214	57,164
Charges for Services	249,000	249,000	211,544	(37,456)
Fines and Forfeitures	31,000	31,000	21,444	(9,556)
Miscellaneous	1,583,394	1,583,394	1,349,157	(234,237)
Total Revenues	11,843,999	11,843,999	11,483,357	(360,642)
EXPENDITURES:				
Current:				
General Government	2,495,370	2,682,975	2,304,152	378,823
Public Safety	5,856,302	5,856,302	5,134,138	722,164
Growth Management	426,998	426,998	346,542	80,456
Public Works	2,196,528	2,196,528	2,012,006	184,522
Culture and Recreation	1,899,301	1,899,301	1,634,149	265,152
Capital Outlay	60,000	313,168	257,678	55,490
Total Expenditures	12,934,499	13,375,272	11,688,665	1,686,607
Deficiency of Revenues Under Expenditures	(1,090,500)	(1,531,273)	(205,308)	1,325,965
OTHER FINANCING SOURCES:				
Transfers In	690,500	943,668	905,270	(38,398)
Sale of Capital Assets	-	-	45,555	45,555
Total Other Financing Sources	690,500	943,668	950,825	7,157
Net Change in Fund Balance	(400,000)	(587,605)	745,517	1,333,122
Fund Balance, Beginning of Year	12,649,406	12,649,406	12,649,406	-
Fund Balance, End of Year	\$ 12,249,406	\$ 12,061,801	\$ 13,394,923	\$ 1,333,122

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

TOWN OF LADY LAKE, FLORIDA
SALES TAX REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES:				
Taxes	\$ 1,460,000	\$ 1,460,000	\$ 1,398,258	\$ (61,742)
Miscellaneous	<u>22,200</u>	<u>22,200</u>	<u>10,140</u>	<u>(12,060)</u>
Total Revenues	<u>1,482,200</u>	<u>1,482,200</u>	<u>1,408,398</u>	<u>(73,802)</u>
OTHER FINANCING SOURCES (USES):				
Transfers Out	<u>(435,000)</u>	<u>(688,168)</u>	<u>(649,770)</u>	<u>38,398</u>
Total Other Financing Sources (Uses)	<u>(435,000)</u>	<u>(688,168)</u>	<u>(649,770)</u>	<u>38,398</u>
Net Change in Fund Balance	1,047,200	794,032	758,628	(35,404)
Fund Balance, Beginning of Year	<u>1,411,555</u>	<u>1,411,555</u>	<u>1,411,555</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 2,458,755</u>	<u>\$ 2,205,587</u>	<u>\$ 2,170,183</u>	<u>\$ (35,404)</u>

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

TOWN OF LADY LAKE, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUND
SEPTEMBER 30, 2020

<u>ASSETS</u>	<u>UTILITY FUND</u>
CURRENT ASSETS:	
Cash	\$ 2,779,776
Restricted Cash:	
Customer Deposits	702,763
Customer Receivables, net of allowance for uncollectibles	376,174
Due from Other Governments	6,015
Inventory	92,080
Prepaid Items	<u>2,304</u>
Total Current Assets	<u>3,959,112</u>
NONCURRENT ASSETS:	
Restricted Cash:	
Capital Improvements	<u>1,818,971</u>
Capital Assets:	
Sewer Capacity Reservation Agreement, net of accumulated amortization	<u>878,733</u>
Property, Plant and Equipment:	
Land	509,453
Buildings	2,968,307
Utility Systems	29,465,211
Equipment	2,361,031
Construction in Progress	<u>1,172,297</u>
	36,476,299
Less Accumulated Depreciation	<u>15,839,929</u>
Net Property, Plant and Equipment	<u>20,636,370</u>
Total Capital Assets	<u>21,515,103</u>
Total Noncurrent Assets	<u>23,334,074</u>
Total Assets	<u>27,293,186</u>

TOWN OF LADY LAKE, FLORIDA
STATEMENT OF NET POSITION (Continued)
PROPRIETARY FUND
SEPTEMBER 30, 2020

<u>LIABILITIES</u>	<u>UTILITY FUND</u>
CURRENT LIABILITIES:	
Accounts Payable	\$ 56,329
Accrued Expenses	32,463
Compensated Absences	49,206
Due to Other Funds	4,774
Customer Deposits	<u>702,263</u>
Total Current Liabilities	<u>845,035</u>
NONCURRENT LIABILITIES:	
Compensated Absences	62,625
Unearned Revenue	<u>31,757</u>
Total Noncurrent Liabilities	<u>94,382</u>
Total Liabilities	<u>939,417</u>
 <u>NET POSITION</u>	
Net Investment in Capital Assets	21,515,103
Restricted for Capital Improvements	1,818,971
Unrestricted	<u>3,019,695</u>
Total Net Position	<u><u>\$26,353,769</u></u>

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

TOWN OF LADY LAKE, FLORIDA
STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
PROPRIETARY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	UTILITY FUND
OPERATING REVENUES:	
Water Sales	\$ 1,253,916
Sewer Revenue	1,131,897
Reuse Water Sales	151,186
Connection Fees	28,550
Garbage Revenue	1,223,613
Late Fees and Other Revenue	25,618
	<u>3,814,780</u>
Total Operating Revenues	<u>3,814,780</u>
OPERATING EXPENSES:	
Personal Services	862,567
Garbage Contract Services	1,166,355
Other Operating Expenses	1,148,551
Depreciation and Amortization	1,185,508
	<u>4,362,981</u>
Total Operating Expenses	<u>4,362,981</u>
Net Operating Loss	<u>(548,201)</u>
NONOPERATING REVENUES (EXPENSES):	
Interest Revenue	50,215
Insurance Claims	2,821
Gain on Sale of Capital Assets	12,531
	<u>65,567</u>
Total Nonoperating Revenues (Expenses)	<u>65,567</u>
Loss Before Contributions and Transfers	(482,634)
CAPITAL CONTRIBUTIONS:	
Water, Sewer, and Reuse Impact Fees	92,286
TRANSFERS IN	<u>(255,500)</u>
Change in Net Position	(645,848)
Total Net Position, Beginning of Year	<u>26,999,617</u>
Total Net Position, End of Year	<u><u>\$ 26,353,769</u></u>

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

TOWN OF LADY LAKE, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	UTILITY FUND
CASH FLOWS FROM OPERATING ACTIVITIES:	
Cash Received from Customers	\$ 3,874,163
Cash Payments to Employees for Services	(842,448)
Cash Payments to Suppliers for Goods and Services	<u>(2,290,896)</u>
Net Cash Provided by Operating Activities	<u>740,819</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:	
Transfer to General Fund	<u>(255,500)</u>
Net Cash Used in Noncapital Financing Activities	<u>(255,500)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Capital Contributions	92,286
Acquisition and Construction of Capital Assets	(1,197,858)
Proceeds from Insurance Claims	2,821
Proceeds from Sale of Capital Assets	<u>12,531</u>
Net Cash Used in Capital and Related Financing Activities	<u>(1,090,220)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Interest Received	<u>50,215</u>
Net Cash Provided by Investing Activities	<u>50,215</u>
NET DECREASE IN CASH	(554,686)
Cash at Beginning of Year	<u>5,856,196</u>
Cash at End of Year	<u><u>\$ 5,301,510</u></u>

Continued on next page

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

TOWN OF LADY LAKE, FLORIDA
STATEMENT OF CASH FLOWS (Continued)
PROPRIETARY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	<u>UTILITY FUND</u>
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES:	
Operating Loss	<u>\$ (548,201)</u>
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Depreciation and Amortization	1,185,508
Increase in Customer Receivables	(36,121)
Decrease in Due from Other Governments	770
Increase in Inventory	(2,003)
Increase in Prepaid Expenses	(1,454)
Increase in Accounts Payable	27,944
Decrease in Due to Other Funds	(477)
Increase in Accrued Expenses	9,240
Increase in Compensated Absences	10,879
Increase in Customer Deposits	<u>94,734</u>
Total Adjustments	<u>1,289,020</u>
Net Cash Provided by Operating Activities	<u><u>\$ 740,819</u></u>

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

TOWN OF LADY LAKE, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2020

	PENSION TRUST FUNDS
	<hr/>
<u>ASSETS</u>	
Cash	\$ -
Investments with Trustees:	
Cash Management Funds	143,180
Corporate Equity Mutual Funds	4,719,818
Corporate Bond Mutual Funds	3,897,962
Real Estate Funds	972,001
	<hr/>
Total Assets	9,732,961
	<hr/>
<u>LIABILITIES</u>	
Accounts Payable	11,554
	<hr/>
Total Liabilities	11,554
	<hr/>
<u>NET POSITION RESTRICTED FOR PENSIONS</u>	
Held in Trust for Officers' Contributions	641,681
Held in Trust for Town's Contributions	2,602,882
Held in Trust for Pension Benefits	6,026,844
	<hr/>
Total Net Position Restricted for Pensions	\$ 9,271,407
	<hr/> <hr/>

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

TOWN OF LADY LAKE, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

<u>ADDITIONS</u>	<u>PENSION TRUST FUNDS</u>
Contributions:	
Town	\$ 191,866
Officers	76,747
State of Florida	121,657
Service Buybacks	<u>38,801</u>
Total Contributions	<u>429,071</u>
Investment Income:	
Net Appreciation in Fair Value of Investments	391,336
Dividend Income	401,813
Interest Income	<u>763</u>
Total Investment Income	793,912
Less Investment Expense	<u>31,926</u>
Net Investment Income	<u>761,986</u>
Total Additions	<u>1,191,057</u>
<u>DEDUCTIONS</u>	
Retirement Benefits	346,434
Refunds of Contributions	14,151
Administration Expense	<u>49,006</u>
Total Deductions	<u>409,591</u>
CHANGE IN NET POSITION	781,466
<u>NET POSITION RESTRICTED FOR PENSIONS</u>	
Beginning of Year	<u>8,939,941</u>
End of Year	<u><u>\$ 9,721,407</u></u>

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

TOWN OF LADY LAKE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Town of Lady Lake, Florida (the Town) was incorporated on May 25, 1925. The Town operates under the Commission/Manager form of government as authorized by its charter and provides the following services: police protection, building inspections and code enforcement, street maintenance, library, parks and recreation, other general governmental activities, and water, sewer and garbage utilities.

The financial statements of the Town of Lady Lake, Florida conform to generally accepted accounting principles (GAAP) as applicable to governmental entities. Effective October 1, 2003, the Town implemented Government Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments*. Significant accounting policies are described below:

A. The Reporting Entity

The Town of Lady Lake is a political subdivision of the State of Florida. It is governed by an elected board of five Town commissioners. These financial statements present all the fund types of the Town. There are no component units included within these financial statements, and there are no legally separate entities that could be included as component units of the Town.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Town. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows.

TOWN OF LADY LAKE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Unbilled utility service receivables are estimated and recorded at year end.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized when they become both measurable and available. *Measurable* means the amount of the transaction can be determined and *available* means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Town considers revenues available if they are collected within 30 days of year end. Revenues that are susceptible to accrual in the governmental funds include property taxes, sales taxes, franchise fees, municipal utility taxes, and State and County shared revenues. All other revenue items are considered to be measurable and available only when cash is received by the Town.

In addition to liabilities, the statement of financial position reports 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. The Town has only one type of item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The General Fund reports unavailable revenue from uncollected street assessments. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available.

Expenditures are generally recorded when a related liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

The Town reports the following governmental funds:

General Fund - The General Fund (a major fund) is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund.

Sales Tax Revenue Fund - This special revenue fund (a major fund) accounts for discretionary sales surtax revenues that are legally restricted for expenditure on infrastructure.

The Town reports the following proprietary fund:

Utility Fund - This enterprise fund (a major fund) is used to account for the activities of the Town's water, sewer and garbage utility operations.

The Town reports the following fiduciary fund:

Police Retirement Trust Fund - This pension trust fund accounts for the accumulation of resources for pension benefit payments to qualified Town police officers.

TOWN OF LADY LAKE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. An exception to this rule is charges between the Town's water and sewer function and various other functions of government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes. The Town collects franchise fees from electric, gas, and solid waste utility providers based on gross receipts. These franchise fees are also reports as general revenues.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in conjunction with a proprietary fund's principal ongoing operations. Principal operating revenues of the Town's Utility Fund are charges for providing water, sewer and garbage services. Reuse water sales are included with sewer services. Operating expenses include the cost of sales and service, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

D. Cash and Investments

The Town's investment policy has safety of capital as a primary objective. Authorized investments include the State Board of Administration Local Government Surplus Funds Trust Fund or similar intergovernmental investment pools, SEC registered money market funds, interest bearing time deposits, U.S. Treasury obligations, repurchase agreements, and mutual funds that invest primarily in U.S. Government obligations.

For purposes of the statements of cash flows, cash includes amounts in bank demand deposits, both interest-bearing and noninterest-bearing, bank money market investments, and funds on deposit with the Local Government Surplus Funds Trust Fund investment pool bearing interest at 0.33% as of September 30, 2020. The State Board of Administration pool is an external 2a7-like investment pool. The fair value of the Town's deposits in the pool is the same as the value of the pool shares. All of the pool's investments for financial reporting purposes are measured at amortized cost. Oversight of the State Board of Administration pool is provided by the Florida Auditor General. There are no limitations or restrictions on withdrawals from the pool.

Pension trust fund investments are reported at fair value, determined by the last reported sales price for securities traded on a national exchange. Investments of the Municipal Police Officer's Retirement Trust Fund may be held in bonds, stocks, or other evidence of indebtedness issued or guaranteed by a corporation under the laws of the United States provided the corporation meets certain rating and profitability criteria.

TOWN OF LADY LAKE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Receivables

Customer accounts receivable are shown net of an allowance for uncollectibles. Management's estimate for uncollectible accounts is based on review of balances over 120 days old.

F. Inventory and Prepaid Items

Inventory consists of water and sewer system supplies and is valued at cost (first-in, first-out). Prepaid items in the governmental funds are accounted for using the consumption method.

G. Capital Assets

Capital assets, which include property, plant and equipment, and infrastructure assets (roads, sidewalks, drainage systems, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The Town's Sewer Capacity Reservation Agreement is also classified as a capital asset. Capital assets are defined by the Town as assets with an initial, individual cost of more than \$3,000 and an estimated useful life of more than two years.

In the case of the initial capitalization of general infrastructure assets, the Town chose to include such items beginning October 1, 2003, the year of implementation of GASB Statement No. 34. As the Town constructs or acquires additional capital assets, including infrastructure assets, they are capitalized and reported at historical cost. Donated capital assets, donated works of art and similar assets are recorded at their estimated acquisition value.

Interest incurred during construction of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. No interest was capitalized during the year ended September 30, 2020.

Depreciation is provided using the straight-line method over the estimated useful lives of the various classes of depreciable assets as follows:

Buildings	25 to 30 Years
Improvements other than Buildings	10 to 30 Years
Water and Sewer Systems	10 to 30 Years
Infrastructure	30 Years
Equipment	5 to 10 Years

H. Amortization

The Sewer Capacity Reservation Agreement entered into April 2, 2003 is amortized over its 40-year term using the straight-line method. Additional purchases of reserved sewer capacity are amortized straight-line beginning with the acquisition date over the remaining term of the Agreement.

TOWN OF LADY LAKE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

I. Compensated Absences

The Town accrues accumulated compensated absences (paid time off (PTO) and comp time benefits) when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts are not reported in the governmental fund financial statements unless they have matured, for example, as a result of employee resignations or retirements. Personnel policies allow employees to accumulate a maximum of 560 hours PTO. Upon termination, employees are paid for their unused comp time, and for a maximum of 400 hours unused PTO. Police Officers, under their union contract, are paid a maximum of 492 hours unused PTO. Compensated absences for governmental activities are generally liquidated by the General Fund.

J. Long-term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Loan issuance costs are reported as deferred charges and amortized over the term of the related debt.

K. Net Position Flow Assumption

Sometimes the Town will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts reports as Restricted-Net Position and Unrestricted-Net Position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Town's policy to use restricted resources before any unrestricted resources are applied.

L. Fund Balance Policies and Flow Assumptions

The following fund balance classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

Nonspendable fund balance – amounts that are not in spendable form, such as prepaid items.

Restricted fund balance – amounts constrained to specific purposes by their providers (such as grantors or higher levels of government), through constitutional provisions, or by enabling legislation.

Committed fund balance – amounts constrained to specific purposes by the Town itself, using its highest level of decision-making authority, the Town Commission, through adoption of a resolution; to be reported as committed, amounts cannot be used for any other purpose unless the Town Commission takes a similar action to remove or change the restraint.

TOWN OF LADY LAKE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Assigned fund balance – amounts the Town intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority. As of September 30, 2020, the Town Commission is the only body that may assign fund balance through a majority vote.

Unassigned fund balance – amounts that are available for any purpose. The General Fund is the only fund that reports a positive unassigned fund balance amount.

Flow assumptions – Sometimes the Town 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 Town's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. The Town has not adopted a formal flow assumption policy pertaining to the unrestricted portion of fund balance. As such, when the components of unrestricted fund balance may be used for the same purpose, it is presumed committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

M. Transfers

Transfers of \$255,500 are made from the Utility Fund to the General Fund for utility billing administrative costs. Transfers of \$649,770 are made from the Sales Tax Revenue Fund to the General Fund in order to use infrastructure surtax revenues on qualified "infrastructure" expenditures.

NOTE 2 BUDGETING

The following procedures are used in establishing budgetary data reflected in the financial statements:

- 1) Prior to September 30, the Budget Committee submits a proposed operating budget for the fiscal year beginning October 1. The budget includes proposed expenditures and the means of financing them.
- 2) Public hearings are held to obtain taxpayer comments. The budget is then enacted through passage of an ordinance no later than October 1.
- 3) Appropriations are authorized at the department level. These are the legal levels of budgetary control. Administrative control is maintained through the establishment of more detailed line-item budgets.
- 4) The Town Manager is authorized to transfer budgeted amounts between line items within any department; however, any revisions that alter the total expenditures of a department must be approved by the Town Commission through a resolution.

TOWN OF LADY LAKE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

NOTE 2 BUDGETING (continued)

- 5) Formal budgetary integration is employed as a management control device during the year for governmental funds. Total budgeted appropriations within a governmental fund type may not be exceeded legally.
- 6) Annual budgets are adopted for all governmental fund types on a basis consistent with generally accepted accounting principles. The enterprise (Utility) fund budget is adopted on a basis other than generally accepted accounting principles. Budgets are not adopted for the pension trust funds.

Encumbrance accounting, under which purchase orders, contracts, and other commitments are recorded in order to reserve that portion of the applicable appropriation, is employed by the Town for budgetary purposes. Encumbrances outstanding at year end do not constitute expenditures or liabilities and are not reported as committed or assigned fund balances. Appropriations and encumbrances lapse at year end.

NOTE 3 BUDGETARY BASIS OF ACCOUNTING

The Town Commission adopts annual budgets for each of the Town's funds, except for the pension trust funds. The budget for the Utility Fund is adopted on an accounting basis other than in accordance with generally accepted accounting principles (GAAP). Adjustments necessary to convert the results of operations for the year ended September 30, 2020 from the GAAP basis to the budget basis are as follows:

<u>Utility Fund</u>	
Change in Net Position, GAAP Basis	\$ (645,848)
Decrease due to insurance claims	(2,821)
Decrease due to water, sewer and reuse impact fees	(92,286)
Increase due to depreciation and amortization	1,185,508
Decrease due to equipment purchases	(196,915)
Decrease due to building construction	(4,475)
Decrease due to utility system construction	<u>(4,095)</u>
Excess of Revenues Over Expenses, Budget Basis	<u>\$ 239,068</u>

NOTE 4 CASH DEPOSITS AND INVESTMENTS

Cash Deposits

At September 30, 2020, the carrying amount of the Town's cash deposits, including funds in bank money market investments, was \$14,110,186. The actual bank balances at September 30, 2020 totaled \$14,318,040, and were entirely insured by Federal depository insurance or by a State collateral insurance pool held by the Treasurer, State of Florida, in the Public Deposit Security Trust Fund.

TOWN OF LADY LAKE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

NOTE 4 CASH DEPOSITS AND INVESTMENTS (continued)

Investments

The Town categorizes its fair value measurements within the fair value hierarchy established by general accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The Town's investments at September 30, 2020 are categorized below.

	<u>Level 1</u>	<u>Level 2</u>	<u>NAV</u>
General Fund Investments:			
Florida Cooperative Liquid Assets			
Securities System	\$ -	\$ -	\$7,220,582
Pension Trust Fund Investments:			-
Money Market Funds	143,180	-	-
Corporate Equity Funds	4,719,818	-	-
Corporate Bond Fund	3,897,962	-	-
Real Estate Funds	-	972,001	-
	<u>\$ 8,760,960</u>	<u>\$972,001</u>	<u>\$7,220,582</u>

Florida Cooperative Liquid Assets Securities System (FLCLASS) is an independent local government investment pool and is an authorized investment consistent with Section 218.415(16)(a), Florida Statutes, and the Town's investment policy. The Town's investment in FLCLASS is reported at net asset value (NAV). The fair value of the position in the pool is considered to be the same as the Town's account balance (amortized cost) in the pool.

Credit Risk - Credit risk exists when there is a possibility the issuer to an investment may be unable to fulfill its obligations. The Town manages its credit risk by investing in investment pools with high ratings from nationally recognized statistical rating organizations. The Town's investment with FLCLASS is rated AAAM by S & P Global Ratings. The Town's investment policy does not specifically address credit risk.

Interest Rate Risk - Interest rate risk exists when there is a possibility that changes in interest rates could adversely affect an investment's fair value. The Town's investment with FLCLASS has a weighted average maturity of 81 days. The Town's investment policy does not specifically address interest rate risk.

NOTE 5 RECEIVABLES

Accounts receivable at September 30, 2020 are as follows:

	<u>General Fund</u>	<u>Utility Fund</u>
Customer Accounts Receivable	\$ -	\$ 254,746
Franchise and Utility Taxes	264,732	-
Other Receivables	21,987	146,358
Less Allowance for Uncollectibles	<u>-</u>	<u>(18,915)</u>
Net Receivables	<u>\$ 286,719</u>	<u>\$ 382,189</u>

TOWN OF LADY LAKE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

NOTE 6 CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2020 was as follows:

	September 30, 2019	Additions	Transfers/ Disposals	September 30, 2020
Governmental Activities:				
Land (not being depreciated)	\$ 2,143,894	\$ -	\$ -	\$ 2,143,894
Construction in Progress	105,624	257,678	-	363,302
	<u>2,249,518</u>	<u>257,678</u>	<u>-</u>	<u>2,507,196</u>
Capital assets being depreciated:				
Buildings	12,987,562	-	-	12,987,562
Improvements	2,376,766	206,332	-	2,583,098
Equipment	6,084,145	485,391	(577,746)	5,991,790
Infrastructure	3,416,528	-	-	3,416,528
	<u>24,865,001</u>	<u>691,723</u>	<u>(577,746)</u>	<u>24,978,978</u>
Less accumulated depreciation for:				
Buildings	(5,520,890)	(434,328)	-	(5,955,218)
Improvements	(1,433,282)	(86,357)	-	(1,519,639)
Equipment	(4,684,008)	(449,369)	577,746	(4,555,631)
Infrastructure	(1,049,029)	(102,372)	-	(1,151,401)
	<u>(12,687,209)</u>	<u>(1,072,426)</u>	<u>577,746</u>	<u>(13,181,889)</u>
Total Being Depreciated, net	<u>12,177,792</u>	<u>(380,703)</u>	<u>-</u>	<u>11,797,089</u>
Governmental Activities				
Capital Assets, net	<u>\$ 14,427,310</u>	<u>\$ (123,025)</u>	<u>\$ -</u>	<u>\$ 14,304,285</u>
Business-Type Activities:				
Land (not being depreciated)	\$ 509,453	\$ -	\$ -	\$ 509,453
Construction in Progress	451,107	721,190	-	1,172,297
	<u>960,560</u>	<u>721,190</u>	<u>-</u>	<u>1,681,750</u>
Capital assets being depreciated:				
Buildings	2,963,832	4,475	-	2,968,307
Utility Systems	29,461,116	4,095	-	29,465,211
Equipment	2,278,282	196,915	(114,166)	2,361,031
	<u>34,703,230</u>	<u>205,485</u>	<u>(114,166)</u>	<u>34,794,549</u>
Less accumulated depreciation for:				
Buildings	(186,466)	(97,203)	-	(283,669)
Utility Systems	(12,928,319)	(925,762)	-	(13,854,081)
Equipment	(1,692,856)	(123,489)	114,166	(1,702,179)
	<u>(14,807,641)</u>	<u>(1,146,454)</u>	<u>114,166</u>	<u>(15,839,929)</u>
Total Being Depreciated, net	<u>19,895,589</u>	<u>(940,969)</u>	<u>-</u>	<u>18,954,620</u>
Business-Type Activities				
Capital Assets, net	<u>\$ 20,856,149</u>	<u>\$ (219,779)</u>	<u>\$ -</u>	<u>\$ 20,636,370</u>

TOWN OF LADY LAKE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

NOTE 6 CAPITAL ASSETS (continued)

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

Governmental Activities:	
General Government	\$ 188,180
Public Safety	228,066
Growth Management	61
Public Works	255,204
Culture and Recreation	<u>400,915</u>
 Total Depreciation Expense - Governmental Activities	 \$ 1,072,426 <u><u> </u></u>
 Business-type Activities:	
Water	\$ 377,043
Sewer	769,411
Garbage	<u>-</u>
 Total Depreciation Expense - Business-type Activities	 \$ 1,146,454 <u><u> </u></u>

Utility Construction Commitments

The Florida Department of Transportation (FDOT) is widening State Road 500 (Highway 27/441) that runs through the Town. On January 14th, 2019, the Town entered into two agreements with FDOT pertaining to the moving of the Town's water and sewer transmission lines along the highway that would be affected by the road widening project. The first agreement was reimbursement for engineering design services in the amount of \$101,107. The second agreement was reimbursement for the construction of the utility lines. At September 30, 2020 the engineering design services were complete, and construction was in progress. The Town has paid FDOT \$101,107 for engineering, and \$1,071,190 for construction of the utility lines. The Town could be liable for additional construction costs once the entire project is complete and FDOT reconciles actual construction costs against the amounts paid by the Town.

Sewer Capacity Reservation Agreement

On November 29, 1993, the Town closed on the sale of the Town's wastewater treatment plant to the Village Center Community Development District (VCCDD). The assets sold consisted of approximately 20 acres of land, the sewage treatment facility, and all lift stations, transmission mains and other physical facilities located on the site. The Town did not sell the sewage collection system. The book value of the assets sold was \$1,864,749. Closing costs paid were \$6,211. The Town received \$1,044,454 in cash and a 30-year Sewer Plant Capacity Reservation and Bulk Treatment Agreement.

TOWN OF LADY LAKE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

NOTE 6 CAPITAL ASSETS (continued)

Effective April 2, 2003, the Town and the VCCDD entered into a new, 40-year Interlocal Agreement for sewer capacity reservation and bulk treatment. The capacity reservation is for 250,000 gallons of wastewater per day, with an initial price for treatment of \$3.02 per 1,000 gallons. A provision for annual price adjustments is included, based on mutual agreement or, if agreement cannot be reached, a set formula based on the consumer price index. The treatment price at September 30, 2020 was \$3.02 per 1,000 gallons. The agreement also granted the Town the option, during the first 10 years of the agreement, to purchase up to an additional 250,000 gallons per day of treatment capacity in not less than 50,000 gallon per day increments, and included a formula for computing the option price based on the amount of capacity purchased.

On February 12, 2004, the Town purchased an additional 50,000 gallons per day capacity reservation for \$267,500. On June 3, 2004, the Town purchased an additional 100,000 gallons per day capacity reservation for \$535,000. The cost of these capacity reservations is being amortized straight-line over the remaining term of the Agreement.

The original Sewer Capacity Reservation Agreement has been recorded in the Utility Fund at its historical cost of \$826,506. The net book value on April 2, 2003 was \$737,635. At September 30, 2020, the total cost of sewer capacity reservations, which includes the 2004 purchases, was \$1,629,006. Amortization for the year ended September 30, 2020 totaled \$39,054. Accumulated amortization at September 30, 2020 was \$750,273, and the net book value was \$878,733.

NOTE 7 LONG-TERM DEBT

Changes in Long-Term Liabilities

Long-term liability activity for the year ended September 30, 2020 was as follows:

	Balances 10/1/2019	Additions	Principal Reductions	Balances 9/30/2020	Due within One Year
Governmental Activities:					
Compensated Absences	\$ 601,219	\$ 476,562	\$ (395,606)	\$ 682,175	\$ 450,236
Governmental Activity Long-Term Liabilities	<u>\$ 601,219</u>	<u>\$ 476,562</u>	<u>\$ (395,606)</u>	<u>\$ 682,175</u>	<u>\$ 450,236</u>
Business-type Activities:					
Compensated Absences	\$ 100,952	\$ 55,406	\$ (44,527)	\$ 111,831	\$ 49,206
Business-type Activity Long-term Liabilities	<u>\$ 100,952</u>	<u>\$ 55,406</u>	<u>\$ (44,527)</u>	<u>\$ 111,831</u>	<u>\$ 49,206</u>

TOWN OF LADY LAKE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

NOTE 8 OTHER DISCLOSURES

- (1) There were no funds that had excess of expenditures over appropriations at the fund level for the year ended September 30, 2020.
- (2) Individual fund interfund receivable and payable balances at September 30, 2020:

	<u>Receivable</u>	<u>Payable</u>
General Fund	\$ 4,774	\$ -
Utility Fund	-	4,774

The outstanding balances between funds results from recording the accrual of unbilled utility tax receivable by the Utility Fund.

- (3) There were no deficit fund balances of individual funds at September 30, 2020.
- (4) The following details the various constraints placed on fund balances in the governmental funds at September 30, 2020:

General Fund

Nonspendable - Prepays	\$ 40,378
Nonspendable - Assets Held for Resale	6,800
Total Nonspendable	<u>\$ 47,178</u>

Restricted for Police Training and Equipment	\$ 12,847
Restricted for Education	1,625,466
Restricted for Recreation Capital Improvements	538,355
Restricted for Library Capital Improvements	54,581
Restricted for Building Inspections	35,664
Total Restricted	<u>\$ 2,266,913</u>

Committed for Capital Improvements	<u>\$ 3,825,258</u>
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Assigned to Tree Beautification	<u>\$ 33,629</u>
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Sales Tax Revenue Fund

Restricted for Infrastructure	<u>\$ 2,170,183</u>
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TOWN OF LADY LAKE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

NOTE 8 OTHER DISCLOSURES (continued)

Fund balances restricted for infrastructure represent unspent discretionary sales surtax amounts that are required by Florida Statute to be spent on "infrastructure". Infrastructure is defined as public facilities with a useful life of at least five years. The Statute permits these funds to be spent on debt related to the construction or acquisition of infrastructure, and also permits the purchase of certain emergency vehicles.

NOTE 9 RETIREMENT COMMITMENTS

LADY LAKE POLICE OFFICERS' RETIREMENT TRUST FUND

Plan Description and Provisions The Lady Lake Police Officers' Retirement Trust Fund was established August 20, 1990 to conform to provisions of the Florida Statutes (Chapter 185) of the State of Florida for all sworn Police Officers. On November 18, 2002, the Plan was amended and restated, by Town ordinance, to establish it as a "local law" plan. A five-member Board of Trustees is responsible for recommending pension plan provisions consistent with the local law ordinance. The Town Commission must authorize plan amendments to benefit provisions or the obligation to make contributions. This plan is a single-employer, defined benefit pension plan, and is administered by the Town. There is no separately issued report on the plan. Administrative costs are generally paid by the plan.

Officers attaining the age of 55 who have completed 10 or more years of creditable service, or who have completed 25 years of creditable service regardless of age, are entitled to monthly benefits of 3.3 percent of their average final compensation times years of credited service. In addition, the plan pays a \$200 per month supplemental benefit under normal retirement. The plan permits early retirement at the completion of 10 years of contributing service and attaining the age of 50. Active Officers who retire disabled with disability that occurs in the line of duty and have 10 years of credited service shall receive the greater of 42 percent of average final compensation or the accrued benefit actuarially reduced.

Disability benefits are paid for ten years certain or life or until recovery from disability. If an active Officer dies before retirement eligibility, his or her beneficiary receives a refund of the Police Officer's contributions to the plan. If the Officer dies prior to retirement but has at least 10 years of contributing service, his or her beneficiary is entitled to either early or normal retirement benefits.

If an Officer terminates his or her employment with the police department and is not eligible for any other benefits under the plan, the Officer is entitled to the following:

- with less than 10 years of contributing service, a refund of the Officer's contribution, without interest.
- with 10 or more years of continuous service, the pension accrued to the date of termination, payable commencing at his or her 50th birth date.

As of September 30, 2020, nine Officers had retired that were receiving benefits, four were receiving benefits under disability, and one terminated Officer was entitled to benefits but not yet receiving them. Out of the 26 Officers in the plan at September 30, 2020, seven had vested retirement benefits. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

TOWN OF LADY LAKE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

NOTE 9 RETIREMENT COMMITMENTS (continued)

Contributions Required

Police Officers are required to contribute five percent of their annual salary to the plan. The plan is also funded by a .85% State excise tax on all casualty insurance policies covering property within the corporate limits of the Town. For the year ended September 30, 2020, the Town collected \$121,657 in casualty insurance premium taxes. The Town is required by State Statute to contribute these taxes to the plan within 5 days of receipt. These on-behalf payments of fringe benefits from the State are reported as tax revenues and a police department expenditure in the General Fund.

The Municipal Police Officers' Retirement Trust Fund uses the entry age normal actuarial cost funding method. Under this method, which identifies and separately amortizes unfunded actuarial liabilities, the present value of benefits, less all assets, are equated to the present value of future employer contributions, and of future employee contributions, if any. The required contribution is then expressed as a percentage of current payroll. The actuarially determined funding requirement for the year ended September 30, 2020 was 19.0% from the Town and State, and 5.0% from the Police Officers, for a total of 24.0% of covered payroll.

The Town is required to contribute the remaining amount necessary for payment of normal (current year's) cost. The Town may use actual State monies received, up to \$85,098 per year, to offset the Town's funding requirement. Effective October 1, 2017, the Town agreed to a supplemental Share Plan with the police officer's union for disposition of annual State monies in excess of \$85,098. Under the Share Plan, these excess amounts will be split, with 50% allocated to the Share Plan and the other 50% to offset the Town's annual required contributions. Amounts allocated to the Share Plan are to provide a supplemental defined contribution component for special benefits as provided for in Section 185.35, *Florida Statutes*.

Activity of the Share Plan for the year ended September 30, 2020 is as follows:

Balance 10/01/2019	\$58,370
Prior Year Adjustment	124
Additions	18,280
Investment Return Earned	5,007
Administrative Fees	<u>(1,500)</u>
Balance 9/30/20	<u>\$80,281</u>

Net Pension Liability

The measurement date is September 30, 2020.

The measurement period for the pension expense was October 1, 2019 to September 30, 2020.

The reporting period is October 1, 2019 through September 30, 2020.

The Town's net pension liability was measured as of September 30, 2020.

The total pension liability used to calculate the net pension liability was determined as of that date.

TOWN OF LADY LAKE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

NOTE 9 RETIREMENT COMMITMENTS (continued)

Actuarial Assumptions:

The total pension liability was determined by an actuarial valuation as of October 1, 2019 updated to September 30, 2020 using the following actuarial assumptions.

Inflation	2.50%
Salary Increases	Service based
Discount Rate	7.25%
Investment Rate of Return	7.25%

Mortality Rate Healthy Lives:

Female: PubS.H-2010 (Below Median) for Employees, set forward one year.

Male: PubS.H-2010 (Below median) for Employees, set forward one year.

Mortality Rate Healthy Retiree Lives:

Female: PubS.H-2010 for Healthy Retirees, set forward one year.

Male: PubS.H-2010 (Below Median) for Healthy Retirees, set forward one year.

Mortality Rate Beneficiary Lives:

Female: PubG.H-2010 (Below Median) for Healthy Retirees

Male: PubG.H-2010 (Below Median) for Health Retirees, set back one year.

Mortality Rate Disabled Lives:

80% PubG.H-2010 for Disabled Retirees/20%PubS.H-2010 for Disabled Retirees.

All rates are projected generationally with Mortality Improvement Scale MP-2018.

The above described mortality assumption rates were mandated by Chapter 2015-157, Laws of Florida.

The most recent actuarial experience study used to review the other significant assumptions was dated December 12, 2018.

The long-term expected rate of return on pension plan investments can be 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 expenses and inflation) are developed for each major asset class. For 2020 the inflation rate assumption of the investment advisor was 2.5%. These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2020 are summarized in the following table:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return
Domestic Equity	45%	7.8%
International Equity	15%	8.5%
Broad Market Fixed Income	25%	2.5%
Global Fixed Income	5%	3.5%
Real Estate	4.5%	4.5%

TOWN OF LADY LAKE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

NOTE 9 RETIREMENT COMMITMENTS (continued)

Discount Rate:

The discount rate used to measure the total pension liability was 7.25 percent. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that Town contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in Net Pension Liability:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a)-(b)
September 30, 2019	\$ 8,031,669	\$ 8,939,941	\$ (908,272)
Changes for a Year:			
Service Cost	353,932	-	353,932
Interest	594,885	-	594,885
Share Plan Allocation	18,280	-	18,280
Differences between Expected and Actual Experience	(14,413)	-	(14,413)
Changes of assumptions	(132,057)	-	(132,057)
Changes of benefit terms	-	-	-
Contributions - Employer	-	191,866	(191,866)
Contributions - State	-	121,658	(121,658)
Contributions - Employee	-	76,746	(76,746)
Contributions - Buy Back	38,801	38,801	-
Net Investment Income	-	761,986	(761,986)
Benefit Payments, including Refunds of Employee Contributions	(360,585)	(360,585)	-
Administrative Expense	-	(48,163)	48,163
Net Changes	498,843	782,309	(283,466)
September 30, 2020	<u>\$ 8,530,512</u>	<u>\$ 9,722,250</u>	<u>\$ (1,191,738)</u>

Sensitivity of the Net Pension Liability to changes in the discount rate:

	1% Decrease	Current Discount Rate	1% Increase
	6.25%	7.25%	8.25%
Town's Net Pension Liability	\$ (172,880)	\$ (1,191,738)	\$ (2,041,369)

TOWN OF LADY LAKE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

NOTE 9 RETIREMENT COMMITMENTS (continued)

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

For the year ended September 30, 2020, the Town has recognized a pension expense of \$81,260. On September 30, 2020 the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	\$ -	\$ 298,884
Changes of Assumptions	143,466	99,042
Net difference between Projected and Actual Earnings on Pension Plan Investments	-	15,668
	<u>\$ 143,466</u>	<u>\$ 413,594</u>

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

Year ended September 30:	
2021	(154,100)
2022	(30,363)
2023	(33,044)
2024	(22,621)
2025	-

NOTE 10 DEFINED CONTRIBUTION RETIREMENT PLANS

GENERAL EMPLOYEES RETIREMENT PLAN

Effective October 8, 2001, the Town established, by resolution, a money purchase plan and trust in the form of the International City Managers Association (ICMA) Retirement Corporation 401-a Governmental Money Purchase Plan and Trust. The plan is a single-employer, defined contribution pension plan administered by the ICMA Retirement Corporation. There is no separate, audited GAAP – basis postemployment benefit plan report available for this defined contribution pension plan. The Town Commission must authorize plan amendments to benefit provisions or the obligation to make contributions. This plan replaced the multiple-employer, defined contribution pension plan that had been in place since December 28, 1992 when the Town created the original plan.

TOWN OF LADY LAKE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

NOTE 10 DEFINED CONTRIBUTION RETIREMENT PLANS (continued)

All full-time employees at least 18 years of age, except sworn police officers and certain senior Town executives, are eligible to participate in the retirement plan. Participants become vested in their account balance in the plan based on the following vesting schedule:

<u>Years of Service Completed</u>	<u>Percent Vested</u>
1	50%
2	75%
3	100%

The Town will contribute 6% to 8% of a participant's earnings, including overtime, into the plan, depending on the participant's years of service as follows:

up to 10 years of service	6%
over 10 to 15 years of service	7%
over 15 years of service	8%

There are no mandatory employee contributions in order to participate in the plan, but after tax employee contributions are permitted. Contributions and related investment earnings are credited to individual self-directed investment accounts. During the year ended September 30, 2020, the Town contributed \$167,830 into the plan. Total plan assets at September 30, 2020 were \$2,386,619.

Participants separating from service with the Town before the three year vesting period is complete forfeit a portion of their account balance in the plan. The Town may use forfeited amounts to reduce the Town's required payment of contributions for current plan participants. During the year ended September 30, 2020, the Town used \$724 in forfeited amounts for payment of contributions for current plan participants. Normal retirement is when the participant attains his or her 65th birthday. Distributions of the account balances of vested plan participants that separate from service are subject to the Internal Revenue Code rules for distributions from qualified plans.

EXECUTIVES RETIREMENT PLAN

The Town adopted a defined contribution pension plan effective June 30, 1999. The plan is a single-employer, money purchase plan administered for the Town by the ICMA Retirement Corporation, and is designed in accordance with Internal Revenue Code section 401. There is no separate, audited GAAP – basis postemployment benefit plan report available for this defined contribution pension plan. The Town Commission must authorize plan amendments to benefit provisions or the obligation to make contributions. Employees eligible for participation in the plan are certain senior Town executives, and as of September 30, 2020 there were eight employees participating in the plan. The Town is required to contribute 7% of the participant's earnings to the plan for employees with up to 5 years of service, and 8% for employees with over 5 years service. Contributions and related investment earnings are credited to individual self-directed investment accounts, and the employee immediately becomes 100% vested in the account balances. Normal retirement is permitted when the participant attains age 55. During the year ended September 30, 2020, Town contributions to the plan totaled \$59,250. Total plan assets at September 30, 2020 were \$1,015,388.

TOWN OF LADY LAKE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

NOTE 11 OTHER POSTEMPLOYMENT BENEFITS

The Town does not provide its employees any postemployment benefits other than pensions. Florida Statutes require local governments which provide group insurance to its employees the option of continuing to participate in the group plan following retirement. The Town does not contribute to the premium cost for retired employees, so the entire cost must be paid by the retiree. At September 30, 2020, the Town had no retirees continuing to participate in its group health insurance plan, and 1 retiree participating in its group dental insurance plan. Management does not anticipate a significant number of future retirees to request continued coverage. Therefore, no material other postemployment benefits liability is recognized or recorded.

NOTE 12 PROPERTY TAXES

Under Florida law, the assessment of all properties and the collection of all county, municipal and school board property taxes are consolidated in the offices of the County Property Appraiser and County Tax Collector. State laws regulating tax assessment are also designed to assure a consistent property valuation method state wide. Florida Statutes permit municipalities to levy property taxes at a rate of up to 10 mills. The millage rate assessed by the Town for taxes collected during the fiscal year ended September 30, 2020 was 3.3962. The millage rate assessed by the Town on taxable property to be levied on November 1, 2020 was 3.3962.

All property is reassessed according to its fair market value on January 1 of each year. Each assessment roll is submitted to the Executive Director of the State Department of Revenue for review to determine if the rolls meet all of the appropriate requirements of Florida Statutes. The current year taxes for the fiscal year, beginning October 1, are billed in the month of November and are due no later than March 31. On April 1, all unpaid amounts become delinquent and are subject to interest and penalties. Discounts are allowed for early payment as follows:

November	4%	February	1%
December	3%	March	0%
January	2%		

The Town's tax calendar is as follows:

Valuation Date:	January 1
Levy Date:	November 1
Due Date:	March 31, succeeding year
Lien Date	April 1, succeeding year

Delinquent taxes on real property bear interest of 18% per year. On or prior to June 1 of the following tax year, certificates are sold for all delinquent taxes on real property. After sale, tax certificates bear 18% interest per year or at any lower rate bid by the buyer. Application for a tax deed on any unredeemed tax certificates may be made by the certificate holder after a period of two years. Delinquent taxes on personal property bear interest of 18% per year until the tax is satisfied either by seizure and sale of the property, or by the five-year statute of limitations.

TOWN OF LADY LAKE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

NOTE 13 INSURANCE COVERAGE

The Town is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters. The Town manages its various risks of loss by the purchase of commercial insurance coverages primarily through Public Risk Management of Florida, or with commercial carriers packaged by Public Risk Management. During the year ended September 30, 2020, there were no significant reductions in coverages from the prior year. Insurance claim settlements have not exceeded coverages on any policies during the past three fiscal years.

NOTE 14 COMMUNICATIONS SERVICES TAX LIABILITY

In April of 2014, the Town discovered a significant reduction in its Communications Services Tax receipts. The Florida Department of Revenue subsequently informed the Town that a large communications provider had made an error on its tax returns, causing the Town to receive taxes belonging to another local taxing jurisdiction. The Department completed an audit of the communications provider in November of 2016 and determined the Town was overpaid by \$1,233,054. During 2014 the Department had suspended \$482,957 of tax receipts owed to the Town, leaving a balance due of \$730,097. The Town is required to pay back this liability over 36 months beginning in February 2017.

Prior to the start of repayments, the Town negotiated an arrangement with Sumter County for their portion of the remaining liability. The Town paid \$500,000 directly to Sumter County and received a cash discount of \$74,837, leaving a balance due the State of \$175,260.

During the year ended September 30, 2020, the Department withheld \$19,473 (4 payments) from the Town's current tax receipts. The liability is completely paid at September 30, 2020.

NOTE 15 SUBSEQUENT EVENTS

Town management has evaluated events occurring subsequent to the financial statement date through March 30, 2021. No material subsequent events were identified for recognition or disclosure.

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**TOWN OF LADY LAKE, FLORIDA
POLICE RETIREMENT TRUST FUND
REQUIRED SUPPLEMENTARY INFORMATION
September 30, 2020**

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
Last 10 Fiscal Years*

	<u>9/30/2014</u>	<u>9/30/2015</u>	<u>9/30/2016</u>
<u>Total Pension Liability</u>			
Service Cost	\$ 353,104	\$ 346,441	\$ 359,638
Interest	418,085	460,104	488,520
Change in Excess State Money	-	399	3,744
Share Plan Allocation	-	-	-
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience	-	(217,494)	(366,717)
Changes of Assumptions	-	-	122,831
Contributions - Buy Back	-	-	-
Benefit Payments, Including Refunds of Officer Contributions	(236,641)	(208,033)	(263,148)
Net Change in Total Pension Liability	534,548	381,417	344,868
Total Pension Liability - Beginning	5,204,240	5,738,788	6,120,205
Total Pension Liability - Ending (a)	<u>\$ 5,738,788</u>	<u>\$ 6,120,205</u>	<u>\$ 6,465,073</u>
<u>Plan Fiduciary Net Position</u>			
Contributions - Town	\$ 262,722	\$ 205,780	\$ 219,966
Contributions - State	88,482	98,306	101,651
Contributions - Officers	77,358	73,002	73,522
Contributions - Buy Back	-	-	-
Net Investment Income	509,283	(8,855)	587,197
Benefit Payments, Including Refunds of Officer Contributions	(236,641)	(208,033)	(263,148)
Administrative Expense	(25,607)	(31,352)	(29,580)
Net Change in Plan Fiduciary Net Position	675,597	128,848	689,608
Plan Fiduciary Net Position - Beginning	5,558,334	6,233,931	6,362,779
Plan Fiduciary Net Position - Ending (b)	<u>\$ 6,233,931</u>	<u>\$ 6,362,779</u>	<u>\$ 7,052,387</u>
Net Pension Liability - Ending (a-b)	<u>\$ (495,143)</u>	<u>\$ (242,574)</u>	<u>\$ (587,314)</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	108.63%	103.96%	109.08%
Covered Officer Payroll	\$ 1,547,154	\$ 1,460,023	\$ 1,470,437
Net Pension Liability as a Percentage of Covered Officer Payroll	-32.00%	-16.61%	-39.94%

* - Pension schedules in the required supplementary information are intended to show information for 10 years. Additional information will be displayed as it becomes available.

<u>9/30/2017</u>	<u>9/30/2018</u>	<u>9/30/2019</u>	<u>9/30/2020</u>
\$ 346,389	\$ 350,792	\$ 340,709	\$ 353,932
512,808	551,308	573,785	594,885
4,972	(53,498)	-	-
-	39,018	18,239	18,280
-	-	-	-
(63,314)	(47,663)	(303,366)	(14,413)
-	245,986	-	(132,057)
-	-	-	38,801
<u>(292,124)</u>	<u>(314,904)</u>	<u>(342,541)</u>	<u>(360,585)</u>
508,731	771,039	286,826	498,843
6,465,073	6,973,804	7,744,843	8,031,669
<u>\$ 6,973,804</u>	<u>\$ 7,744,843</u>	<u>\$ 8,031,669</u>	<u>\$ 8,530,512</u>
\$ 151,316	\$ 186,876	\$ 182,501	\$ 191,866
102,879	109,637	121,575	121,658
73,295	74,751	79,127	76,746
-	-	-	38,801
812,313	695,027	353,758	761,986
(292,124)	(314,904)	(342,541)	(360,585)
<u>(27,452)</u>	<u>(28,844)</u>	<u>(49,636)</u>	<u>(48,163)</u>
820,227	722,543	344,784	782,309
7,052,387	7,872,614	8,595,157	8,939,941
<u>\$ 7,872,614</u>	<u>\$ 8,595,157</u>	<u>\$ 8,939,941</u>	<u>\$ 9,722,250</u>
<u>\$ (898,810)</u>	<u>\$ (850,314)</u>	<u>\$ (908,272)</u>	<u>\$ (1,191,738)</u>
112.89%	110.98%	111.31%	111.31%
\$ 1,465,893	\$ 1,495,012	\$ 1,460,011	\$ 1,534,928
-61.31%	-56.88%	-66.21%	-77.64%

TOWN OF LADY LAKE, FLORIDA
POLICE RETIREMENT TRUST FUND
REQUIRED SUPPLEMENTARY INFORMATION (Continued)
September 30, 2020

SCHEDULE OF CONTRIBUTIONS

Last 10 Fiscal Years *

	9/30/2014	9/30/2015	9/30/2016	9/30/2017	9/30/2018
Actuarially Determined Contribution	\$ 351,204	\$ 303,687	\$ 270,560	\$ 278,520	\$ 284,052
Contributions in relation to the					
Actuarially Determined Contributions	351,204	303,687	317,873	249,223	310,993
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (47,313)</u>	<u>\$ 29,297</u>	<u>\$ (26,941)</u>
Covered Officer Payroll	\$ 1,547,154	\$ 1,460,023	\$ 1,470,437	\$ 1,465,893	\$ 1,495,012
Contributions as a percentage of					
Covered Officer Payroll	22.70%	20.80%	21.62%	17.00%	20.80%

SCHEDULE OF INVESTMENT RETURNS

Last 10 Fiscal Years *

Annual Money-Weighted Rate of Return net of Investment Expense	9.08%	-0.14%	9.20%	11.57%	8.86%
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Notes to Schedules

Valuation Date: 10/1/2018

Actuarially determined contribution rates are calculated as of October 1, two years prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Funding Method: Entry Age Normal Actuarial Cost Method.

Asset Valuation Method: Each year, the prior Actuarial Value of Assets is brought forward utilizing the historical geometric 4-year average Market Value return. It is possible that over time this technique will produce an insignificant bias above or below Market Value.

Inflation: 3.00% per year.

Salary Increases: 6.25% per year until the assumed retirement age. Projected salary at retirement is increased individually to account for non regular compensation.

Interest Rate: 7.75% per year compounded annually, net of investment related expenses

Payroll Growth: 1.13% per year.

Retirement Age: Earlier of age 55 and 10 years of service or the completion of 25 years of service, regardless of age. Also, any Officer who has reached Normal Retirement is assumed to continue employment for one additional year.

Mortality: Rates used in Milliman's July 1, 2019 FRS valuation report for special risk employees.

<u>9/30/2019</u>	<u>9/30/2020</u>
\$ 271,562	\$ 299,311
<u>285,838</u>	<u>295,244</u>
<u>\$ (14,276)</u>	<u>\$ 4,067</u>
\$ 1,460,011	\$ 1,534,928
19.58%	19.24%
4.14%	8.56%

Disability Rates:

See table below. It is assumed that 75% of the disablements and active member deaths are service related. This assumption is consistent with other plans covering police officers.

Termination Rates:

See table below. This assumption is consistent with other plans covering police officers.

Termination and Disability Rates:

Termination and Disability Rate Table:

<u>Age</u>	<u>% Terminating During the Year</u>	<u>% Becoming Disabled During the Year</u>
20	12.00%	0.03%
30	10.00%	0.04%
40	5.20%	0.07%
50	1.60%	0.18%

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TOWN OF LADY LAKE, FLORIDA

GENERAL FUND

To account for resources traditionally associated with governments which are not required to be accounted for in another fund.

TOWN OF LADY LAKE, FLORIDA
GENERAL FUND
COMPARATIVE BALANCE SHEETS
SEPTEMBER 30, 2020 AND 2019

	2020	2019
<u>ASSETS</u>		
Cash and Equivalents	\$ 6,787,378	\$ 5,633,713
Investments	7,220,582	7,136,302
Accounts Receivable	286,719	296,116
Due from Utility Fund	4,774	5,251
Due from Other Governments:		
Federal	77,767	73,030
State of Florida	138,358	150,371
Lake County	9,503	9,186
Real Property Held for Resale	6,800	6,800
Prepaid Expenditures	40,378	46,244
Total Assets	<u>\$ 14,572,259</u>	<u>\$ 13,357,013</u>
<u>LIABILITIES</u>		
Accounts Payable	\$ 872,139	\$ 407,178
Accrued Payroll and Related Liabilities	250,833	183,992
Due to State of Florida	2,271	1,086
Unearned Revenue - Business Taxes	34,817	38,097
Total Liabilities	<u>1,160,060</u>	<u>630,353</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>		
Unavailable Revenue:		
Federal and State FEMA Grant	17,276	77,254
Total Deferred Inflows of Resources	<u>17,276</u>	<u>77,254</u>
<u>FUND BALANCE</u>		
Nonspendable:		
Prepaid Expenditures/Resale Assets	47,178	53,044
Restricted:		
For Police Training/Equipment	12,847	6,476
For Education	1,625,466	1,625,466
For Recreation Capital Improvements	538,355	471,955
For Library Capital Improvements	54,581	43,875
For Building Inspections	35,664	179,791
Committed for Capital Improvements	3,725,258	2,397,951
Assigned:		
To Tree Beautification	33,629	39,059
To Communications Services Tax Repayment	-	19,473
Unassigned	7,321,945	7,812,316
Total Fund Balance	<u>13,394,923</u>	<u>12,649,406</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 14,572,259</u>	<u>\$ 13,357,013</u>

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

TOWN OF LADY LAKE, FLORIDA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2020

With comparative actual amounts for the year ended September 30, 2019

	2020		VARIANCE	2019
	FINAL BUDGET	ACTUAL	WITH FINAL BUDGET	ACTUAL
REVENUES:				
Taxes	\$ 7,842,030	\$ 7,724,222	\$ (117,808)	\$ 7,492,294
Licenses and Permits	437,525	418,776	(18,749)	468,847
Intergovernmental	1,701,050	1,758,214	57,164	1,967,202
Charges for Services	249,000	211,544	(37,456)	233,056
Fines and Forfeitures	31,000	21,444	(9,556)	29,569
Miscellaneous	1,583,394	1,349,157	(234,237)	1,336,652
Total Revenues	11,843,999	11,483,357	(360,642)	11,527,620
EXPENDITURES:				
Current:				
General Government	2,682,975	2,304,152	378,823	1,889,699
Public Safety	5,856,302	5,134,138	722,164	4,882,448
Growth Management	426,998	346,542	80,456	374,420
Public Works	2,196,528	2,012,006	184,522	1,960,815
Culture and Recreation	1,899,301	1,634,149	265,152	1,316,850
Capital Outlay	313,168	257,678	55,490	288,669
Debt Service	-	-	-	-
Total Expenditures	13,375,272	11,688,665	1,686,607	10,712,901
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,531,273)	(205,308)	1,325,965	814,719
OTHER FINANCING SOURCES (USES):				
Transfer from Sales Tax Revenue Fund	688,168	649,770	(38,398)	219,611
Transfer from Utility Fund	255,500	255,500	-	255,000
Sale of Capital Assets	-	45,555	45,555	1,045
Total Other Financing Sources	943,668	950,825	7,157	475,656
Net Change in Fund Balance	(587,605)	745,517	1,333,122	1,290,375
Fund Balance, Beginning of Year	12,649,406	12,649,406	-	11,359,031
Fund Balance, End of Year	\$ 12,061,801	\$ 13,394,923	\$ 1,333,122	\$ 12,649,406

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

TOWN OF LADY LAKE, FLORIDA
GENERAL FUND
SCHEDULE OF REVENUES COMPARED TO BUDGET
FOR THE YEAR ENDED SEPTEMBER 30, 2020

With comparative actual amounts for the year ended September 30, 2019

	2020			
	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	2019 ACTUAL
TAXES:				
Ad Valorem Taxes	\$ 3,873,457	\$ 3,913,190	\$ 39,733	\$ 3,626,787
Local Option Gas Tax	270,000	250,759	(19,241)	276,633
County Gas Tax	25,776	18,996	(6,780)	20,108
Casualty Insurance Premium Tax	112,000	121,657	9,657	121,575
Franchise Fees:				
Electric	1,250,000	1,268,102	18,102	1,312,728
Gas	37,500	26,577	(10,923)	27,850
Garbage	213,000	226,729	13,729	217,053
Utility Taxes:				
Electric	1,050,000	1,118,781	68,781	1,086,652
Water	185,000	185,307	307	179,935
Gas	27,000	25,183	(1,817)	27,681
Communications Services Tax	746,497	520,751	(225,746)	547,440
Town Business Tax	51,800	48,190	(3,610)	47,852
Total Taxes	7,842,030	7,724,222	(117,808)	7,492,294
LICENSES AND PERMITS:				
Building Permits and Inspections	327,000	316,830	(10,170)	287,773
Building Plan Review Fees	20,000	35,843	15,843	70,482
Site Plan Review Fees	6,000	5,920	(80)	7,859
Annexation/Subdivision Fees	35,000	28,160	(6,840)	51,705
Zoning Fees	25,000	20,345	(4,655)	25,405
Comp Plan Amendment Fees	10,000	4,500	(5,500)	7,600
Other Licenses & Permits	14,525	7,178	(7,347)	18,023
Total Licenses and Permits	437,525	418,776	(18,749)	468,847
INTERGOVERNMENTAL:				
Federal Law Enforcement Grants	4,050	10,373	6,323	8,639
FEMA Hurricane Grants	-	61,174	61,174	263,148
Federal Cares Act Funding	-	55,255	55,255	-
State Hurricane Grants	-	7,708	7,708	15,899
State Revenue Sharing	473,500	451,152	(22,348)	485,706
Mobile Home Licenses	45,000	41,658	(3,342)	44,245
Alcohol Beverage Licenses	12,000	13,140	1,140	12,344
1/2 Cent Sales Tax	950,190	903,351	(46,839)	923,111
State Transportation Revenue	65,500	70,968	5,468	62,724
County Library Agreement	134,810	134,810	-	137,291
County Business Tax	16,000	8,625	(7,375)	14,095
Total Intergovernmental	1,701,050	1,758,214	57,164	1,967,202

TOWN OF LADY LAKE, FLORIDA
GENERAL FUND
SCHEDULE OF REVENUES COMPARED TO BUDGET (Continued)
FOR THE YEAR ENDED SEPTEMBER 30, 2020
With comparative actual amounts for the year ended September 30, 2019

	2020			
	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	2019 ACTUAL
CHARGES FOR SERVICES:				
Villages - Public Safety	\$ 100,000	\$ 100,000	\$ -	\$ 100,000
Police Services	93,600	60,260	(33,340)	85,186
Road and Street Revenue	45,000	43,796	(1,204)	37,023
Copies and Certifications	300	360	60	318
Library Fees	7,600	6,003	(1,597)	7,979
Recreation Program Fees	2,500	1,125	(1,375)	2,550
Total Charges for Services	249,000	211,544	(37,456)	233,056
FINES AND FORFEITURES:				
Court Fines	20,000	12,252	(7,748)	16,277
Forfeitures	-	55	55	1,100
Animal Control Citations	1,500	2,145	645	640
Code Enforcement Fines	3,000	1,344	(1,656)	1,402
Police Education	2,500	1,539	(961)	1,787
Parking Fines	-	2,254	2,254	4,855
Library Fines	4,000	1,855	(2,145)	3,508
Total Fines and Forfeitures	31,000	21,444	(9,556)	29,569
MISCELLANEOUS:				
Interest Earnings	291,800	141,338	(150,462)	267,128
Net Increase in Fair Value of Investments	-	-	-	20,303
Building/Park/Tower Rental Fees	98,200	65,072	(33,128)	92,903
Paving Assessments	-	-	-	2,365
Fire Assessments - Villages	1,151,344	1,035,316	(116,028)	753,699
Library Impact Fees	-	10,166	10,166	14,467
Recreation Impact Fees	-	60,632	60,632	86,284
Contributions and Donations	6,350	12,056	5,706	37,349
Fuel Tax Refund	8,000	7,572	(428)	7,406
Insurance Claim Proceeds	7,500	7,116	(384)	46,946
Gain on Assets Held for Resale	7,500	-	(7,500)	-
Miscellaneous Revenues	12,700	9,889	(2,811)	7,802
Total Miscellaneous	1,583,394	1,349,157	(234,237)	1,336,652
Total Revenues	<u>\$ 11,843,999</u>	<u>\$ 11,483,357</u>	<u>\$ (360,642)</u>	<u>\$ 11,527,620</u>

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

TOWN OF LADY LAKE, FLORIDA
GENERAL FUND
SCHEDULE OF EXPENDITURES COMPARED TO BUDGET
FOR THE YEAR ENDED SEPTEMBER 30, 2020
With comparative actual amounts for the year ended September 30, 2019

	2020			
	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	2019 ACTUAL
GENERAL GOVERNMENT:				
Town Commission:				
Personal Services	\$ 39,871	\$ 39,811	\$ 60	\$ 39,814
Operating Expenses	14,130	6,474	7,656	9,321
Total Town Commission	54,001	46,285	7,716	49,135
Town Manager:				
Personal Services	251,847	247,946	3,901	235,592
Operating Expenses	13,584	10,906	2,678	8,012
Total Town Manager	265,431	258,852	6,579	243,604
Town Clerk:				
Personal Services	107,295	107,619	(324)	101,829
Operating Expenses	27,200	13,498	13,702	13,621
Election Expenses	8,000	-	8,000	-
Total Town Clerk	142,495	121,117	21,378	115,450
Finance Department:				
Personal Services	347,258	331,189	16,069	311,161
Operating Expenses	64,590	52,600	11,990	51,879
Total Finance Department	411,848	383,789	28,059	363,040
Human Resources/Risk Mgmt:				
Personal Services	153,280	149,756	3,524	141,689
Operating Expenses	93,000	45,035	47,965	33,934
Total Human Resources	246,280	194,791	51,489	175,623
Information Technology:				
Personal Services	246,165	236,310	9,855	191,376
Operating Expenses	172,923	178,092	(5,169)	183,155
Capital Outlay	211,517	209,167	2,350	39,797
Total Information Technology	630,605	623,569	7,036	414,328
Legal Counsel	150,000	77,144	72,856	102,148

TOWN OF LADY LAKE, FLORIDA
GENERAL FUND
SCHEDULE OF EXPENDITURES COMPARED TO BUDGET (Continued)
FOR THE YEAR ENDED SEPTEMBER 30, 2020
With comparative actual amounts for the year ended September 30, 2019

	2020			
	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	2019 ACTUAL
GENERAL GOVERNMENT (continued):				
Other General Government:				
Operating Expenses	\$ 387,301	\$ 433,373	\$ (46,072)	\$ 292,443
Aid to Private Organizations	12,000	11,000	1,000	12,000
Capital Outlay	343,168	290,151	53,017	157,135
Contingency	206,328	-	206,328	-
Total Other General Government	948,797	734,524	214,273	461,578
Facilities Maintenance:				
Personal Services	135,726	116,223	19,503	115,576
Operating Expenses	10,960	5,536	5,424	6,352
Total Facilities Maintenance	146,686	121,759	24,927	121,928
Total General Government	2,996,143	2,561,830	434,313	2,046,834
PUBLIC SAFETY:				
Police Department:				
Personal Services	3,292,900	2,849,536	443,364	2,691,083
Operating Expenses	701,394	586,290	115,104	820,208
Operating Expenses - Federal Grants	4,050	10,373	(6,323)	6,917
Capital Outlay - Vehicles	235,000	227,151	7,849	261,675
Total Police Department	4,233,344	3,673,350	559,994	3,779,883
Fire Control:				
Operating Expenses	1,151,344	1,035,315	116,029	753,699
Building Inspections:				
Personal Services	95,139	93,541	1,598	37,530
Operating Expenses	291,882	265,763	26,119	247,078
Total Building Inspections	387,021	359,304	27,717	284,608
Code Enforcement:				
Personal Services	65,911	54,246	11,665	53,408
Operating Expenses	18,682	11,923	6,759	10,850
Total Code Enforcement	84,593	66,169	18,424	64,258
Total Public Safety	5,856,302	5,134,138	722,164	4,882,448
GROWTH MANAGEMENT:				
Personal Services	303,101	298,557	4,544	332,400
Operating Expenses	123,897	44,352	79,545	42,020
Capital Outlay	-	3,633	(3,633)	-
Total Growth Management	426,998	346,542	80,456	374,420

Continued on next page

TOWN OF LADY LAKE, FLORIDA
GENERAL FUND
SCHEDULE OF EXPENDITURES COMPARED TO BUDGET (Continued)
FOR THE YEAR ENDED SEPTEMBER 30, 2020
With comparative actual amounts for the year ended September 30, 2019

	2020		VARIANCE WITH FINAL BUDGET	2019 ACTUAL
	FINAL BUDGET	ACTUAL		
PUBLIC WORKS:				
Administration:				
Personal Services	\$ 223,788	\$ 229,594	\$ (5,806)	\$ 212,715
Operating Expenses	55,739	34,337	21,402	37,993
Capital Outlay	-	13,712	(13,712)	-
Total Administration	279,527	277,643	1,884	250,708
Streets and Maintenance:				
Personal Services	799,866	752,435	47,431	710,041
Electric-Street Lights	160,000	166,304	(6,304)	162,476
Operating Expenses	336,823	229,987	106,836	224,653
Street Resurfacing	400,000	395,913	4,087	269,943
Capital Outlay	34,100	31,607	2,493	329,033
Total Streets and Maintenance	1,730,789	1,576,246	154,543	1,696,146
Motor Pool (Fleet Maintenance):				
Personal Services	157,801	135,582	22,219	126,591
Operating Expenses	24,561	19,535	5,026	18,904
Capital Outlay	3,850	3,000	850	-
Total Motor Pool	186,212	158,117	28,095	145,495
Total Public Works	2,196,528	2,012,006	184,522	2,092,349
CULTURE AND RECREATION:				
Library:				
Personal Services	501,628	480,383	21,245	451,034
Operating Expenses	188,087	178,461	9,626	142,981
Operating Expenses - Community Bldg	212,341	115,769	96,572	11,580
Library Books	65,000	60,698	4,302	58,653
Capital Outlay	40,000	23,340	16,660	19,902
Total Library	1,007,056	858,651	148,405	684,150
Parks and Recreation:				
Personal Services	472,876	417,530	55,346	368,413
Operating Expenses	262,957	210,328	52,629	201,051
Capital Outlay	156,412	147,640	8,772	63,236
Total Parks and Recreation	892,245	775,498	116,747	632,700
Total Culture and Recreation	1,899,301	1,634,149	265,152	1,316,850
Total Expenditures	<u>\$ 13,375,272</u>	<u>\$ 11,688,665</u>	<u>\$ 1,686,607</u>	<u>\$ 10,712,901</u>

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

TOWN OF LADY LAKE, FLORIDA

SPECIAL REVENUE FUND

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Sales Tax Revenue Fund - This fund is used to account for the Town's share of local government infrastructure surtax revenues that are legally restricted for expenditure on infrastructure. Infrastructure is defined as public facilities with a useful life of at least five years, as well as emergency vehicles.

**TOWN OF LADY LAKE, FLORIDA
SALES TAX REVENUE FUND
COMPARATIVE BALANCE SHEETS
SEPTEMBER 30, 2020 AND 2019**

<u>ASSETS</u>	<u>2020</u>	<u>2019</u>
Cash	\$ 2,021,298	\$ 1,271,203
Due from State of Florida	<u>148,885</u>	<u>140,352</u>
Total Assets	<u><u>\$ 2,170,183</u></u>	<u><u>\$ 1,411,555</u></u>
 <u>LIABILITIES AND FUND BALANCE</u>		
Liabilities	<u>\$ -</u>	<u>\$ -</u>
Fund Balance, Restricted for Infrastructure	<u>2,170,183</u>	<u>1,411,555</u>
Total Liabilities and Fund Balance	<u><u>\$ 2,170,183</u></u>	<u><u>\$ 1,411,555</u></u>

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

TOWN OF LADY LAKE, FLORIDA
SALES TAX REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2020
With comparative actual amounts for the year ended September 30, 2019

	2020		VARIANCE	2019
	FINAL BUDGET	ACTUAL	WITH FINAL BUDGET	ACTUAL
REVENUES:				
Local Government Infrastructure Surtax	\$ 1,460,000	\$ 1,398,258	\$ (61,742)	\$ 1,435,272
Interest Earned	22,200	10,140	(12,060)	19,459
Total Revenues	1,482,200	1,408,398	(73,802)	1,454,731
OTHER FINANCING SOURCES (USES):				
Transfer to General Fund	(688,168)	(649,770)	38,398	(219,611)
Transfer to Utility Fund	-	-	-	(2,000,000)
Total Other Financing Sources (Uses)	(688,168)	(649,770)	38,398	(2,219,611)
Net Change in Fund Balance	794,032	758,628	(35,404)	(764,880)
Fund Balance, Beginning of Year	1,411,555	1,411,555	-	2,176,435
Fund Balance, End of Year	<u>\$ 2,205,587</u>	<u>\$ 2,170,183</u>	<u>\$ (35,404)</u>	<u>\$ 1,411,555</u>

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

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TOWN OF LADY LAKE, FLORIDA

ENTERPRISE FUND

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the government's council is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the government's council has decided that periodic determination of net income is appropriate for accountability purposes.

Utility Fund - To account for the provision of water, sewer, and garbage services to residents of the Town.

TOWN OF LADY LAKE, FLORIDA
UTILITY FUND
COMPARATIVE STATEMENTS OF NET POSITION
SEPTEMBER 30, 2020 AND 2019

<u>ASSETS</u>	<u>2020</u>	<u>2019</u>
CURRENT ASSETS:		
Cash	\$ 2,779,776	\$ 2,828,649
Restricted Cash:		
Customer Deposits	702,763	607,529
Customer Accounts Receivable, net of allowance for uncollectibles of \$18,915 and \$13,568	235,831	191,338
Unbilled Utility Service Receivables	140,343	148,715
Due from Other Governments	6,015	6,785
Inventory	92,080	90,077
Prepaid Expenses	2,304	850
	<u>3,959,112</u>	<u>3,873,943</u>
TOTAL CURRENT ASSETS		
NONCURRENT ASSETS:		
RESTRICTED CASH:		
Impact Fees - Water	353,196	476,179
Impact Fees - Sewer	1,358,099	1,889,239
Impact Fees - Reuse	107,676	54,600
	<u>1,818,971</u>	<u>2,420,018</u>
TOTAL RESTRICTED CASH		
SEWER CAPACITY RESERVATION AGREEMENT, net of accumulated amortization of \$750,273 and \$711,219 in 2020 and 2019, respectively	<u>878,733</u>	<u>917,787</u>
PROPERTY, PLANT, AND EQUIPMENT:		
Land	509,453	509,453
Buildings	2,968,307	2,963,832
Water Utility System	8,865,975	8,861,880
Sewer Utility System	20,599,236	20,599,236
Equipment	2,361,031	2,278,282
Construction in Progress	1,172,297	451,107
	<u>36,476,299</u>	<u>35,663,790</u>
Less Accumulated Depreciation	<u>15,839,929</u>	<u>14,807,641</u>
Net Property, Plant, and Equipment	<u>20,636,370</u>	<u>20,856,149</u>
Total Assets	<u>27,293,186</u>	<u>28,067,897</u>

TOWN OF LADY LAKE, FLORIDA
UTILITY FUND
COMPARATIVE STATEMENTS OF NET POSITION (Continued)
SEPTEMBER 30, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
<u>LIABILITIES</u>		
CURRENT LIABILITIES:		
Accounts Payable	\$ 56,329	\$ 56,236
Retainage Payable	-	243,332
Accrued Payroll and Related Taxes	32,463	23,223
Accrued Vacation Payable	49,206	74,704
Due to General Fund	4,774	5,251
Customer Deposits	<u>702,263</u>	<u>607,529</u>
Total Current Liabilities	<u>845,035</u>	<u>1,010,275</u>
NONCURRENT LIABILITIES:		
Accrued Vacation Payable	62,625	26,248
Unearned Revenue	<u>31,757</u>	<u>31,757</u>
Total Noncurrent Liabilities	<u>94,382</u>	<u>58,005</u>
Total Liabilities	<u>939,417</u>	<u>1,068,280</u>
<u>NET POSITION</u>		
Net Investment in Capital Assets	21,515,103	21,502,753
Restricted for Utility Capital Improvements	1,818,971	2,420,018
Unrestricted	<u>3,019,695</u>	<u>3,076,846</u>
Total Net Position	<u><u>\$26,353,769</u></u>	<u><u>\$26,999,617</u></u>

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

TOWN OF LADY LAKE, FLORIDA
UTILITY FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
FOR THE YEARS ENDED SEPTEMBER 30, 2020 AND 2019

	2020	2019
OPERATING REVENUES:		
Water Sales	\$ 1,253,916	\$ 1,214,789
Sewer Revenue	1,131,897	1,034,795
Reuse Water Sales	151,186	133,751
Connection Fees	28,550	34,650
Garbage Revenue	1,223,613	1,205,529
Late Fees and Other Customer Revenue	25,618	33,087
Total Operating Revenues	3,814,780	3,656,601
OPERATING EXPENSES:		
Personal Services	862,567	810,808
Garbage Contract Services	1,166,355	1,137,596
Repairs and Maintenance	207,647	261,556
Utilities	205,478	191,322
Operating Supplies	158,665	182,454
Insurance	164,152	143,936
Other Contract Services	138,410	104,221
Professional Services	168,930	53,780
Other Operating Expenses	105,269	70,571
Amortization	39,054	39,055
Depreciation	1,146,454	1,057,024
Total Operating Expenses	4,362,981	4,052,323
Net Operating Loss	(548,201)	(395,722)
NONOPERATING REVENUES (EXPENSES):		
Interest Revenue	50,215	78,406
Insurance Claims	2,821	5,421
Gain on Sale of Capital Assets	12,531	-
Total Nonoperating Revenues (Expenses)	65,567	83,827
Loss Before Contributions and Transfers	(482,634)	(311,895)
CAPITAL CONTRIBUTIONS:		
Water Impact Fees	20,986	370,253
Sewer and Reuse Impact Fees	71,300	1,882,496
TRANSFERS IN - from Sales Tax Revenue Fund	-	2,000,000
TRANSFERS OUT - to General Fund	(255,500)	(255,000)
Change in Net Position	(645,848)	3,685,854
Total Net Position, Beginning of Year	26,999,617	23,313,763
Total Net Position, End of Year	\$26,353,769	\$26,999,617

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

TOWN OF LADY LAKE, FLORIDA
UTILITY FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED SEPTEMBER 30, 2020 AND 2019

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash Received from Customers	\$ 3,874,163	\$ 3,602,999
Cash Payments to Employees for Services	(842,448)	(786,909)
Cash Payments to Suppliers for Goods and Services	<u>(2,290,896)</u>	<u>(2,481,086)</u>
Net Cash Provided by Operating Activities	<u>740,819</u>	<u>335,004</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Transfer from Sales Tax Revenue Fund	-	2,000,000
Transfer to General Fund	<u>(255,500)</u>	<u>(255,000)</u>
Net Cash Provided by (Used in) Noncapital Financing Activities	<u>(255,500)</u>	<u>1,745,000</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Water, Sewer and Reuse Impact Fees Received	92,286	2,252,749
Acquisition and Construction of Capital Assets	(1,197,858)	(3,061,928)
Proceeds from Insurance Claims	2,821	5,421
Proceeds from Sale of Capital Assets	<u>12,531</u>	<u>-</u>
Net Cash Used in Capital and Related Financing Activities	<u>(1,090,220)</u>	<u>(803,758)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest Received on Demand Deposits	<u>50,215</u>	<u>78,406</u>
Net Cash Provided by Investing Activities	<u>50,215</u>	<u>78,406</u>
NET INCREASE (DECREASE) IN CASH	(554,686)	1,354,652
Cash at Beginning of Year	<u>5,856,196</u>	<u>4,501,544</u>
Cash at End of Year	<u><u>\$ 5,301,510</u></u>	<u><u>\$ 5,856,196</u></u>

Continued on next page

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

TOWN OF LADY LAKE, FLORIDA
UTILITY FUND
COMPARATIVE STATEMENTS OF CASH FLOWS (Continued)
FOR THE YEARS ENDED SEPTEMBER 30, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Operating Loss	<u>\$ (548,201)</u>	<u>\$ (395,722)</u>
Adjustments to reconcile operating loss to net cash provided by operating activities:		
Depreciation and Amortization	1,185,508	1,096,079
Increase in Accounts Receivable	(44,493)	(29,070)
(Increase) Decrease in Unbilled Receivables	8,372	(39,112)
Decrease in Due from Other Governments	770	208
Increase in Inventory	(2,003)	(5,163)
(Increase) Decrease in Prepaid Expenses	(1,454)	2,000
Increase (Decrease) in Accounts Payable	27,944	(333,818)
Increase (Decrease) in Due to General Fund	(477)	1,331
Increase (Decrease) in Accrued Payroll and Related Taxes	9,240	1,556
Increase in Accrued Vacation Payable	10,879	22,343
Increase in Customer Deposits	<u>94,734</u>	<u>14,372</u>
Total Adjustments	<u>1,289,020</u>	<u>730,726</u>
Net Cash Provided by Operating Activities	<u><u>\$ 740,819</u></u>	<u><u>\$ 335,004</u></u>
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES:		
Utility building construction on account	\$ -	\$ 271,183

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

TOWN OF LADY LAKE, FLORIDA
UTILITY FUND
SCHEDULE OF BUDGETARY COMPLIANCE

The Town Commission adopted a budget ordinance for the General, Sales Tax Revenue, and Utility Funds. The budget for the Utility Fund is adopted on an accounting basis other than in accordance with generally accepted accounting principles. The following schedule is presented to report legal compliance with the Town's budget ordinance.

TOWN OF LADY LAKE, FLORIDA
UTILITY FUND
SCHEDULE OF REVENUES AND EXPENSES -
BUDGET AND ACTUAL (BASIS OTHER THAN GAAP)
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES:			
Water Sales	\$ 1,203,000	\$ 1,253,916	\$ 50,916
Sewer Revenue	1,025,439	1,131,897	106,458
Reuse Water Sales	130,700	151,186	20,486
Connection Fees	35,500	28,550	(6,950)
Garbage Revenue	1,251,500	1,223,613	(27,887)
Late Fees and Other Revenue	34,795	25,618	(9,177)
Interest Revenue	50,050	50,215	165
Sale of Equipment	500	12,531	12,031
Total Revenues	3,731,484	3,877,526	146,042
EXPENSES:			
Personal Services - Water	738,862	673,242	65,620
Personal Services - Sewer	181,943	189,325	(7,382)
Operating Expenses - Water	556,152	559,450	(3,298)
Operating Expenses - Sewer	640,763	589,101	51,662
Operating Expenses - Garbage	1,141,000	1,166,355	(25,355)
Building Construction	-	4,475	(4,475)
Utility System Improvements	-	4,095	(4,095)
Equipment Purchases	201,500	196,915	4,585
Contingency	15,764	-	15,764
Transfers out to General Fund	255,500	255,500	-
Total Expenses	3,731,484	3,638,458	93,026
Excess of Revenues Over Expenses	\$ -	\$ 239,068	\$ 239,068

TOWN OF LADY LAKE, FLORIDA
CAPITAL ASSETS USED IN THE OPERATION
OF GOVERNMENTAL ACTIVITIES

TOWN OF LADY LAKE, FLORIDA
COMPARATIVE SCHEDULE OF CAPITAL ASSETS
USED IN GOVERNMENTAL ACTIVITIES - BY SOURCE
SEPTEMBER 30, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
CAPITAL ASSETS:		
Land	\$ 2,143,894	\$ 2,143,894
Buildings	12,987,562	12,987,562
Improvements Other Than Buildings	2,583,098	2,376,766
Furniture and Equipment	5,991,790	6,084,145
Infrastructure	3,416,528	3,416,528
Construction in Progress	<u>363,302</u>	<u>105,624</u>
 Total Capital Assets	 <u><u>\$ 27,486,174</u></u>	 <u><u>\$ 27,114,519</u></u>
 INVESTMENT IN CAPITAL ASSETS FROM:		
Excise Taxes Revenue Bonds	\$ 375,000	\$ 375,000
Capital Improvement Revenue Bonds	293,287	293,287
Federal Grants	2,074,396	2,074,396
State of Florida Grants	582,278	582,278
Lake County Grants	623,899	625,318
Donations and Developer Contributions	2,603,945	2,618,166
General Fund Revenues	<u>20,933,369</u>	<u>20,546,074</u>
 Total Investment in Capital Assets	 <u><u>\$ 27,486,174</u></u>	 <u><u>\$ 27,114,519</u></u>

TOWN OF LADY LAKE, FLORIDA
SCHEDULE OF CAPITAL ASSETS USED IN GOVERNMENTAL ACTIVITIES
BY FUNCTION AND ACTIVITY
SEPTEMBER 30, 2020

FUNCTION AND ACTIVITY	LAND	BUILDINGS	IMPROVEMENTS OTHER THAN BUILDINGS	FURNITURE AND EQUIPMENT	INFRA- STRUCTURE	CONSTRUCTION IN PROGRESS	TOTAL
GENERAL GOVERNMENT:							
Town Manager	\$ -	\$ -	\$ -	\$ 7,650	\$ -	\$ -	\$ 7,650
Town Clerk	-	-	-	5,265	-	-	5,265
Finance	-	-	-	27,838	-	-	27,838
Human Resources	-	-	-	7,188	-	-	7,188
Information Technology	-	-	-	624,192	-	-	624,192
Other General Government	1,424,727	2,848,875	463,030	464,562	-	363,302	5,564,496
Facilities Maintenance	-	-	-	95,819	-	-	95,819
Total General Government	1,424,727	2,848,875	463,030	1,232,514	-	363,302	6,332,448
PUBLIC SAFETY:							
Police	-	24,922	8,806	1,940,238	-	-	1,973,966
Building Inspections/Code Enf	-	-	-	25,807	-	-	25,807
Total Public Safety	-	24,922	8,806	1,966,045	-	-	1,999,773
GROWTH MANAGEMENT							
	-	-	-	101,682	-	-	101,682
PUBLIC WORKS:							
Administration	-	1,639,187	27,214	72,358	-	-	1,738,759
Streets and Maintenance	236,447	284,337	124,484	1,653,118	2,280,698	-	4,579,084
Motor Pool	-	6,437	-	70,627	-	-	77,064
Total Public Works	236,447	1,929,961	151,698	1,796,103	2,280,698	-	6,394,907
CULTURE AND RECREATION:							
Library	48,000	6,879,221	23,340	287,421	-	-	7,237,982
Parks and Recreation	434,720	1,304,583	1,936,224	608,025	1,135,830	-	5,419,382
Total Culture and Recreation	482,720	8,183,804	1,959,564	895,446	1,135,830	-	12,657,364
Total Capital Assets	\$ 2,143,894	\$ 12,987,562	\$ 2,583,098	\$ 5,991,790	\$ 3,416,528	\$ 363,302	\$ 27,486,174

TOWN OF LADY LAKE, FLORIDA
SCHEDULE OF CHANGES IN CAPITAL ASSETS USED IN GOVERNMENTAL ACTIVITIES
BY FUNCTION AND ACTIVITY
FOR THE YEAR ENDED SEPTEMBER 30, 2020

FUNCTION AND ACTIVITY	BALANCE 9/30/2019	ADDITIONS	TRANSFERS/ DISPOSALS	BALANCE 9/30/2020
GENERAL GOVERNMENT:				
Town Manager	\$ 9,168	\$ -	\$ (1,518)	\$ 7,650
Town Clerk	6,041	-	(776)	5,265
Finance	27,838	-	-	27,838
Human Resources	7,188	-	-	7,188
Information Technology	416,520	209,167	(1,495)	624,192
Other General Government	5,303,930	290,151	(29,585)	5,564,496
Facilities Maintenance	95,819	-	-	95,819
Total General Government	5,866,504	499,318	(33,374)	6,332,448
PUBLIC SAFETY:				
Police	2,207,973	227,151	(461,158)	1,973,966
Building Inspections/Code Enforce	25,807	-	-	25,807
Total Public Safety	2,233,780	227,151	(461,158)	1,999,773
GROWTH MANAGEMENT	108,949	3,633	(10,900)	101,682
PUBLIC WORKS:				
Administration	1,725,047	13,712	-	1,738,759
Streets and Maintenance	4,596,779	31,607	(49,302)	4,579,084
Motor Pool	76,047	3,000	(1,983)	77,064
Total Public Works	6,397,873	48,319	(51,285)	6,394,907
CULTURE AND RECREATION:				
Library	7,235,671	23,340	(21,029)	7,237,982
Parks and Recreation	5,271,742	147,640	-	5,419,382
Total Culture and Recreation	12,507,413	170,980	(21,029)	12,657,364
Total Capital Assets	\$ 27,114,519	\$ 949,401	\$ (577,746)	\$ 27,486,174

STATISTICAL SECTION

This section of the Town of Lady Lake's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Town's overall financial health.

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Financial Trends

These schedules contain trend information to help the reader understand how the Town's financial performance and well-being have changed over time.

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Revenue Capacity

These schedules contain information to help the reader assess the Town's most significant revenue source, the property tax.

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Debt Capacity

These schedules present information to help the reader assess the affordability of the Town's current levels of outstanding debt and the Town's ability to issue additional debt in the future.

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Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Town's financial activities take place.

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Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the Town's financial report relates to the services the Town provides and the activities it performs.

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

TOWN OF LADY LAKE, FLORIDA
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	Fiscal Year 2011	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014
GOVERNMENTAL ACTIVITIES				
Net Investment in Capital Assets	\$ 11,155,386	\$ 10,834,189	\$ 10,682,438	\$ 11,831,421
Restricted for:				
Capital Improvements	18,694	253,198	308,271	356,616
Police	24,520	4,957	18,790	21,075
Building Inspections	-	7,339	-	-
Education	1,590,846	1,590,846	1,590,846	1,596,096
Unrestricted	5,671,890	6,512,844	6,736,665	5,467,962
Total Governmental Activities Net Position	<u>\$ 18,461,336</u>	<u>\$ 19,203,373</u>	<u>\$ 19,337,010</u>	<u>\$ 19,273,170</u>
BUSINESS-TYPE ACTIVITIES				
Net Investment in Capital Assets	\$ 20,844,418	\$ 21,148,454	\$ 21,260,019	\$ 21,246,272
Restricted for:				
Capital Improvements	1,075,399	1,284,655	1,323,003	1,223,405
Debt Service	63,768	-	-	-
Unrestricted	1,541,857	1,829,470	2,109,382	2,365,504
Total Business-type Activities Net Position	<u>\$ 23,525,442</u>	<u>\$ 24,262,579</u>	<u>\$ 24,692,404</u>	<u>\$ 24,835,181</u>
TOWN OF LADY LAKE				
Net Investment in Capital Assets	\$ 31,999,804	\$ 31,982,643	\$ 31,942,457	\$ 33,077,693
Restricted for:				
Capital Improvements	1,094,093	1,537,853	1,631,274	1,580,021
Debt Service	63,768	-	-	-
Police	24,520	4,957	18,790	21,075
Building Inspections	-	7,339	-	-
Education	1,590,846	1,590,846	1,590,846	1,596,096
Unrestricted	7,213,747	8,342,314	8,846,047	7,833,466
Total Town of Lady Lake Net Position	<u>\$ 41,986,778</u>	<u>\$ 43,465,952</u>	<u>\$ 44,029,414</u>	<u>\$ 44,108,351</u>

Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020
\$ 12,253,224	\$ 12,615,596	\$ 14,700,622	\$ 14,612,058	\$ 14,427,310	\$ 14,304,285
467,143	546,121	379,212	403,967	515,830	592,936
11,537	10,956	3,572	5,252	6,476	12,847
4,056	-	52,037	299,657	179,791	35,664
1,615,816	1,625,466	1,625,466	1,625,466	1,625,466	1,625,466
7,361,403	9,212,834	10,347,351	11,501,590	12,106,114	13,805,317
<u>\$ 21,713,179</u>	<u>\$ 24,010,973</u>	<u>\$ 27,108,260</u>	<u>\$ 28,447,990</u>	<u>\$ 28,860,987</u>	<u>\$ 30,376,515</u>
\$ 20,263,034	\$ 19,805,320	\$ 19,356,812	\$ 19,536,904	\$ 21,502,753	\$ 21,515,103
1,550,223	1,579,323	1,819,281	1,303,346	2,420,018	1,818,871
-	-	-	-	-	-
2,660,877	2,476,071	2,300,558	2,473,513	3,076,846	3,019,695
<u>\$ 24,474,134</u>	<u>\$ 23,860,714</u>	<u>\$ 23,476,651</u>	<u>\$ 23,313,763</u>	<u>\$ 26,999,617</u>	<u>\$ 26,353,669</u>
\$ 32,516,258	\$ 32,420,916	\$ 34,057,434	\$ 34,148,962	\$ 35,930,063	\$ 35,819,388
2,017,366	2,125,444	2,198,493	1,707,313	2,935,848	2,411,907
-	-	-	-	-	-
11,537	10,956	3,572	5,252	6,476	12,847
4,056	-	52,037	299,657	179,791	35,664
1,615,816	1,625,466	1,625,466	1,625,466	1,625,466	1,625,466
10,022,280	11,688,905	12,647,909	13,975,103	15,182,960	16,825,012
<u>\$ 46,187,313</u>	<u>\$ 47,871,687</u>	<u>\$ 50,584,911</u>	<u>\$ 51,761,753</u>	<u>\$ 55,860,604</u>	<u>\$ 56,730,284</u>

TOWN OF LADY LAKE, FLORIDA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	Fiscal Year 2011	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014
EXPENSES				
Governmental Activities:				
General Government	\$ 1,526,644	\$ 1,480,301	\$ 1,521,779	\$ 1,668,708
Public Safety	4,252,583	4,183,461	4,433,960	4,485,737
Growth Management	267,673	205,076	248,856	243,718
Public Works	1,531,843	1,642,133	1,809,065	2,118,038
Culture and Recreation	1,195,056	1,334,575	1,332,810	1,326,100
Interest on Long-term Debt	148,077	143,289	139,871	137,017
Total Governmental Activities Expenses	<u>8,921,876</u>	<u>8,988,835</u>	<u>9,486,341</u>	<u>9,979,318</u>
Business-Type Activities				
Water	1,091,782	1,157,928	1,151,286	1,305,705
Sewer	1,271,914	1,266,414	1,374,593	1,269,726
Garbage	318,655	325,861	328,389	330,661
Total Business-Type Activities Expenses	<u>2,682,351</u>	<u>2,750,203</u>	<u>2,854,268</u>	<u>2,906,092</u>
Total Expenses	<u>\$ 11,604,227</u>	<u>\$ 11,739,038</u>	<u>\$ 12,340,609</u>	<u>\$ 12,885,410</u>
PROGRAM REVENUES				
Governmental Activities:				
Charges for Services:				
General Government	\$ 33,050	\$ 20,583	\$ 46,061	\$ 26,257
Public Safety	1,049,975	1,148,897	1,180,261	1,270,751
Growth Management	49,930	44,806	63,305	84,945
Public Works	16,475	19,183	16,996	39,447
Culture and Recreation	27,272	32,502	48,081	48,550
Operating Grants and Contributions	396,452	198,181	180,793	210,371
Capital Grants and Contributions	493,353	234,178	55,155	1,207,037
Total Governmental Activities Program Revenues	<u>2,066,507</u>	<u>1,698,330</u>	<u>1,590,652</u>	<u>2,887,358</u>
Business-Type Activities:				
Charges for Services:				
Water	1,044,641	1,070,237	1,063,469	1,113,378
Sewer	699,705	710,978	733,441	768,116
Garbage	359,543	358,768	360,974	364,311
Operating Grants and Contributions	1,890	432	-	-
Capital Grants and Contributions	34,488	708,452	520,624	161,466
Total Business-Type Activities Program Revenues	<u>2,140,267</u>	<u>2,848,867</u>	<u>2,678,508</u>	<u>2,407,271</u>
Total Program Revenues	<u>\$ 4,206,774</u>	<u>\$ 4,547,197</u>	<u>\$ 4,269,160</u>	<u>\$ 5,294,629</u>
NET REVENUE (EXPENSE)				
Governmental Activities	\$ (6,855,369)	\$ (7,290,505)	\$ (7,895,689)	\$ (7,091,960)
Business-Type Activities	<u>(542,084)</u>	<u>98,664</u>	<u>(175,760)</u>	<u>(498,821)</u>
Total Net Expense	<u>\$ (7,397,453)</u>	<u>\$ (7,191,841)</u>	<u>\$ (8,071,449)</u>	<u>\$ (7,590,781)</u>

Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020
\$ 1,742,534	\$ 1,730,431	\$ 1,903,693	\$ 2,053,017	\$ 2,056,037	\$ 2,269,596
4,234,108	4,006,978	3,924,096	4,915,400	4,958,150	4,927,303
265,218	233,680	325,481	368,809	379,399	350,102
1,710,173	1,880,482	1,950,796	2,426,249	2,032,846	2,238,018
1,299,452	1,444,723	1,482,354	1,679,340	1,655,769	1,875,363
116,230	79,468	4,819	-	-	-
9,367,715	9,375,762	9,591,239	11,442,815	11,082,201	11,660,382
1,177,220	1,187,348	1,332,455	1,219,467	1,354,782	1,609,735
1,320,503	1,365,635	1,375,192	1,488,960	1,559,945	1,586,891
336,229	1,054,906	1,071,930	1,103,068	1,137,596	1,166,355
2,833,952	3,607,889	3,779,577	3,811,495	4,052,323	4,362,981
\$ 12,201,667	\$ 12,983,651	\$ 13,370,816	\$ 15,254,310	\$ 15,134,524	\$ 16,023,363
\$ 35,390	\$ 28,061	\$ 147,905	\$ 95,665	\$ 33,549	\$ 24,999
1,390,133	1,208,703	1,297,263	1,519,432	1,323,201	1,567,838
107,165	69,590	123,685	123,845	92,569	58,925
53,469	33,798	116,439	46,598	37,023	43,796
54,430	52,236	66,544	112,430	106,940	74,055
224,196	271,989	368,848	437,937	545,935	299,482
375,154	166,767	546,634	196,056	100,751	70,798
2,239,937	1,831,144	2,667,318	2,531,963	2,239,968	2,139,893
1,115,560	1,165,389	1,179,920	1,185,629	1,269,018	1,304,191
790,573	842,015	860,488	918,613	1,187,475	1,302,328
367,953	1,155,701	1,170,324	1,187,130	1,205,529	1,223,613
-	-	-	-	-	-
324,250	39,670	295,678	147,885	2,252,749	92,286
2,598,336	3,202,775	3,506,410	3,439,257	5,914,771	3,922,418
\$ 4,838,273	\$ 5,033,919	\$ 6,173,728	\$ 5,971,220	\$ 8,154,739	\$ 6,062,311
\$ (7,127,778)	\$ (7,544,618)	\$ (6,923,921)	\$ (8,910,852)	\$ (8,842,233)	\$ (9,520,489)
(235,616)	(405,114)	(273,167)	(372,238)	1,862,448	(440,563)
\$ (7,363,394)	\$ (7,949,732)	\$ (7,197,088)	\$ (9,283,090)	\$ (6,979,785)	\$ (9,961,052)

Continued on Next Page

TOWN OF LADY LAKE, FLORIDA
CHANGES IN NET POSITION (continued)
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	Fiscal Year 2011	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014
GENERAL REVENUES AND TRANSFERS				
Governmental Activities:				
Taxes:				
Property Taxes	\$ 2,611,571	\$ 2,551,573	\$ 2,499,157	\$ 2,541,325
Sales Taxes	1,751,849	1,763,033	1,801,238	1,924,431
Franchise Fees	1,365,739	1,295,015	1,283,585	1,395,151
Utility Taxes	1,980,086	2,208,800	2,361,744	978,520
Excise Taxes	703,755	704,042	710,796	742,764
Unrestricted Investment Earnings	130,564	112,217	(41,207)	81,731
Gain on Sale of Capital Assets	-	-	-	10,400
Transfers	(590,127)	(602,138)	(585,987)	(646,202)
Total Governmental Activities	<u>7,953,437</u>	<u>8,032,542</u>	<u>8,029,326</u>	<u>7,028,120</u>
Business-Type Activities:				
Unrestricted Investment Earnings	22,929	36,335	19,598	(4,604)
Transfers	<u>590,127</u>	<u>602,138</u>	<u>585,987</u>	<u>646,202</u>
Total Business-Type Activities	<u>613,056</u>	<u>638,473</u>	<u>605,585</u>	<u>641,598</u>
Total General Revenues and Transfers	<u>\$ 8,566,493</u>	<u>\$ 8,671,015</u>	<u>\$ 8,634,911</u>	<u>\$ 7,669,718</u>
 CHANGE IN NET POSITION				
Governmental Activities	\$ 1,098,068	\$ 742,037	\$ 133,637	\$ (63,840)
Business-Type Activities	<u>70,972</u>	<u>737,137</u>	<u>429,825</u>	<u>142,777</u>
Total Change in Net Position	<u>\$ 1,169,040</u>	<u>\$ 1,479,174</u>	<u>\$ 563,462</u>	<u>\$ 78,937</u>

Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020
\$ 3,066,208	\$ 3,118,280	\$ 3,156,218	\$ 3,399,162	\$ 3,626,787	\$ 3,913,190
2,051,083	2,146,461	2,219,432	2,348,220	2,523,438	2,321,548
1,395,373	1,383,861	1,390,322	1,474,639	1,557,631	1,521,408
2,015,130	1,992,703	2,094,236	2,007,958	1,941,351	1,873,916
770,234	873,717	943,577	999,106	1,043,088	953,422
98,552	105,060	55,887	133,381	306,890	151,478
27,084	-	20,036	22,616	1,045	45,555
144,123	222,330	141,500	(134,500)	(1,745,000)	255,500
9,567,787	9,842,412	10,021,208	10,250,582	9,255,230	11,036,017
18,692	14,024	30,604	74,850	78,406	50,215
(144,123)	(222,330)	(141,500)	134,500	1,745,000	(255,500)
(125,431)	(208,306)	(110,896)	209,350	1,823,406	(205,285)
\$ 9,442,356	\$ 9,634,106	\$ 9,910,312	\$ 10,459,932	\$ 11,078,636	\$ 10,830,732
\$ 2,440,009	\$ 2,297,794	\$ 3,097,287	\$ 1,339,730	\$ 412,997	\$ 1,515,528
(361,047)	(613,420)	(384,063)	(162,888)	3,685,854	(645,848)
\$ 2,078,962	\$ 1,684,374	\$ 2,713,224	\$ 1,176,842	\$ 4,098,851	\$ 869,680

TOWN OF LADY LAKE
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
General Fund				
Nonspendable	\$ 141,268	\$ 107,936	\$ 70,346	\$ 44,981
Restricted	1,634,060	1,856,340	1,917,907	1,973,787
Committed	-	-	-	-
Assigned	21,431	12,768	7,139	11,386
Unassigned	<u>5,061,025</u>	<u>5,765,899</u>	<u>5,879,340</u>	<u>5,274,753</u>
Total General Fund	<u>\$ 6,857,784</u>	<u>\$ 7,742,943</u>	<u>\$ 7,874,732</u>	<u>\$ 7,304,907</u>
All Other Governmental Funds				
Restricted	<u>\$ 583,030</u>	<u>\$ 809,506</u>	<u>\$ 997,795</u>	<u>\$ 1,106,801</u>
Total all other governmental funds	<u>\$ 583,030</u>	<u>\$ 809,506</u>	<u>\$ 997,795</u>	<u>\$ 1,106,801</u>

The Town implemented GASB 54 in fiscal year 2011, which changed the classifications for reporting fund balance.

<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
\$ 41,004	\$ 46,031	\$ 49,488	\$ 49,097	\$ 53,044	\$ 47,178
2,098,552	2,182,543	2,060,287	2,334,342	2,327,563	2,266,913
-	-	1,700,000	1,078,030	2,397,951	3,725,258
766,158	770,904	158,777	92,632	58,532	33,629
6,087,035	7,345,746	6,604,574	7,804,930	7,812,316	7,321,945
<u>\$ 8,992,749</u>	<u>\$ 10,345,224</u>	<u>\$ 10,573,126</u>	<u>\$ 11,359,031</u>	<u>\$ 12,649,406</u>	<u>\$ 13,394,923</u>
<u>\$ 1,304,057</u>	<u>\$ 1,534,803</u>	<u>\$ 1,266,786</u>	<u>\$ 2,176,435</u>	<u>\$ 1,411,555</u>	<u>\$ 2,170,183</u>
<u>\$ 1,304,057</u>	<u>\$ 1,534,803</u>	<u>\$ 1,266,786</u>	<u>\$ 2,176,435</u>	<u>\$ 1,411,555</u>	<u>\$ 2,170,183</u>

TOWN OF LADY LAKE
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Revenues					
Taxes	\$ 7,321,480	\$ 7,493,824	\$ 7,553,814	\$ 7,293,702	\$ 7,912,220
Licenses and Permits	268,169	290,528	312,656	432,447	590,564
Intergovernmental Revenues	2,326,516	1,253,675	1,266,458	2,331,525	1,755,741
Charges for Services	171,293	177,124	188,237	211,456	213,007
Fines and Forfeitures	32,505	43,908	52,245	46,955	44,695
Investment Earnings	130,564	72,962	(41,207)	81,731	98,552
Miscellaneous	777,482	1,020,181	856,827	916,867	988,966
Total Revenues	<u>11,028,009</u>	<u>10,352,202</u>	<u>10,189,030</u>	<u>11,314,683</u>	<u>11,603,745</u>
Expenditures					
General Government	1,407,678	1,398,473	1,523,567	1,627,104	1,632,305
Public Safety	4,039,535	4,150,583	4,405,663	4,558,273	4,388,499
Growth Management	260,165	215,450	242,670	267,524	256,226
Public Works	1,396,223	1,541,586	1,694,717	2,033,250	1,524,132
Culture and Recreation	1,047,000	1,022,768	986,624	1,112,112	947,118
Capital Outlay	2,018,776	-	242,358	1,337,746	193,574
Debt Service:					
Principal	120,892	125,584	63,900	66,743	828,800
Interest	150,480	145,788	140,100	137,257	119,200
Total Expenditures	<u>10,440,749</u>	<u>8,600,232</u>	<u>9,299,599</u>	<u>11,140,009</u>	<u>9,889,854</u>
Excess (Deficiency) of Revenues over (under) Expenditures	587,260	1,751,970	889,431	174,674	1,713,891
Other Financing Sources (Uses)					
Transfers in	826,608	332,000	348,123	437,333	1,217,709
Transfers out	(1,416,735)	(934,138)	(934,110)	(1,083,535)	(1,073,586)
Sale of Capital Assets	902	1,802	16,634	10,709	27,084
Other Losses	-	(39,999)	-	-	-
Total Other Financing Sources (Uses)	<u>(589,225)</u>	<u>(640,335)</u>	<u>(569,353)</u>	<u>(635,493)</u>	<u>171,207</u>
Net Change in Fund Balances	<u>\$ (1,965)</u>	<u>\$ 1,111,635</u>	<u>\$ 320,078</u>	<u>\$ (460,819)</u>	<u>\$ 1,885,098</u>
Debt service as a percentage of noncapital expenditures	3.3%	3.4%	2.4%	2.2%	10.8%

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
\$ 8,207,018	\$ 7,826,746	\$ 8,718,518	\$ 8,927,566	\$ 9,122,480
387,774	496,752	724,049	468,847	418,776
1,530,756	1,949,676	1,670,310	1,967,202	1,758,214
185,214	252,829	217,754	233,056	211,544
30,624	35,031	34,081	29,569	21,444
105,060	55,887	133,381	306,890	151,478
1,004,780	1,171,585	1,295,918	1,049,221	1,207,819
<u>11,451,226</u>	<u>11,788,506</u>	<u>12,794,011</u>	<u>12,982,351</u>	<u>12,891,755</u>
1,538,019	1,912,327	1,876,200	1,889,699	2,304,152
4,484,607	4,482,304	4,640,086	4,882,448	5,134,138
223,873	310,336	349,849	374,420	346,542
1,715,032	1,782,135	2,508,867	1,960,815	2,012,006
1,090,028	1,157,207	1,432,709	1,316,850	1,634,149
90,776	907,063	178,862	288,669	257,678
865,430	1,417,934	-	-	-
82,570	9,897	-	-	-
<u>10,090,335</u>	<u>11,979,203</u>	<u>10,986,573</u>	<u>10,712,901</u>	<u>11,688,665</u>
1,360,891	(190,697)	1,807,438	2,269,450	1,203,090
1,315,671	1,777,331	412,836	474,611	905,270
(1,093,341)	(1,635,831)	(547,336)	(2,219,611)	(649,770)
-	9,082	22,616	1,045	45,555
-	-	-	-	-
<u>222,330</u>	<u>150,582</u>	<u>(111,884)</u>	<u>(1,743,955)</u>	<u>301,055</u>
<u>\$ 1,583,221</u>	<u>\$ (40,115)</u>	<u>\$ 1,695,554</u>	<u>\$ 525,495</u>	<u>\$ 1,504,145</u>
9.8%	13.8%	0.0%	0.0%	0.0%

TOWN OF LADY LAKE, FLORIDA
GENERAL GOVERNMENTAL TAX REVENUE BY SOURCE
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

<u>FISCAL YEAR</u>	<u>PROPERTY TAXES</u>	<u>INFRA- STRUCTURE SALES SURTAX</u>	<u>EXCISE TAXES</u>	<u>FRANCHISE FEES</u>	<u>UTILITY TAXES</u>	<u>COMMUNI- CATIONS SERVICES TAX</u>	<u>TOTAL TAXES</u>
2011	\$ 2,611,571	\$ 1,108,224	\$ 305,308	\$ 1,365,739	\$ 1,073,087	\$ 857,551	\$ 7,321,480
2012	2,551,573	1,160,271	298,767	1,295,015	998,436	1,189,762	7,493,824
2013	2,499,157	1,121,772	287,556	1,283,585	1,057,169	1,304,575	7,553,814
2014	2,541,325	1,191,905	301,318	1,395,151	1,141,057	722,946	7,293,702
2015	3,066,208	1,270,229	300,666	1,395,373	1,108,981	770,763	7,912,220
2016	3,118,280	1,323,561	388,613	1,383,861	1,180,389	812,314	8,207,018
2017	3,156,218	1,366,700	433,054	1,390,322	1,177,342	303,110	7,826,746
2018	3,399,162	1,435,218	459,961	1,474,639	1,200,612	748,926	8,718,518
2019	3,626,787	1,435,272	466,168	1,557,631	1,294,268	547,440	8,927,566
2020	3,913,190	1,398,258	439,602	1,521,408	1,329,271	520,751	9,122,480

TOWN OF LADY LAKE, FLORIDA
ESTIMATED JUST VALUE AND TAXABLE (ASSESSED) VALUE OF PROPERTY
LAST TEN FISCAL YEARS

FISCAL YEAR	REAL PROPERTY		PERSONAL PROPERTY		TOTAL		DIRECT TAX RATE	TAXABLE VALUE PERCENTAGE OF JUST VALUE
	ESTIMATED JUST VALUE	TAXABLE VALUE	ESTIMATED JUST VALUE	TAXABLE VALUE	ESTIMATED JUST VALUE	TAXABLE VALUE		
2011	\$ 1,091,692,049	\$ 742,189,105	\$ 135,380,406	\$ 82,087,812	\$ 1,227,072,455	\$ 824,276,917	3.281	67.17%
2012	1,057,818,762	726,450,279	130,303,491	76,692,713	1,188,122,253	803,142,992	3.281	67.60%
2013	1,019,816,118	709,540,478	130,136,050	76,436,973	1,149,952,168	785,977,451	3.281	68.35%
2014	1,044,002,422	722,234,079	131,722,980	77,943,186	1,175,725,402	800,177,265	3.281	68.06%
2015	1,128,659,243	773,013,459	128,991,780	75,386,256	1,257,651,023	848,399,715	3.750	67.46%
2016	1,229,179,303	832,931,240	129,670,322	75,839,875	1,358,849,625	908,771,115	3.551	66.88%
2017	1,290,663,131	888,208,461	129,246,878	75,455,229	1,419,910,009	963,663,690	3.396	67.87%
2018	1,364,419,061	959,946,458	130,486,391	76,516,340	1,494,905,452	#####	3.396	69.33%
2019	1,444,744,000	1,028,846,181	133,704,265	79,352,745	1,578,448,265	#####	3.396	70.21%
2020	1,536,959,814	1,110,518,790	140,131,182	85,617,805	1,677,090,996	#####	3.396	71.32%

Source-Lake County Property Appraiser's Office DR-403. Tax year is equivalent to the following fiscal year.

The property appraiser is required to physically inspect the property at least once every 5 years. Homesteaded property is reassessed annually on January 1. Any change resulting from such reassessment shall not exceed the lower of 3% of the prior year's assessed value or the percentage change in the Consumer Price Index for All Urban Consumers, U.S. City Average, all items 1967=100, or successor reports for the preceding calendar year as initially reported by the United States Department of Labor, Bureau of Labor Statistics.

The estimated just value is adjusted down to the taxable value due to governmental exemptions, widows/widowers exemption, disability/blind exemption, institutional exemption for charitable, religious, scientific, literary and educational, \$25,000 homestead exemption, additional \$25,000 homestead exemption age 65 and older, and the homestead assessment differential (just value minus capped value).

For fiscal year 2009 and after, an additional homestead exemption of up to \$25,000 for home values above \$50,000 was approved by constitutional amendment. The amendment also includes other provisions that have an effect on tangible personal property and non-homestead property taxable values.

TOWN OF LADY LAKE, FLORIDA
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
(PER \$1,000 OF TAXABLE ASSESSED VALUE)
LAST TEN FISCAL YEARS

FISCAL YEAR	TOWN DIRECT RATE	OVERLAPPING RATES						TOTAL DIRECT AND OVERLAPPING RATES
		LAKE COUNTY	SCHOOL DISTRICT	WATER CONSERVATION AUTHORITY	WATER MANAGEMENT DISTRICT	AMBULANCE DISTRICT	HOSPITAL DISTRICT	
2011	3.281	5.163	7.523	0.241	0.416	0.385	1.000	18.009
2012	3.281	5.163	7.394	0.241	0.331	0.385	1.000	17.795
2013	3.281	4.921	7.320	0.255	0.331	0.385	1.000	17.493
2014	3.281	4.921	7.170	0.255	0.328	0.385	1.000	17.340
2015	3.750	6.016	7.246	0.255	0.316	0.463	1.000	19.046
2016	3.551	5.935	7.197	0.255	0.303	0.463	1.000	18.704
2017	3.396	5.741	6.875	0.255	0.289	0.463	1.000	18.019
2018	3.396	5.741	6.603	0.255	0.272	0.463	1.000	17.730
2019	3.396	5.720	6.355	0.490	0.256	0.463	0.980	17.660
2020	3.396	5.654	6.883	0.356	0.241	0.463	0.950	17.943

Source-Lake County Property Appraiser's Office DR-403. Tax year is equivalent to the following fiscal year.

Florida Statutes permit municipalities to levy property taxes at a rate of up to 10 mills. The Town's direct rate does not have any separate components.

Overlapping rates are those of local and county governments that apply to property owners within the Town of Lady Lake.

An overlapping rate for Lake County MSTU Fire was added in FY2009 but only to Town of Lady Lake property which is located outside of the Villages Fire Protection Special Assessment District. This new rate applies to less than 50% of the Town of Lady Lake's total taxable value.

MSTU Fire rate increased FY2015 to .4704 (MSTU Fire Rate .3222 in prior years)

**TOWN OF LADY LAKE, FLORIDA
PRINCIPAL PROPERTY TAXPAYERS
SEPTEMBER 30, 2020
CURRENT YEAR COMPARED TO TEN YEARS AGO**

Taxpayer	Fiscal Year 2020			Fiscal Year 2011		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Value
Villages Operating Company	\$ 81,034,237	1	5.75%	\$ 35,431,634	1	4.29%
GMC Lady Lake LLC	34,725,988	2	2.46%			
Lazy B Cattle Venture LTD	34,345,851	3	2.44%	25,916,311	2	3.14%
Sun Communities Finance LP	30,541,131	4	2.17%	18,610,242	3	2.26%
SRK Lady Lake 21 Associates, LLC	27,664,100	5	1.96%			
Vereit MT Lady Lake FL LLC	25,726,727	6	1.83%			
Lady Lake Apartments LLC	25,619,960	7	1.82%	12,282,292	7	1.49%
Carmendy Square Properties LLC	14,688,654	8	1.04%			
VVLL Properties LLC	12,351,439	9	0.88%			
Lady Lake Inc	12,382,743	10	0.88%			
TMW Wltfonds Rolling Acres Plaza LP				15,648,265	4	1.90%
Courtney Villages LLC				15,076,408	5	1.83%
SRK Lady Lake 43 Associates, LLC				14,018,843	6	1.70%
Sam's East Inc				8,463,993	8	1.03%
The Villages of Lake Sumter Inc				8,134,655	9	0.99%
Embarq-Florida Inc				7,388,685	10	0.90%
Total	<u>\$ 299,080,830</u>		<u>21.22%</u>	<u>\$ 160,971,328</u>		<u>19.51%</u>
Total Taxable Assessed Valuation	\$1,409,270,285			\$ 825,109,209		

Source: Tax Year 2019 and Tax Year 2010 ad valorem tax rolls of the Town of Lady Lake, Florida. Tax year is equivalent to the following fiscal year.

TOWN OF LADY LAKE, FLORIDA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

FISCAL YEAR	TOTAL TAX LEVY	CURRENT TAX COLLECTIONS	PERCENT OF LEVY COLLECTED	DELINQUENT TAX COLLECTIONS	TOTAL TAX COLLECTIONS	PERCENT OF TOTAL TAX COLLECTIONS TO TAX LEVY
2011	\$ 2,704,453	\$ 2,606,368	96.4%	\$ 5,203	\$ 2,611,571	96.6%
2012	2,635,112	2,548,744	96.7%	2,829	2,551,573	96.8%
2013	2,578,635	2,490,098	96.6%	9,059	2,499,157	96.9%
2014	2,622,485	2,532,327	96.6%	8,998	2,541,325	96.9%
2015	3,181,499	3,062,963	96.3%	3,245	3,066,208	96.4%
2016	3,227,046	3,086,766	95.7%	6,514	3,118,280	96.6%
2017	3,272,602	3,149,732	96.3%	6,486	3,156,218	96.4%
2018	3,519,828	3,392,712	96.4%	6,450	3,399,162	96.6%
2019	3,763,444	3,624,229	96.3%	2,558	3,626,787	96.4%
2020	4,062,319	3,901,946	96.0%	11,244	3,913,190	96.3%

See Note 12 for discounts allowed for early payment of taxes.

TOWN OF LADY LAKE
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities		Business-Type Activities	Total Primary Government	Percentage of Personal Income^a	Per Capita^a
	Revenue Note	Capital Lease	Loans Payable			
2011	\$3,303,604	\$ 64,787	\$ 2,237,600	\$ 5,605,991	1.52%	\$ 402
2012	3,242,807	-	1,458,035	4,700,842	1.19%	338
2013	3,178,907	-	773,103	3,952,010	1.09%	283
2014	3,112,164	-	-	3,112,164	0.84%	220
2015	2,283,364	-	-	2,283,364	0.67%	161
2016	1,417,934	-	-	1,417,934	0.39%	97
2017	-	-	-	-	0.00%	-
2018	-	-	-	-	0.00%	-
2019	-	-	-	-	0.00%	-
2020	-	-	-	-	0.00%	-

Note: Details regarding the Town's outstanding debt can be found in the notes to the financial statements.

^a See Page 104-105 for personal income and population data.

**TOWN OF LADY LAKE
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS**

The Town of Lady Lake has had no general bonded debt during the last ten fiscal years

**TOWN OF LADY LAKE
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF SEPTEMBER 30, 2020**

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Debt repaid with property taxes	\$ -	4.30%	\$ -
Other debt			-
Subtotal, overlapping debt			-
Direct debt			-
Total direct and overlapping debt			\$ -

Note: The Town of Lady Lake has no ordinance which limits general obligation debt to a percentage of assessed property values.

The estimated percentage applicable to the Town of Lady Lake is based upon Town/Lake County population ratio.

**TOWN OF LADY LAKE, FLORIDA
 PLEDGED-REVENUE COVERAGE
 INFRASTRUCTURE SALES SURTAXES
 LAST TEN FISCAL YEARS**

Fiscal Year	Infrastructure Sales Surtaxes Available for Debt Service	Debt Service Requirements			Coverage
		Principal	Interest	Total	
2011	\$ 1,108,224	\$ 691,673	\$ 242,454	\$ 934,127	1.19
2012	1,160,271	719,114	215,023	934,137	1.24
2013	1,121,772	748,832	185,278	934,110	1.20
2014	1,191,905	839,846	154,479	994,325	1.20
2015	1,270,229	828,800	119,200	948,000	1.34
2016	1,323,561	865,430	82,570	948,000	1.40
2017	1,366,700	904,190	43,810	948,000	1.44
2018	1,435,218	-	-	-	N/A
2019	1,435,272	-	-	-	N/A
2020	1,398,258	-	-	-	N/A

**TOWN OF LADY LAKE, FLORIDA
PLEDGED-REVENUE COVERAGE
UTILITY REVENUES
LAST TEN FISCAL YEARS**

Fiscal Year	Gross Revenues ¹	Operating Expenses ²	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2011	\$ 1,589,607	\$ 1,188,720	\$ 400,887	\$ 77,378	\$ 6,317	\$ 83,695	4.79
2012	1,647,575	1,276,190	371,385	121,248	3,569	124,817	2.98
2013	1,644,294	1,428,909	215,385	-	-	-	N/A
2014	1,745,439	1,493,000	252,439	-	-	-	N/A
2015	1,746,797	1,438,728	308,069	-	-	-	N/A
2016	1,830,825	1,478,236	352,589	-	-	-	N/A
2017	1,859,700	1,640,938	218,762	-	-	-	N/A
2018	1,878,869	1,634,126	244,743	-	-	-	N/A
2019	2,284,234	1,818,648	465,586	-	-	-	N/A
2020	2,414,363	2,011,118	403,245	-	-	-	N/A

¹ Water and sewer system gross revenues.

² Water and sewer operating expenses exclusive of depreciation and amortization.

Covenants of the State Revolving Fund Loan require a debt coverage ratio of 1.15. This loan was paid off in fiscal year 2012

**TOWN OF LADY LAKE, FLORIDA
DEMOGRAPHIC STATISTICS
LAST TEN FISCAL YEARS**

POPULATION

Year	Town of Lady Lake		Lake County	
	Population	% Increase	Population	% Increase
2011	13,946	0.14%	296,681	-0.13%
2012	13,909	-0.27%	299,677	1.01%
2013	13,947	0.27%	308,034	2.78%
2014	14,148	1.44%	309,736	0.55%
2015	14,207	0.42%	316,569	2.21%
2016	14,687	3.38%	326,226	3.05%
2017	14,821	0.91%	331,724	1.69%
2018	14,960	0.94%	345,575	4.18%
2019	15,655	4.65%	357,247	3.38%
2020	15,754	5.31%	366,742	6.13%

POPULATION DISTRIBUTION BY AGE - 2020

<u>Age</u>	<u>Lake County</u>	<u>State of Florida</u>
0-19	19.6%	20.3%
20-44	28.0%	33.5%
45-64	26.6%	26.1%
65+	25.8%	20.1%

POPULATION PER SQUARE MILE

<u>Year</u>	<u>Lake County</u>	<u>State of Florida</u>
2011	312	349
2012	317	351
2013	328	365
2014	330	364
2015	337	364
2016	345	376
2017	354	382
2018	361	393
2019	376	400
2020	391	403

Source: University of Florida, Bureau of Economics and Business Research (www.bebr.ufl.edu)
Age Distribution-Orlando Economic Development Commission (www.orlandoedc.com)
Per Square Mile-Florida Legislature, Office of Economic and Demographic Research (www.edr.state.fl.us)

**TOWN OF LADY LAKE, FLORIDA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

Year	2011	2012	2013	2014
Population	13,946	13,909	13,947	14,148
Total Personal Income of all Lady Lake Residents	368,495,886	393,812,611	362,370,954	371,186,928
Per Capita Personal Income	26,461	28,314	25,982	26,236
Median Age	65	67	65	65
School Enrollment The Villages of Lady Lake Elementary	794	761	809	832
Lake County Unemployment Rate	10.6%	8.9%	6.9%	5.4%

Source:

Population from the Bureau of Economic and Business Research, University of Florida (www.bebr.ufl.edu)

Median Age and Per Capita from Orlando Economic Development Commission (www.orlandoedc.com)

Unemployment rate from the Bureau of Labor Statistics (www.bls.gov)

2015	2016	2017	2018	2019	2020
14,207	14,687	14,821	14,960	15,655	15,754
341,195,312	367,659,671	396,061,583	404,488,480	424,720,150	434,400,796
24,016	25,033	26,723	27,038	27,130	27,574
66	66	65	67	64	68
843	827	830	827	872	866
5.2%	4.8%	3.4%	2.9%	2.9%	7.2%

TOWN OF LADY LAKE, FLORIDA
PRINCIPAL EMPLOYERS
SEPTEMBER 30, 2019

Employer	2020			2011		
	* Employees	Rank	Percentage of Total Town Employment	* Employees	Rank	Percentage of Total Town Employment
The Villages Media Group	270	1	6.02%			
The Villages Rehab & Nursing Center	213	2	4.75%			
OMI, Inc	185	3	4.12%			
The Home Depot	176	4	3.92%	156	3	4.94%
Lady Lake Specialty Care	170	5	3.79%			
Sam's Club	165	6	3.68%			
Publix Super Markets	164	7	3.65%	174	2	5.51%
Winn Dixie Stores, Inc/Winn Dixie Liquors	129	8	2.87%	96	8	3.04%
Kohl's Department Store	112	9	2.50%			
Texas Roadhouse	109	10	2.43%			
Town of Lady Lake	105		2.34%	105	5	3.32%
Builders FirstSource/Probuild (Casmin)	100		2.23%	148	4	4.68%
Target Department Store	99		2.21%	201	1	6.36%
The Villages of Lady Lake Elementary	95		2.12%	99	7	3.13%
Belk's Department Store	65		1.45%	85	10	2.69%
Carrabba's Restaurant	60		1.34%	88	9	2.78%
Katie Belles Music Hall - Closed				100	6	3.16%
Total	<u>2,217</u>		<u>49.40%</u>	<u>1,252</u>		<u>39.62%</u>
Total Town Employment	4,488			3,160		

* Full time and/or part time positions.

Source:

Number of employees from Business Tax Receipts or direct calls to employers

Lady Lake total town employment figures from Orlando Economic Development Commission-Demographic Detail (www.orlandoedc.com)

TOWN OF LADY LAKE, FLORIDA
FULL-TIME EQUIVALENT TOWN GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS
Full-time Equivalent Employees as of September 30th

Function	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
General Government										
Town Manager	2	2	2	2	2	2	2	2	2	2
Town Clerk	2	2	2	2	2	2	2	2	2	2
Finance	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5
Human Resource/Risk Management	2	2	2	2	2	2	2	2	2	2
Information Technology	1	2	2	2	2	2	2	2	3	3
Facilities Maint.	2	2	2	2	2	2	2	2	2	2
Total General Government	13.5	14.5	14.5	14.5	14.5	14.5	14.5	14.5	15.5	15.5
Public Safety										
Police Officers	30	28	28	28	28	28	28	28	30	30
Police Civilians	14.5	14.5	14.5	6.5	6.5	6.5	6	6	6	6
Building Dept.	1	1	1	1	1	1	1	1	1	2
Code Enforcement	1	1	1	1	1	1	1	1	1	1
Total Public Safety	46.5	44.5	44.5	36.5	36.5	36.5	36	36	38	39
Growth Management	3	3	3	3	3	3.5	4.5	4.5	4.5	3.5
Public Works										
Administration	2	2	2	2	2	2	2	2	2	2
Street Maint.	10	10	10	10	10	10	10	10	10	10
Motor Pool	2	2	2	2	2	2	2	2	2	2
Total Public Works	14	14	14	14	14	14	14	14	14	14
Culture and Recreation										
Library	7.5	7	7	7	7.5	7.5	9	9	9.5	9.5
Parks & Recreation	5	5	5	5	5	5	5	5	5	6
Total Culture and Recreation	12.5	12	12	12	12.5	12.5	14	14	14.5	15.5
Utilities										
Water	10	9	10	10	10	10	11	11	11	11
Sewer	3	3	2	2	2	2	2	2	2	2
Total Utilities	13	12	12	12	12	12	13	13	13	13
Total Government Employees	102.5	100	100	92	92.5	93	96	96	99.5	100.5

Source: Finance Department

TOWN OF LADY LAKE, FLORIDA
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN YEARS

Function/Program	2011	2012	2013	2014	2015
Police					
Booking Arrests	254	414	390	305	350
DUI Citations	18	30	26	24	29
Misdemeanor Citations	44	47	45	41	78
Traffic Citations	1,211	1,462	1,742	1,370	2,095
Traffic Accidents	366	382	439	408	561
Warrants Arrests	29	44	55	45	62
Dispatch Center:					
Medical Calls	2,773	2,418	2,448	174	912
Assist other Agencies	496	312	283	186	156
General Calls	31,725	27,797	18,406	13,096	15,878
Building Department					
Total Commercial Permits	290	240	241	303	368
Total Residential Permits	1,186	1,065	1,033	1,173	1,236
Number of Permits Issued	1,476	1,305	1,274	1,476	1,604
Total Construction Value	\$12,103,916	\$24,027,568	\$12,457,348	\$36,044,724	\$41,692,307
Growth Management					
Site Plans Approved	1	0	4	7	11
Clerk's Office					
Business Tax Receipts	1,037	1,073	818	817	882
Roads and Streets					
Potholes repaired	450	600	500	500	500
Street resurfacing (miles)	0	0	0.25	1.40	2.70
Street Micro-resurfacing (miles)	5.14	4.57	12.19	0.00	0.00
Street Reclamite (miles)	0.00	0.00	0.00	0.00	0.00
Library					
Total Circulation (library materials checked out)	110,435	140,181	134,728	123,563	149,504
Total Users of Public Internet Computers	41,187	38,850	16,951	13,535	14,134
Total Reference Transactions	19,500	24,364	27,868	21,696	13,884
Total Annual Programs	289	605	499	428	815
Total Program Attendance	11,008	15,505	22,345	11,963	12,722
Total Number of Registered Card Holders	7,972	9,412	10,318	6,394	7,796
Total Number of Volunteer Hours	3,399	4,786	3,935	2,687	3,435
Total Library visitors	125,060	149,741	152,530	149,318	176,182
Number of Bookings for Library Rooms	-	566	1,015	223	832
Number of Bookings at the Community Building	483	358	332	251	320
Parks and Recreation					
Number of Recreation Leases	8	8	8	7	7
Water					
Commercial Connections	402	420	396	397	408
Residential Connections	1,956	1,931	1,988	1,997	2,010
Total Connections	2,358	2,351	2,384	2,394	2,418
Total Equivalent Residential Units	3,680	3,859	3,861	3,896	3,954
Average Daily Consumption (gallons per day)	699,980	662,634	655,523	675,229	678,622
Reuse					
Commercial Connections	34	27	30	34	38
Residential Connections	0	0	0	9	10
Total Equivalent Residential Units	34	104	112	142	162
Average Daily Consumption (gallons per day)	142,000	109,000	162,000	170,000	222,000
Wastewater					
Commercial Connections	222	226	231	234	241
Residential Connections	707	672	734	737	743
Total Connections	929	898	967	971	984
Total Equivalent Residential Units	1,939	1,950	2,060	2,084	2,107
Average Daily Sewage Treatment (gallons per day)	186,000	220,500	238,000	240,000	244,000

Sources: Various Town departments

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
485	450	290	370	277
35	29	23	11	19
62	70	53	56	32
1,512	1,444	1,169	925	783
728	771	779	773	602
73	124	85	45	51
608	133	165	164	167
205	170	159	188	173
16,482	8,670	15,783	17,149	16,179
238	207	171	188	218
1,209	1,224	1,617	1,397	1,824
1,447	1,431	1,788	1,585	2,042
\$34,064,698	\$34,371,713	\$54,846,969	\$32,197,936	\$29,682,928
5	9	5	8	8
847	899	841	841	817
600	300	300	200	300
3.18	2.27	1.24	2.17	3.60
0.00	0.00	11.00	0.00	1.34
0.00	0.00	0.00	0.00	3.38
169,592	167,896	145,467	136,548	145,981
15,547	15,682	15,887	11,950	6,467
15,689	19,169	21,372	22,430	28,184
852	896	886	865	226
12,993	20,081	16,671	15,840	10,499
9,019	10,303	11,629	12,907	12,561
3,465	3,068	2,381	2,686	1,734
187,226	207,987	194,636	181,385	99,281
871	1,003	1,095	1,216	614
363	403	441	508	53
7	8	8	8	8
422	466	471	430	454
2,017	2,069	2,094	2,064	2,112
2,439	2,535	2,565	2,494	2,566
4,005	4,043	4,115	4,143	4,435
734,828	735,359	698,041	725,408	738,000
42	42	43	44	46
13	20	38	36	43
173	180	196	206	384
227,000	238,000	283,000	291,000	283,000
261	263	266	271	280
742	751	756	758	773
1,003	1,014	1,022	1,029	1,053
2,165	2,178	2,205	2,232	2,440
247,000	263,000	313,000	325,000	435,000

TOWN OF LADY LAKE, FLORIDA
CAPITAL ASSET AND INFRASTRUCTURE STATISTICS
BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

<u>Function/Program</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Police				
Stations (Includes substation)	1	1	1	1
Sworn Officers (positions filled)	30	28	28	28
Administration Units	4	3	3	3
Patrol Units	20	20	21	21
Motorcycle Units	2	2	1	1
Investigation Units	2	2	2	2
School Resource Officer Unit	1	1	0	0
K-9 Officer with Dog Unit	1	0	1	1
Support (Non-Sworn)	16	16	6.5	6.5
Roads and Streets				
Paved Roads (miles)	61.21	61.21	61.44	61.44
Unpaved Roads (miles)	2.58	2.58	2.58	2.58
Sidewalks (feet)	9,100	9,100	9,100	26,084
Land Annexations (acreage)	55.67	26.83	0	0
Culture and Recreation:				
Libraries	1	1	1	1
Acreage	54	54	54	54
Parks	4	4	4	4
Recreation Centers	1	1	1	1
Basketball Courts	1	1	1	1
Racquetball Handball Courts	4	4	4	4
Tennis Courts	2	2	2	2
Softball Fields	1	1	1	1
Baseball Fields	4	4	4	4
Playgrounds	1	1	1	1
Dog Park	1	1	1	1
Soccer Fields	3	3	3	3
Golf Driving Range	1	1	1	1
Water				
Water Mains (miles)	54.2	54.3	54.3	54.3
Storage Capacity (gallons)	565,000	565,000	565,000	565,000
Treatment Capacity (gallons per day)	2,358,000	2,358,000	2,358,000	2,358,000
Fire Hydrants	355	305	315	319
Water Plants	3	3	3	3
Reuse				
Water Mains (miles)	7.3	7.3	7.3	7.3
Storage Capacity (gallons)	1,200,000	1,200,000	1,200,000	1,200,000
Wastewater				
Sewers-Force Mains/Gravity (miles)	23.3	23.3	23.3	23.3
Permitted Treatment Capacity (gallons/day)	630,000	638,000	638,000	638,000
Lift Stations	18	18	19	19

Sources: Various Town departments

<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
1	1	1	1	1	1
28	28	28	28	30	30
3	3	3	3	3	3
21	21	21	22	24	24
1	1	1	0	0	0
2	2	2	2	2	2
0	0	0	0	0	0
1	1	1	1	1	1
6.5	7	6	6	6	6
61.44	61.44	62.64	62.64	62.64	62.64
2.58	2.58	3.08	3.08	3.08	3.08
26,084	26,084	30,250	30,250	30,250	30,250
-3.18	4.89	5.81	39.06	9.53	0.16
1	1	1	1	1	1
54	54	54	54	54	54
4	4	4	4	4	4
1	1	1	1	1	1
1	1	1	1	1	1
4	4	4	4	4	4
2	2	2	2	2	2
1	1	1	1	1	1
4	4	4	4	4	4
1	1	1	1	1	1
1	1	1	1	1	1
3	3	3	3	3	3
1	1	1	1	1	1
54.3	54.3	54.3	54.3	54.5	54.6
565,000	565,000	565,000	565,000	565,000	565,000
2,358,000	2,358,000	2,358,000	2,358,000	2,358,000	2,358,000
322	327	327	337	346	363
3	3	3	3	3	3
7.3	7.3	7.3	7.3	7.4	7.5
1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000
23.3	23.3	23.3	23.3	23.3	23.6
638,000	638,000	638,000	638,000	638,000	638,000
19	19	19	19	19	19

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Shumacker, Johnston & Ross, PA

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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*

March 30, 2021

Honorable Mayor and Members of
The Town Commission
Town of Lady Lake, Florida

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Lady Lake, Florida, as of and for the year ended September 30, 2020, which collectively comprise the Town of Lady Lake, Florida's basic financial statements, and have issued our report thereon dated March 30, 2021. We conducted our audit in accordance with 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.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town of Lady Lake, Florida'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 Town's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town of Lady Lake'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 combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Town's financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged by governance.

Our consideration of the internal control over financial reporting 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 significant deficiencies or material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town of Lady Lake, Florida's financial statements are free of 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*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing on 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.


Shumacker, Johnston & Ross, PA

**TOWN OF LADY LAKE, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

FEDERAL AWARDS				
<u>Federal Grantor/ Program Title</u>	<u>Federal CFDA Number</u>	<u>Federal Revenues</u>	<u>Federal Expenditures</u>	<u>Federal through State Receipts</u>
U.S. DEPARTMENT OF JUSTICE				
Bulletproof Vest (total grant \$3,354) Grant #2017-BUBX	16.607	\$ 421	\$ 421	\$ -
Bulletproof Vest (total grant \$3,996) Grant #2018-BUBX	16.607	3,996	3,996	-
Bulletproof Vest (total grant \$3,472) Grant #2019-BUBX	16.607	720	720	-
Bulletproof Vest (total grant \$4,000) Grant #2020-BUBX	16.607	-	-	-
Pass through the Florida Department of Law Enforcement: Byrne Memorial Justice Assistance Grant Thermal Printers (total grant \$5,238) Contract #2019-JAGC-LAKE-6-N2-047	16.738	-	-	5,225
Byrne Memorial Justice Assistance Grant Interview Recording and Storage (total grant \$5,236) Contract #2020-JAGC-LAKE-2-Y5-070	16.738	5,236	5,236	-
Molle Style Outer Vest Carrier (total grant \$1,657) Contract #2019-JAGD-LAKE-6-N3-082	16.738	-	-	-
Molle Style Outer Vest Carrier (total grant \$2,137) Contract #2020-JAGD-LAKE-2-Y6-048	16.738	-	-	-
U.S. DEPARTMENT OF HOMELAND SECURITY				
FEDERAL EMERGENCY MANAGEMENT AGENCY				
Pass through the Florida Division of Emergency Management: Hurricane Irma Assistance Program FEMA 4337, Contract # Z0346	97.038	61,174	-	61,174
Total Federal Awards		<u>\$ 71,547</u>	<u>\$ 10,373</u>	<u>66,399</u>

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(Federal Single Audit not required)

TOWN OF LADY LAKE, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE (Continued)
FOR THE YEAR ENDED SEPTEMBER 30, 2020

STATE OF FLORIDA FINANCIAL ASSISTANCE

State Agency/ Program Title	State CSFA Number	State Revenues	State Expenditures	State Receipts
FLORIDA DIVISION OF EMERGENCY MANAGEMENT				
Emergency Management:				
Hurricane Irma Assistance Program				
FEMA 4337, Contract # Z0346				
		7,708	-	7,708
Total State Financial Assistance		\$ 7,708	\$ -	7,708
Total State Receipts				\$ 74,107

(State Single Audit not required)

NOTE: This schedule was prepared using the modified accrual basis of accounting for *Federal and State Revenues and Expenditures*, and the cash basis for *Federal through State Receipts* and *State Receipts*.

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MANAGEMENT LETTER

March 30, 2021

Honorable Mayor and Members of
the Town Commission
Town of Lady Lake, Florida

We have audited the basic financial statements of the Town of Lady Lake, Florida as of and for the year ended September 30, 2020, and have issued our report thereon dated March 30, 2021.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*, and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated March 30, 2021, should be considered in conjunction with this management letter.

The following comments and recommendations are provide as required by Chapter 10.550, Section 10.554(1)(i), *Rules of the Auditor General*, which govern the conduct of local government entity audits performed in the State of Florida.

1. There were no significant findings or recommendations made in the preceding annual financial audit.
2. We have made no recommendations to improve the Town's present financial management, accounting procedures, and internal controls.
3. We did not discover any violations of provisions of contracts or grant agreements, fraud, illegal acts, or abuse that have an effect on the financial statements that warrants the attention of those charged with governance.

4. The name of the primary government is the Town of Lady Lake, Florida, created by special act of the Florida Legislature, Chapter 12956, Laws of Florida, 1927. There are no component units included within the reporting entity.
- 5a. The town has not met any of the financial emergency conditions described in Section 218.503(1), *Florida Statutes*.
- 5b. Financial condition assessment procedures pursuant to Rule 10.556(8) were applied during the audit of the basic financial statements. The Town is not, and during the fiscal year, was not experiencing deteriorating financial conditions which may cause a financial emergency described in Section 218.503(1), *Florida Statutes*. Accordingly, we have made no recommendations addressing deteriorating financial conditions in accordance with Rule 10.557(4)(b).

Our management letter is intended solely for the use of management, the Town commission, the Legislative Auditing Committee, members of the Florida Senate and Florida House of Representatives, and the state of Florida Auditor General and is not intended and should not be used by anyone other than these specified parties.



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INDEPENDENT AUDITOR'S REPORT

March 30, 2021

Honorable Mayor and Members of the
Town Commission
Town of Lady Lake, Florida

We have examined the Town of Lady Lake, Florida's compliance with the requirements of Section 218.415, *Florida Statutes*, regarding the investment of public funds during the year ended September 30, 2020. Management is responsible for the Town's compliance with those requirements. Our responsibility is to express an opinion on the Town's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Town complied with Section 218.415, *Florida Statutes*, for the year ended September 30, 2020, in all material respects. An examination involves performing procedures to obtain evidence about the Town's compliance with those requirements. The nature, timing, and extent of the procedures selected depend upon on our judgement, including an assessment of risks of material noncompliance with those requirements, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on the Town's compliance with specified requirements.

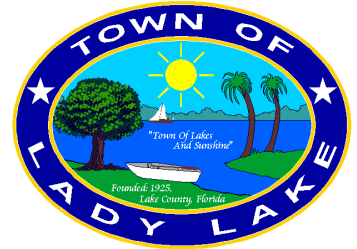
In our opinion, the Town complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2020.

This report is intended solely for the information and use of the Town and the Auditor General, State of Florida, and is not intended to be, and should not be, used by anyone other than these specified parties.



Shumacker, Johnston & Ross, PA

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AFFIDAVIT

BEFORE ME, the undersigned authority, personally appeared Pamela Winegardner, who being duly sworn, deposes and says on oath that:

1. I am the Finance Director of the Town of Lady Lake, which is a local governmental entity of the State of Florida.
2. The Town of Lady Lake adopted Ordinance Nos. 2008-29, 2008-30, 2009-04, and 2014-01 implementing new and updating existing impact fees.
3. The Town of Lady Lake has complied and, as of the date of this Affidavit, remains in compliance with Section 163.31801, Florida Statutes.

FURTHER AFFIANT SAYETH NAUGHT.

Pamela Winegardner, Finance Director

STATE OF FLORIDA
COUNTY OF LAKE

SWORN TO AND SUBSCRIBED before me this 30th day of March, 2021.

NOTARY PUBLIC
Print Name: Carol Osborne

Personally known X or produced identification _____

Type of identification produced: _____

My Commission Expires: August 8, 2024

Official Signatures on File in Town Clerk's Office