

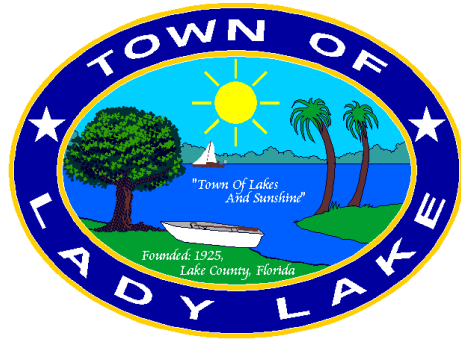


Town of Lady Lake, FL

Annual Comprehensive Financial Report for the Fiscal Year Ended September 30, 2021



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TOWN OF LADY LAKE, FLORIDA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FISCAL YEAR ENDED SEPTEMBER 30, 2021

Prepared by:
Pamela Winegardner, CGFO
Finance Director

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**TOWN OF LADY LAKE, FLORIDA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

TABLE OF CONTENTS

	<u>Page</u>
INTRODUCTORY SECTION	
Letter of Transmittal	i - v
Certificate of Achievement for Excellence in Financial Reporting	vi
Town Commission and Officials	vii
Organizational Chart	viii
FINANCIAL SECTION	
INDEPENDENT AUDITOR’S REPORT	1-3
MANAGEMENT’S DISCUSSION AND ANALYSIS	5-16
BASIC FINANCIAL STATEMENTS:	
Government-wide Financial Statements:	
Statement of Net Position	17
Statement of Activities	18-19
Fund Financial Statements:	
Balance Sheet – Governmental Funds	21
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	22
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	23
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual – General Fund	24
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual – Sales Tax Revenue Fund	25
Statement of Net Position – Proprietary Fund	26-27
Statement of Revenues, Expenses, and Changes in Fund Net Position - Proprietary Fund	28
Statement of Cash Flows – Proprietary Fund	29-30
Statement of Fiduciary Net Position – Fiduciary Funds	31
Statement of Changes in Fiduciary Net Position – Fiduciary Funds	32
Notes to Financial Statements	33-52

**TOWN OF LADY LAKE, FLORIDA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

**TABLE OF CONTENTS
(Continued)**

	<u>Page</u>
Required Supplementary Information:	
Police Retirement Trust Fund – Schedule of Changes in Net Pension Liability and Related Ratios	54-55
Schedule of Contributions and Schedule of Investment Returns	56-57
Individual Fund Financial Statements and Schedules:	
General Fund:	
Comparative Balance Sheets	60
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	61
Schedule of Revenues Compared to Budget	62-63
Schedule of Expenditures Compared to Budget	64-66
Sales Tax Revenue Fund:	
Comparative Balance Sheets	68
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	69
Utility Fund:	
Comparative Statements of Net Position	72-73
Comparative Statements of Revenues, Expenses, and Changes in Net Position	74
Comparative Statements of Cash Flows	75-76
Schedule of Budgetary Compliance:	
Utility Fund – Schedule of Revenues and Expenses - Budget and Actual (Basis Other Than GAAP)	78
Capital Assets Used in the Operation of Governmental Activities:	
Comparative Schedule of Capital Assets Used in Governmental Activities – By source	80
Schedule of Capital Assets Used in Governmental Activities by Function and Activity	81
Schedule of Changes in Capital Assets Used in Governmental Activities by Function and Activity	82

**TOWN OF LADY LAKE, FLORIDA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

**TABLE OF CONTENTS
(Continued)**

	<u>Page</u>
STATISTICAL SECTION	
Net Position by Component	84-85
Changes in Net Position	86-89
Fund Balances, Governmental Funds	90-91
Changes in Fund Balances, Governmental Funds	92-93
General Governmental Tax Revenue by Source	94
Estimated Just Value and Taxable (Assessed) Value of Property	95
Property Tax Rates - Direct and Overlapping Governments	96
Principal Property Taxpayers	97
Property Tax Levies and Collections	98
Ratios of Outstanding Debt by Type	99
Ratios of General Bonded Debt Outstanding	100
Direct and Overlapping Governmental Activities Debt	100
Pledged-Revenue Coverage (Infrastructure Sales Surtaxes)	101
Pledged-Revenue Coverage (Utility Revenues)	102
Demographic Statistics	103
Demographic and Economic Statistics	104-105
Principal Employers	106

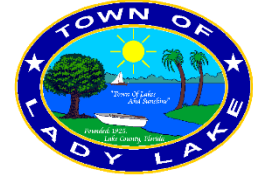
**TOWN OF LADY LAKE, FLORIDA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

**TABLE OF CONTENTS
(Continued)**

	<u>Page</u>
Full-time Equivalent Town Government Employees by Function	107
Operating Indicators by Function/Program	108-109
Capital Asset and Infrastructure Statistics by Function/Program	110-111

REGULATORY AND COMPLIANCE SECTION

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 <i>Government Auditing Standards</i>	113-114
Schedule of Expenditures of Federal Awards and State Financial Assistance	115-116
Management Letter	117-118
Independent Auditor's Report	119
Affidavit of compliance with Section 163.31801, Florida Statutes	121



June 23, 2022

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

It is our pleasure to present the Annual Comprehensive Financial Report of the Town of Lady Lake, Florida, (hereinafter referred to as “the Town”), for the fiscal year ended September 30, 2021, 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 Annual Comprehensive 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 is 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 have 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, 2021, 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, 2021, 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

June 23, 2022

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 in north Lake County, Florida, approximately fifty miles northwest of Orlando on U.S. Highway 27/441. It currently occupies 9 square miles and serves a population of 16,042. 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 2021 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,

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

June 23, 2022

reuse and contracted garbage services. The Town Commission has financial accountability and 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 1245% from a population of 1,193 in 1980 to an estimated 16,042.

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 was permitted and completed or still under construction include the Rio Grande Air Rifle Range, new U.S. Post Office on La Grande Blvd, Affordable Lock & Key (new location/building), T Palace Nail Spa, S.I. Nail Salon, Royal Auto Shield LLC, Brittney Bereti, LMT Massage Therapy, Redevelopment Management Assoc. Consulting, Brionez & Brionez, P.A., Garcia Landscaping, Augustine's 1812 House, Davis Family Hearing, PS Salon & Spa, Balance Wellbeing, LLC, Ryan Home Repairs Inc.

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

June 23, 2022

Baldwin Brothers Funeral & Cremation, Prestige Design Painting LLC, First Light Home Care of Lake, Sumter & Marion, RN Medical LLC, The Green Apple Health Food Store, Sky Smoke Shop, Fertigator Lawn Care, Grace Above Fear, Couture Properties, First International Title, Lanius Law Firm, Josef Landscaping, Sterling Medical Group, Goodwill Industries of Central Florida, Villages Flip Flop, LLC, Salon Beautiques, DVine Arts Dental Laboratory, Bulldog Sitework, LLC, Quality Physician Group, Bob's Mow N Go, LLC, Wendy's Hair Design, Inc., Farmshed, LLC., RAYUS Radiology, PC MAC Shop, Focus Orthopedics, Fernandez & Martez Medical Management, Functional Pathways Preferred of TN, Dental Care on Fennell, Spurgeon Building Services, Inc., SN Healthcare, LLC, Senior Nannies Home Care, Specialty MD, East 2 West Acupuncture, Lake Advisory Group, Recharge Clinic, Uadvertisehere.Com, and Restoration Spine and Sport, LLC along with many others too numerous to list.

Lake County's September 2021 unemployment rate was 4.3%. This is a lot lower than last year and is close to the state average (3.9%) and slightly lower than the United States average of 4.4% for the same period. Florida's unemployment rate has been decreased dramatically from 7.2% last year.

Taxable values for real and personal property have increased by 38.1% from fiscal year 2008 (\$941,854,563 to \$1,300,527,498) 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 2021 rose 8.7% from FY2020. The Town Commission elected to keep the millage at 3.3962 per \$1,000 of taxable value for FY2021.

Long-term financial planning. The General Fund's unassigned fund balance on September 30, 2021, is \$8,161,588. This balance represents 64.4% of the FY2021 General Fund final budget of \$12,673,881 when the pass thru costs of the contracted fire services of \$1,020,000 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 \$1,648,054.07 of sales tax revenue in Fiscal Year 2021. This was used to pay \$400,000 for 5 miles of the Paving Management Plan.

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

June 23, 2022

AWARDS AND ACKNOWLEDGEMENTS

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 for its annual comprehensive financial report for the fiscal year ended September 30, 2020. This was the twenty-sixth consecutive year that the Town of Lady Lake has achieved this prestigious award.

In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive 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 annual comprehensive 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.

Special appreciation is 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,

William Lawrence
Town Manager

Pamela Winegardner
Finance Director

Official Signatures on File in Town Clerk's Office



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Town of Lady Lake
Florida**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2020

Christopher P. Morill

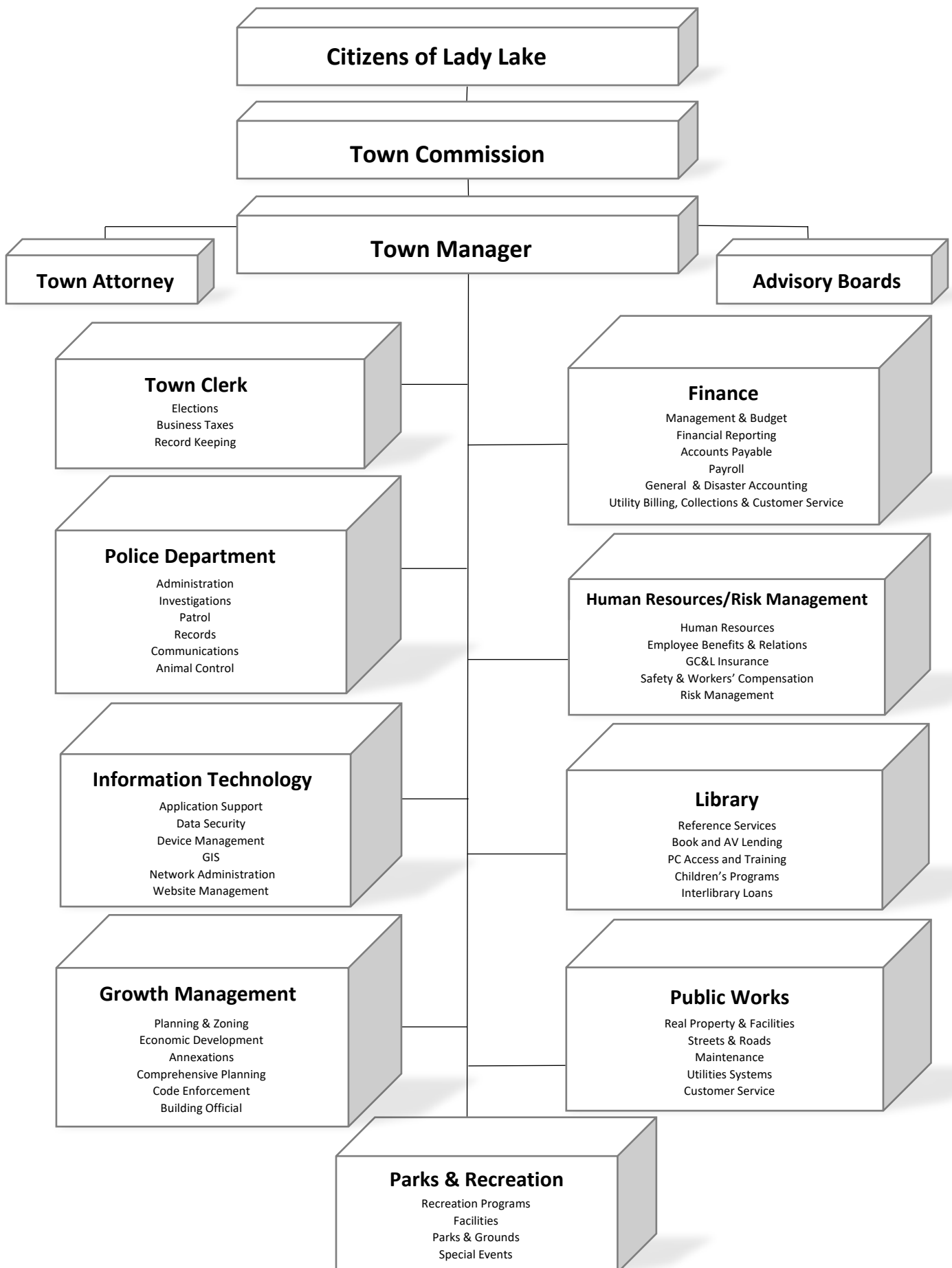
Executive Director/CEO

**TOWN OF LADY LAKE, FLORIDA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FISCAL YEAR ENDED SEPTEMBER 30, 2021**

**TOWN COMMISSION AND OFFICIALS
AT SEPTEMBER 30, 2021**

Mayor-Commissioner - Ward 1	Ruth Kussard
Commissioner - Ward 2	Anthony Holden
Commissioner - Ward 3	Dan Vincent
Commissioner - Ward 4	Paul F. Hannan
Commissioner - Ward 5	James Rietz
Town Manager	William Lawrence
Town Clerk	Nancy Slaton
Finance Director	Pamela Winegardner
Director of Human Resources	Tamika DeLee
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



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

June 23, 2022

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, 2021, 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, 2021, 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, 2021, 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, 2021, 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, 2021, 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.

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 June 23, 2022 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.

A handwritten signature in blue ink that reads "Shumacker, Johnston & Ross, PA". The signature is stylized and cursive.

Shumacker, Johnston & Ross, PA

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**TOWN OF LADY LAKE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021**

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 of Lady Lake for the fiscal year ended September 30, 2021. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i - v of this report.

As with other sections of this financial report, the information contained within this MD&A should be 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 \$59,594,134 (net position). Of this amount, \$18,800,185 (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 assets and deferred outflows exceeded its liabilities and deferred inflow as of September 30, 2021, by \$2,863,850. Total Net Position from business-type activities rose by \$976,778 from last year's largely as a result of an increase in the sale of utilities (water, sewer and reclaim) including new construction impact fees.
- As of the close of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$17,626,483 an increase of \$2,061,377 in comparison with the prior year. This increase is largely due to minimal use of sur-tax funds for one expense, \$400,000, for the paving management plan completed each year.
- Of the Town's governmental combined ending fund balances, unassigned funds are \$8,161,588 or 46.3% are within the Town's fund designation and fiscal policies. The unassigned fund balance for the General Fund in comparison with the prior year's shows an increase of \$839,643. The total governmental unassigned combined ending fund balance represent 66.4% of total General Fund expenditures (\$12,300,372.)
- The Town's total debt was paid off in October of 2016.

OVERVIEW OF THE FINANCIAL STATEMENTS

The discussion and analysis is intended to serve as an introduction to the Town's basic financial statements. The Town's basic financial statement are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statement. This report

TOWN OF LADY LAKE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021

also contains other supplementary information in addition to the basic financial statements themselves.
Government

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.

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 of the 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, 2021**

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 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 fiduciary funds include pension trust funds for police and general employees.

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 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 can be 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 can be found on page 54 and 57 of this report.

Comparative individual fund statements and schedules can be found on pages 60 through 80 of this report.

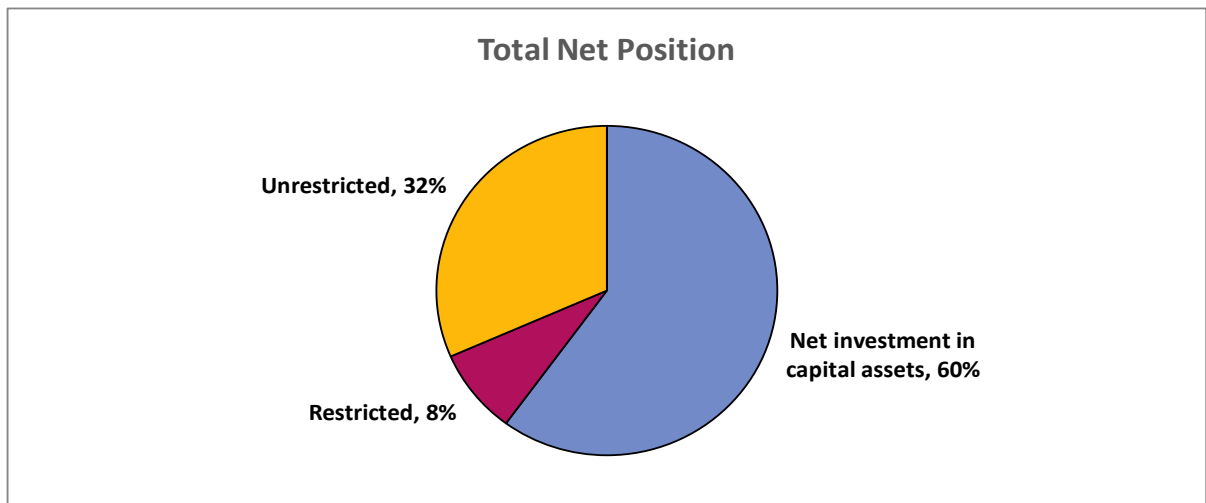
**TOWN OF LADY LAKE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021**

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 \$59,594,134 as of September 30, 2021. 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	
	2021	2020	2021	2020	2021	2020
Current and other assets	\$ 25,111,762	\$ 18,184,593	\$ 6,576,764	\$ 5,773,309	\$ 31,688,526	\$ 23,957,902
Capital assets	14,142,215	14,304,285	21,806,523	21,515,103	35,948,738	35,819,388
Total Assets	39,253,977	32,488,878	28,383,287	27,288,412	67,637,264	59,777,290
Deferred Outflows Pension Related	269,487	143,466	-	-	269,487	143,466
Current and other liabilities	5,262,439	1,160,060	945,246	822,812	6,207,685	1,982,872
Long-term liabilities						
outstanding	705,989	682,175	107,494	111,831	813,483	794,006
Total Liabilities	5,968,428	1,842,235	1,052,740	934,643	7,021,168	2,776,878
Deferred Inflows Pension Related	1,294,449	413,594	-	-	1,294,449	413,594
Net Position:						
Net investment in capital assets	14,142,215	14,304,285	21,663,297	21,515,103	35,805,512	35,819,388
Restricted	2,327,963	2,266,913	2,660,474	1,818,971	4,988,437	4,085,884
Unrestricted	15,793,409	13,805,317	3,006,776	3,019,695	18,800,185	16,825,012
Total Net Position	\$ 32,263,587	\$ 30,376,515	\$ 27,330,547	\$ 26,353,769	\$ 59,594,134	\$ 56,730,284



TOWN OF LADY LAKE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021

The largest portion of the Town's net position reflects its investment, (\$35,805,512 or 60%) 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 \$4,988,437 represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position \$18,800,185 may be used to meet the town's ongoing obligations to citizens and creditors.

As of September 30, 2021, the Town can 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 an increase of \$61,050 in the restricted net position reported in connection with the Town's governmental activities. The major portion was due to an increase of \$94,590 in capital improvements with a decrease of \$35,664 in building inspections.

The business-type activities had an increase of \$976,778 or 3.7% in total net position compared to the prior year. The net investment in capital assets also increased by \$291,420 or 1.4 % due to moving utility lines for road widening and work on several wells and wastewater treatment plan. The business-type activities restricted net position increased by \$841,503 or 46.3% due to moving utilities for road widening and work on several wells and wastewater treatment plan.

TOWN OF LADY LAKE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021

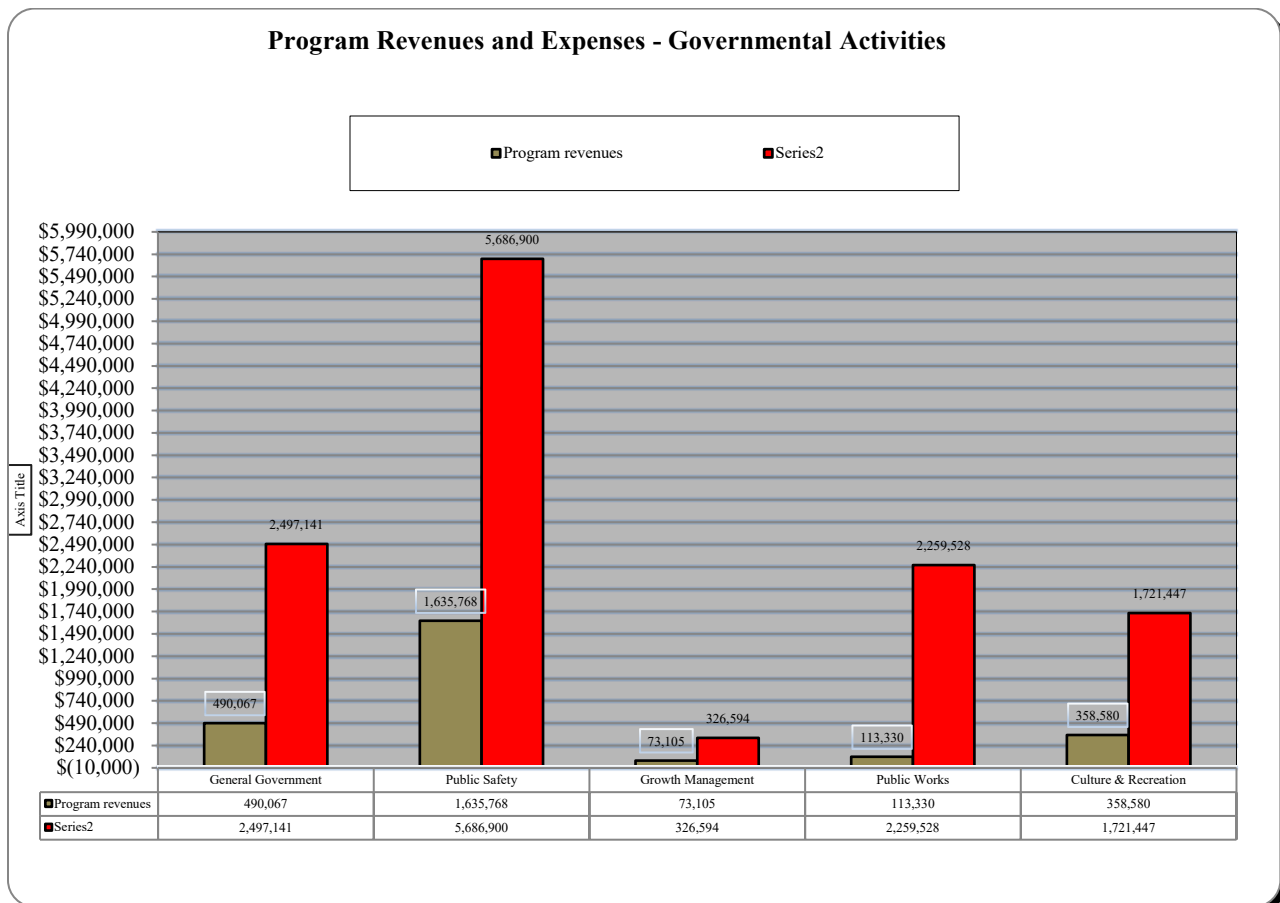
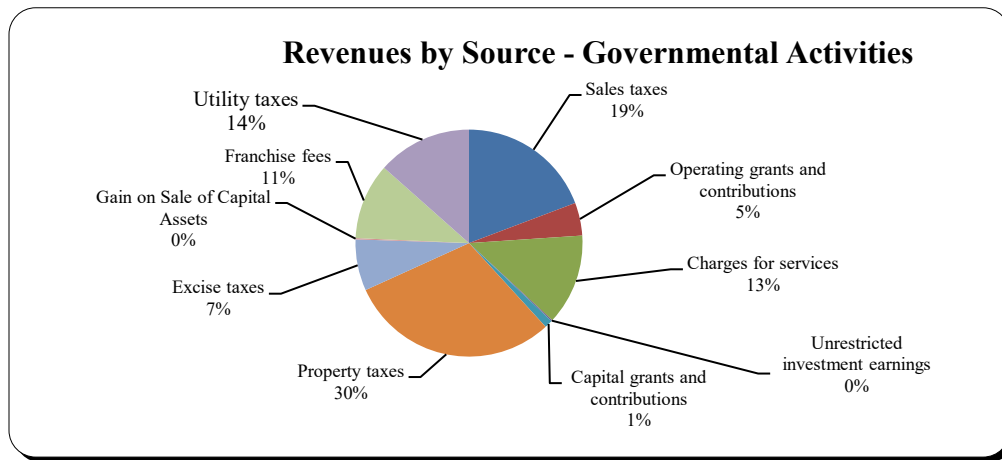
Statement of activities. As noted earlier, the statement of activities presents information showing how the Town's net position changed during the current year. The following table reflects the condensed statement of activities for the current fiscal year as compared to the prior fiscal year.

TOWN OF LADY LAKE'S CHANGES IN NET POSITION

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenues:						
Program revenues:						
Charges for services	\$ 1,841,388	\$ 1,769,613	\$ 4,241,505	\$ 3,830,132	\$ 6,082,893	\$ 5,599,745
Operating grants and contributions	666,082	299,482		-	666,082	299,482
Capital grants and contributions	163,380	70,798	1,230,332	92,286	1,393,712	163,084
General revenues:						
Property taxes	4,265,864	3,913,190	-	-	4,265,864	3,913,190
Sales taxes	2,736,286	2,321,548	-	-	2,736,286	2,321,548
Franchise fees	1,541,144	1,521,408	-	-	1,541,144	1,521,408
Utility taxes	1,911,712	1,873,916	-	-	1,911,712	1,873,916
Excise taxes	1,038,499	953,422	-	-	1,038,499	953,422
Unrestricted investment earnings	22,264	151,478	51,791	50,215	74,055	201,693
Gain on Sale Assets	26,015	45,555			26,015	45,555
Total Revenues	14,212,634	12,920,410	5,523,628	3,972,633	19,736,262	16,893,043
Expenses:						
General Government	2,497,141	2,269,596	-	-	2,497,141	2,269,596
Public Safety	5,686,900	4,927,303	-	-	5,686,900	4,927,303
Growth Management	326,594	350,102	-	-	326,594	350,102
Public Works	2,259,528	2,238,018	-	-	2,259,528	2,238,018
Culture and Recreation	1,721,447	1,875,363	-	-	1,721,447	1,875,363
Interest on long-term debt	-	-	-	-	-	-
Utility Services			4,380,802	4,362,981	4,380,802	4,362,981
Total Expenses	12,491,610	11,660,382	4,380,802	4,362,981	16,872,412	16,023,363
Change in net position before transfers	1,721,024	1,260,028	1,142,826	(390,348)	2,863,850	869,680
Transfers	166,048	255,500	(166,048)	(255,500)	-	-
Change in net position	1,887,072	1,515,528	976,778	(645,848)	2,863,850	869,680
Net Position - 10/01/2020	30,376,515	28,860,987	26,353,769	26,999,617	56,730,284	55,860,604
Net Position - 09/30/2021	\$ 32,263,587	\$ 30,376,515	\$ 27,330,547	\$ 26,353,769	\$ 59,594,134	\$ 56,730,284

**TOWN OF LADY LAKE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021**

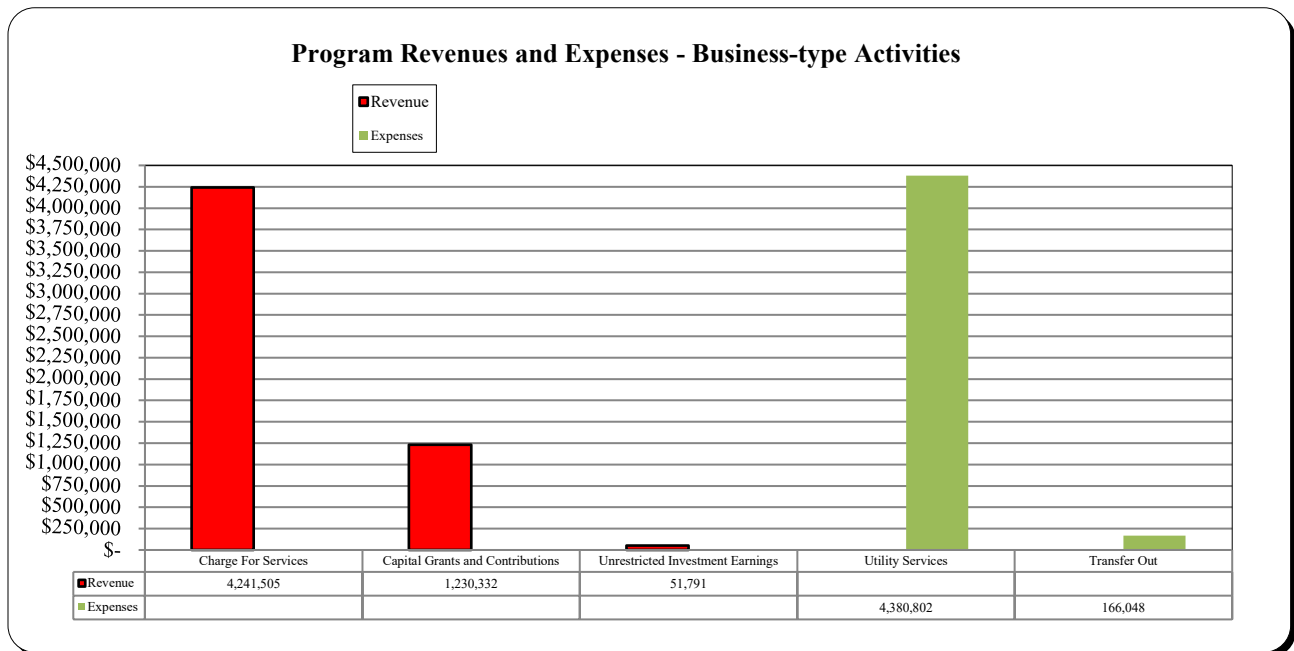
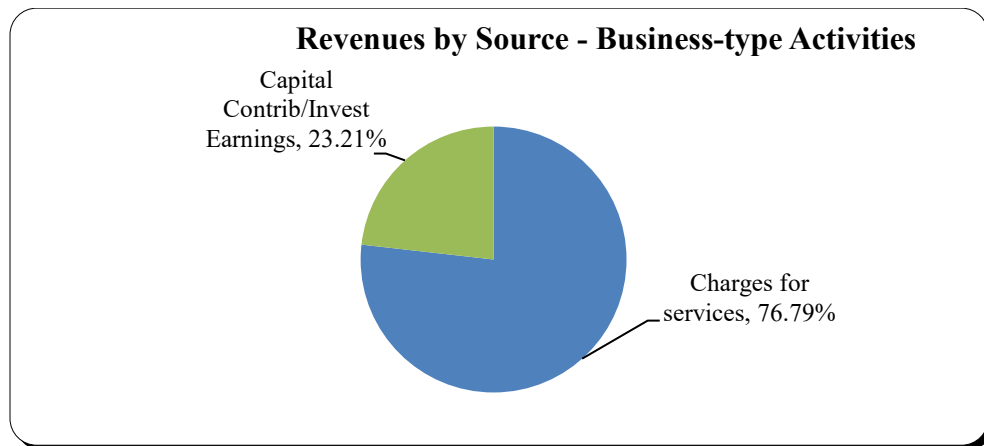
Governmental activities. Governmental activities increased the Town's net position by \$1,887,072. The fiscal year 2021 millage rate was kept the same as the fiscal year 2020 millage rate of 3.3962 but with an increase in net taxable value of 4.3%, which includes new construction, and increased value of properties, the net result was an increase in the total fund balance.



**TOWN OF LADY LAKE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021**

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.

Business-type activities. Business-type activities increased the Town's net position by \$ 976,778. The increase is due primarily to an increase in impact fees with new growth. The percentage breakdown of the business-type activities revenues can be seen below.



**TOWN OF LADY LAKE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021**

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 2021, the Town's governmental funds reported combined ending fund balances of \$17,626,483, an increase of \$2,061,377 in comparison with the prior year. Approximately 46% of the combined ending fund balances or \$8,161,588 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 these funds are as follows: Non-spendable \$51,501 for Prepaids and Real Property Held for Resale; Restricted \$5,749,429 for Education, Police Training & Equipment, Recreation and other Capital Improvements; Committed \$3,640,030 for certain capital improvements, and Assigned \$23,935 for Tree Beautification.

As was discussed on page 11 under Governmental Activities although the millage stayed the same as FY20, new construction and values increased. The funds that are Non-spendable, Restricted, Committed and Assigned increased by \$1,206,339 due collection of Sur-tax funds with few expenditures and the General Fund coming in under budget with the excess going to the Committed Fund for certain capital improvements.

The General Fund, which is the primary operating fund of the Town, had a fund balance of \$14,205,017 but \$6,043,429 was dedicated for purposes other than general spending. The unassigned fund balance increased by \$839,643.

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 \$3,421,466 at the end of the fiscal year, an increase of \$1,251,283 from the prior year. This increase was largely due to not needing to fund any new projects this year except for \$400,000 for the annual paving management program. 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 2021, the Town's Utility Fund reported unrestricted net position of \$3,006,776, with a decrease of \$12,919 from the prior year. The unrestricted net position of the Utility Fund had little change due to a decrease in net cash used in noncapital financing as shown on page 29.

**TOWN OF LADY LAKE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021**

CAPITAL ASSETS

The Town's investment in capital assets for its governmental and business-type activities as of September 30, 2021, amounts to \$35,948,738 (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 increased \$129,350 from the prior year. The change is primarily due to the investment in capital assets offset by 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 Funds:		
1601	Information Technology Equipment	\$26,336.68
1901	Town Hall Electronic Sign	\$22,171.00
1901	AVI Audio/video Upgrade Commission Chambers	\$106,238.20
1901	Fiber Conduit Intra-Town (Work in Progress)	\$21,290.41
2101	Five Police Vehicles	\$220,793.11
4102	Ford F-250	\$58,075.00
4102	Kubota Mower	\$24,903.11
7101	Library Replace Flooring on 2 nd Floor	\$13,785.00
7201	Walking Trail (Work in Progress)	\$69,750.00
7201	Sunshades Dog Park	\$15,999.50
7201	John Deere Gator	\$15,509.67
7201	Kawasaki Mower	\$13,211.62
7201	Ford F150 Extended Truck	\$35,067.90
7501	Community Building Remodel (FY19 to FY21) Completed	\$307,324.24
Business-type funds:		
Water	Wells Engineering (Work in Progress)	\$176,000.00
	IT Enhancements	\$11,823.93
	Emergency By-Pass Pump	\$58,215.00
	4WD Ranger	\$33,110.00
	Conveyance of Water Line Lake Sumter Apartments	\$54,324.31
Sewer	WRF Expansion Engineering/Contracting	\$590,270.45
	Sewer Jetter	\$ 86,733.00
	Generator and Trailer	\$90,827.79
	Conveyance of Sewer Line Lake Sumter Apartments	\$117,916.93

**TOWN OF LADY LAKE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021**

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

	Governmental activities		Business-type activities		Total	
	2021	2020	2021	2020	2021	2020
Land	\$ 2,143,894	\$ 2,143,894	\$ 509,453	\$ 509,453	\$ 2,653,347	\$ 2,653,347
Buildings	6,917,478	7,032,344	\$ 2,587,507	\$ 2,684,638	9,504,985	9,716,982
Improvements other than buildings	963,001	1,063,459		-	963,001	1,063,459
Furniture and equipment	1,499,993	1,436,159	805,244	658,852	2,305,237	2,095,011
Infrastructure-incl. Utilities	2,162,756	2,265,127	14,861,618	15,611,130	17,024,374	17,876,257
Construction in Progress	455,093	363,302	2,203,023	1,172,297	2,658,116	1,535,599
Total Capital Assets	\$ 14,142,215	\$ 14,304,285	\$ 20,966,845	\$ 20,636,370	\$ 35,109,060	\$ 34,940,655

GENERAL FUND BUDGETARY HIGHLIGHTS

The Town amended the original appropriations approved by the Town Commission. The General Fund changes resulted in a decrease to the appropriations of approximately 4%. The decrease is due to estimated revenue coming in higher with estimated spending being lower. The budget is approved at Department level and all departments were within their budget. The Sales Tax Revenue Fund Budget was unchanged.

LONG-TERM DEBT

The balance of \$813,483 represents amounts due for compensated absences.

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

**TOWN OF LADY LAKE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021**

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 8.7% in tax year 2021 as compared to tax year 2020. This increase in taxable value was due to 17.15% of increased taxable values (due to an increase in market conditions and Amendment 1 provisions) and includes 0.18% of new construction taxable values. With this increase in taxable value, which increase ad valorem tax revenue, the Town Commission was able to set the millage rate at 3.3962 mills for fiscal year 2021, which is the same millage rate as fiscal year 2020.

Effective 10/01/2021, the Town of Lady Lake approved changes to the Lady Lake Police Officers' Retirement Trust Fund per Ordinance 2021-20. Retirement age was reduced from age 55 and 10 years to age 55 and 8 years. Changes also were made from completion of 25 years of credited service to 20 years of credited service regardless of age. There was also a modification to the monthly retirement benefit from 3.3 to 3.5%. This change increases the town's contributions by 2% but the Actuarial Impact study shows this does not reflect any change in the assumptions for the termination or retirement.

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, 2021

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
<u>ASSETS</u>			
Cash and Equivalents	\$ 10,455,382	\$ 2,649,435	\$ 13,104,817
Investments	11,712,802	-	11,712,802
Receivables (net of allowance for uncollectibles)	319,307	431,432	750,739
Due from Other Governments	626,896	5,990	632,886
Internal Balances	5,356	(5,356)	-
Assets Held for Resale	6,800	-	6,800
Inventory and Prepaid Items	44,701	112,996	157,697
Restricted Cash	-	3,382,267	3,382,267
Capital Assets (net of accumulated depreciation and amortization):			
Sewer Capacity Reservation Agreement	-	839,678	839,678
Land	2,143,894	509,453	2,653,347
Buildings	6,917,478	2,587,507	9,504,985
Improvements Other Than Buildings	963,001	-	963,001
Equipment	1,499,993	805,244	2,305,237
Infrastructure and Utility Systems	2,162,756	14,861,618	17,024,374
Construction in Progress	455,093	2,203,023	2,658,116
Net Pension Asset	1,940,518	-	1,940,518
Total Assets	39,253,977	28,383,287	67,637,264
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Deferred Outflows Pension-Related	269,487	-	269,487
<u>LIABILITIES</u>			
Accounts Payable	677,244	181,499	858,743
Accrued Liabilities	81,791	10,197	91,988
Customer Deposits	-	721,793	721,793
Due to Other Governments	2,467	-	2,467
Unearned Revenue	4,500,937	31,757	4,532,694
Noncurrent Liabilities:			
Due within one year	494,192	47,297	541,489
Due in more than one year	211,797	60,197	271,994
Total Liabilities	5,968,428	1,052,740	7,021,168
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Deferred Inflows Pension-Related	1,291,449	-	1,291,449
<u>NET POSITION</u>			
Net Investment in Capital Assets	14,142,215	21,663,297	35,805,512
Restricted for:			
Capital Improvements	687,526	2,660,474	3,348,000
Police	13,181	-	13,181
Education	1,625,466	-	1,625,466
Library	1,790	-	1,790
Unrestricted	15,793,409	3,006,776	18,800,185
Total Net Position	\$ 32,263,587	\$ 27,330,547	\$ 59,594,134

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, 2021**

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES		
		CHARGES FOR	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS
		SERVICES		
Governmental Activities:				
General Government	\$ 2,497,141	\$ 48,342	\$ 441,725	\$ -
Public Safety	5,686,900	1,610,671	25,097	-
Growth Management	326,594	73,105	-	-
Public Works	2,259,528	60,754	52,576	-
Culture and Recreation	1,721,447	48,516	146,684	163,380
Total Governmental Activities	12,491,610	1,841,388	666,082	163,380
Business-Type Activities				
Water	1,546,792	1,462,965	-	405,899
Sewer	1,647,450	1,544,087	-	824,433
Garbage	1,186,560	1,234,453	-	-
Total Business-Type Activities	4,380,802	4,241,505	-	1,230,332
Total	\$ 16,872,412	\$ 6,082,893	\$ 666,082	\$ 1,393,712

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
\$ (2,007,074)	\$ -	\$ (2,007,074)
(4,051,132)	-	(4,051,132)
(253,489)	-	(253,489)
(2,146,198)	-	(2,146,198)
(1,362,867)	-	(1,362,867)
<u>(9,820,760)</u>	<u>-</u>	<u>(9,820,760)</u>
-	322,072	322,072
-	721,070	721,070
-	47,893	47,893
<u>-</u>	<u>1,091,035</u>	<u>1,091,035</u>
<u>(9,820,760)</u>	<u>1,091,035</u>	<u>(8,729,725)</u>
4,265,864	-	4,265,864
2,736,286	-	2,736,286
1,541,144	-	1,541,144
1,911,712	-	1,911,712
1,038,499	-	1,038,499
22,264	51,791	74,055
26,015	-	26,015
166,048	(166,048)	-
<u>11,707,832</u>	<u>(114,257)</u>	<u>11,593,575</u>
1,887,072	976,778	2,863,850
<u>30,376,515</u>	<u>26,353,769</u>	<u>56,730,284</u>
<u>\$ 32,263,587</u>	<u>\$ 27,330,547</u>	<u>\$ 59,594,134</u>

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TOWN OF LADY LAKE, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021

		SALES TAX REVENUE	TOTAL GOVERNMENTAL FUNDS
<u>ASSETS</u>	<u>GENERAL</u>		
Cash and Equivalents	\$ 7,217,832	\$ 3,237,550	\$ 10,455,382
Investments	11,712,802	-	11,712,802
Accounts Receivable (net of allowance for uncollectibles)	319,307	-	319,307
Due from Other Funds	5,356	-	5,356
Due from Other Governments	177,934	183,916	361,850
Real Property Held for Resale	6,800	-	6,800
Prepaid Items	44,701	-	44,701
Total Assets	<u>\$ 19,484,732</u>	<u>\$ 3,421,466</u>	<u>\$ 22,906,198</u>
<u>LIABILITIES</u>			
Accounts Payable	\$ 677,244	\$ -	\$ 677,244
Accrued Liabilities	81,791	-	81,791
Due to Other Governments	2,467	-	2,467
Unearned Revenue	37,006	-	37,006
Deferred Grant Revenue	4,463,931	-	4,463,931
Total Liabilities	<u>5,262,439</u>	<u>-</u>	<u>5,262,439</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Unavailable Revenue	<u>17,276</u>	<u>-</u>	<u>17,276</u>
<u>FUND BALANCES</u>			
Nonspendable	51,501	-	51,501
Restricted	2,327,963	3,421,466	5,749,429
Committed	3,640,030	-	3,640,030
Assigned	23,935	-	23,935
Unassigned	8,161,588	-	8,161,588
Total Fund Balances	<u>14,205,017</u>	<u>3,421,466</u>	<u>17,626,483</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 19,484,732</u>	<u>\$ 3,421,466</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 \$28,317,534 less accumulated depreciation of \$14,175,319.			14,142,215
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 \$265,046 and hurricane grant receivables \$17,276.			282,322
Net pension asset is not an available financial resource and, therefore, is not reported as an asset in the funds.			1,940,518
Deferred outflows \$269,487 and deferred inflows \$(1,291,449) related to pensions are not reported in the governmental funds but will be recognized in pension expense on a long term basis.			(1,021,962)
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.			(705,989)
NET POSITION OF GOVERNMENTAL ACTIVITIES			<u>\$ 32,263,587</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, 2021

	GENERAL	SALES TAX REVENUE	TOTAL GOVERNMENTAL FUNDS
REVENUES:			
Taxes	\$ 8,168,366	\$ 1,648,054	\$ 9,816,420
Licenses and Permits	464,034	-	464,034
Intergovernmental	2,280,284	-	2,280,284
Charges for Services	231,133	-	231,133
Fines and Forfeitures	28,027	-	28,027
Miscellaneous	1,346,559	3,229	1,349,788
	<u>12,518,403</u>	<u>1,651,283</u>	<u>14,169,686</u>
Total Revenues			
EXPENDITURES:			
Current:			
General Government	2,482,512	-	2,482,512
Public Safety	5,659,848	-	5,659,848
Growth Management	310,386	-	310,386
Public Works	2,077,264	-	2,077,264
Culture and Recreation	1,560,621	-	1,560,621
Capital Outlay	209,741	-	209,741
	<u>12,300,372</u>	<u>-</u>	<u>12,300,372</u>
Total Expenditures			
Excess of Revenues Over Expenditures	<u>218,031</u>	<u>1,651,283</u>	<u>1,869,314</u>
OTHER FINANCING SOURCES (USES):			
Transfers In	566,048	-	566,048
Transfers Out	-	(400,000)	(400,000)
Sale of Capital Assets	26,015	-	26,015
	<u>592,063</u>	<u>(400,000)</u>	<u>192,063</u>
Total Other Financing Sources (Uses)			
Net Change in Fund Balances	810,094	1,251,283	2,061,377
Fund Balance, Beginning of Year	<u>13,394,923</u>	<u>2,170,183</u>	<u>15,565,106</u>
Fund Balance, End of Year	<u>\$14,205,017</u>	<u>\$ 3,421,466</u>	<u>\$ 17,626,483</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, 2021

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

Net Change in Fund Balances - Total Governmental Funds	\$ 2,061,377
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, \$1,115,752, exceeded capital outlays, \$951,382, in the current period.	(164,370)
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.	14,633
Donations of capital assets increase net assets in the Statement of Activities, but do not appear in the governmental funds because they are not financial resources	2,300
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.	(23,814)
Changes in pension expense do not require the use of current financial resources and therefore, are not reported as expenditures in governmental funds.	<u>(3,054)</u>
Change in Net Position of Governmental Activities	<u><u>\$ 1,887,072</u></u>

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, 2021

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES:				
Taxes	\$ 8,004,108	\$ 8,004,108	\$ 8,168,366	\$ 164,258
Licenses and Permits	467,030	467,030	464,034	(2,996)
Intergovernmental	1,522,050	1,946,019	2,280,284	334,265
Charges for Services	235,600	235,600	231,133	(4,467)
Fines and Forfeitures	31,400	31,400	28,027	(3,373)
Miscellaneous	1,300,425	1,311,867	1,346,559	34,692
Total Revenues	11,560,613	11,996,024	12,518,403	522,379
EXPENDITURES:				
Current:				
General Government	2,393,529	2,599,797	2,482,512	117,285
Public Safety	5,774,793	6,135,051	5,659,848	475,203
Growth Management	735,729	735,729	310,386	425,343
Public Works	2,221,130	2,304,955	2,077,264	227,691
Culture and Recreation	1,536,480	1,672,191	1,560,621	111,570
Capital Outlay	-	246,158	209,741	36,417
Total Expenditures	12,661,661	13,693,881	12,300,372	1,393,509
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,101,048)	(1,697,857)	218,031	1,915,888
OTHER FINANCING SOURCES:				
Transfers In	851,048	920,798	566,048	(354,750)
Sale of Capital Assets	-	-	26,015	26,015
Total Other Financing Sources	851,048	920,798	592,063	(328,735)
Net Change in Fund Balance	(250,000)	(777,059)	810,094	1,587,153
Fund Balance, Beginning of Year	13,394,923	13,394,923	13,394,923	-
Fund Balance, End of Year	\$ 13,144,923	\$ 12,617,864	\$ 14,205,017	\$ 1,587,153

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, 2021

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES:				
Taxes	\$ 1,360,000	\$ 1,360,000	\$ 1,648,054	\$ 288,054
Miscellaneous	<u>15,200</u>	<u>15,200</u>	<u>3,229</u>	<u>(11,971)</u>
Total Revenues	<u>1,375,200</u>	<u>1,375,200</u>	<u>1,651,283</u>	<u>276,083</u>
OTHER FINANCING SOURCES (USES):				
Transfers Out	<u>(685,000)</u>	<u>(754,750)</u>	<u>(400,000)</u>	<u>354,750</u>
Total Other Financing Sources (Uses)	<u>(685,000)</u>	<u>(754,750)</u>	<u>(400,000)</u>	<u>354,750</u>
Net Change in Fund Balance	690,200	620,450	1,251,283	630,833
Fund Balance, Beginning of Year	<u>2,170,183</u>	<u>2,170,183</u>	<u>2,170,183</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 2,860,383</u>	<u>\$ 2,790,633</u>	<u>\$ 3,421,466</u>	<u>\$ 630,833</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, 2021

<u>ASSETS</u>	<u>UTILITY FUND</u>
CURRENT ASSETS:	
Cash	\$ 2,649,435
Restricted Cash:	
Customer Deposits	721,793
Customer Receivables, net of allowance for uncollectibles	431,432
Due from Other Governments	5,990
Inventory	110,975
Prepaid Items	2,021
	<hr/>
Total Current Assets	3,921,646
	<hr/>
NONCURRENT ASSETS:	
Restricted Cash:	
Capital Improvements	2,660,474
	<hr/>
Capital Assets:	
Sewer Capacity Reservation Agreement, net of accumulated amortization	839,678
	<hr/>
Property, Plant and Equipment:	
Land	509,453
Buildings	2,968,307
Utility Systems	29,645,949
Equipment	2,620,743
Construction in Progress	2,203,023
	<hr/>
	37,947,475
Less Accumulated Depreciation	16,980,630
	<hr/>
Net Property, Plant and Equipment	20,966,845
	<hr/>
Total Capital Assets	21,806,523
	<hr/>
Total Noncurrent Assets	24,466,997
	<hr/>
Total Assets	28,388,643
	<hr/>

TOWN OF LADY LAKE, FLORIDA
STATEMENT OF NET POSITION (Continued)
PROPRIETARY FUND
SEPTEMBER 30, 2021

<u>LIABILITIES</u>	<u>UTILITY FUND</u>
CURRENT LIABILITIES:	
Accounts Payable	\$ 181,499
Accrued Expenses	10,197
Compensated Absences	47,297
Due to Other Funds	5,356
Customer Deposits	<u>721,793</u>
Total Current Liabilities	<u>966,142</u>
NONCURRENT LIABILITIES:	
Compensated Absences	60,197
Unearned Revenue	<u>31,757</u>
Total Noncurrent Liabilities	<u>91,954</u>
Total Liabilities	<u>1,058,096</u>
 <u>NET POSITION</u>	
Net Investment in Capital Assets	21,663,297
Restricted for Capital Improvements	2,660,474
Unrestricted	<u>3,006,776</u>
Total Net Position	<u><u>\$27,330,547</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, 2021

	UTILITY FUND
OPERATING REVENUES:	
Water Sales	\$ 1,404,238
Sewer Revenue	1,352,721
Reuse Water Sales	167,446
Connection Fees	40,250
Garbage Revenue	1,234,453
Late Fees and Other Revenue	34,309
	<u>4,233,417</u>
Total Operating Revenues	<u>4,233,417</u>
OPERATING EXPENSES:	
Personal Services	880,653
Garbage Contract Services	1,186,560
Other Operating Expenses	1,107,956
Depreciation and Amortization	1,205,633
	<u>4,380,802</u>
Total Operating Expenses	<u>4,380,802</u>
Net Operating Loss	<u>(147,385)</u>
NONOPERATING REVENUES (EXPENSES):	
Interest Revenue	51,791
Insurance Claims	3,088
Gain on Sale of Capital Assets	5,000
	<u>59,879</u>
Total Nonoperating Revenues (Expenses)	<u>59,879</u>
Loss Before Contributions and Transfers	(87,506)
CAPITAL CONTRIBUTIONS:	
Water, Sewer, and Reuse Impact Fees	1,058,091
Developer Contribution	172,241
TRANSFERS OUT	<u>(166,048)</u>
Change in Net Position	976,778
Total Net Position, Beginning of Year	<u>26,353,769</u>
Total Net Position, End of Year	<u><u>\$ 27,330,547</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, 2021

	UTILITY FUND
CASH FLOWS FROM OPERATING ACTIVITIES:	
Cash Received from Customers	\$ 4,197,714
Cash Payments to Employees for Services	(907,256)
Cash Payments to Suppliers for Goods and Services	<u>(2,333,500)</u>
Net Cash Provided by Operating Activities	<u>956,958</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:	
Transfer to General Fund	<u>(166,048)</u>
Net Cash Used in Noncapital Financing Activities	<u>(166,048)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Capital Contributions	1,058,091
Acquisition and Construction of Capital Assets	(1,178,688)
Proceeds from Insurance Claims	3,088
Proceeds from Sale of Capital Assets	<u>5,000</u>
Net Cash Used in Capital and Related Financing Activities	<u>(112,509)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Interest Received	<u>51,791</u>
Net Cash Provided by Investing Activities	<u>51,791</u>
NET INCREASE IN CASH	730,192
Cash at Beginning of Year	<u>5,301,510</u>
Cash at End of Year	<u><u>\$ 6,031,702</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, 2021

	<u>UTILITY FUND</u>
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES:	
Operating Loss	<u>\$ (147,385)</u>
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Depreciation and Amortization	1,205,633
Increase in Customer Receivables	(55,258)
Decrease in Due from Other Governments	25
Increase in Inventory	(18,895)
Decrease in Prepaid Expenses	283
Decrease in Accounts Payable	(20,954)
Increase in Due to Other Funds	582
Decrease in Accrued Expenses	(22,266)
Decrease in Compensated Absences	(4,337)
Increase in Customer Deposits	<u>19,530</u>
 Total Adjustments	 <u>1,104,343</u>
 Net Cash Provided by Operating Activities	 <u><u>\$ 956,958</u></u>
 NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES:	
Utility system construction on account	\$ 146,124
 Utility system construction by developer	 172,241

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, 2021

	<u>PENSION TRUST FUNDS</u>
<u>ASSETS</u>	
Cash	\$ -
Investments with Trustees:	
Cash Management Funds	121,446
Corporate Equity Mutual Funds	5,675,339
Corporate Bond Mutual Funds	4,770,992
Real Estate Funds	<u>1,098,840</u>
Total Assets	<u>11,666,617</u>
<u>LIABILITIES</u>	
Accounts Payable	<u>15,301</u>
Total Liabilities	<u>15,301</u>
<u>NET POSITION RESTRICTED FOR PENSIONS</u>	
Restricted for Pensions - Officers' Contributions	553,084
Restricted for Pensions - Town's Contributions	2,506,324
Restricted for Pension Benefits	<u>8,591,908</u>
Total Net Position Restricted for Pensions	<u><u>\$ 11,651,316</u></u>

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, 2021

	PENSION TRUST FUNDS
<u>ADDITIONS</u>	
Contributions:	
Town	\$ 217,593
Officers	87,037
State of Florida	<u>124,682</u>
Total Contributions	<u>429,312</u>
Investment Income:	
Net Appreciation in Fair Value of Investments	1,515,568
Dividend Income	502,065
Interest Income	<u>16</u>
Total Investment Income	2,017,649
Less Investment Expense	<u>32,588</u>
Net Investment Income	<u>1,985,061</u>
Total Additions	<u>2,414,373</u>
<u>DEDUCTIONS</u>	
Retirement Benefits	431,268
Refunds of Contributions	-
Administration Expense	<u>53,196</u>
Total Deductions	<u>484,464</u>
CHANGE IN NET POSITION	1,929,909
<u>NET POSITION RESTRICTED FOR PENSIONS</u>	
Beginning of Year	<u>9,721,407</u>
End of Year	<u><u>\$ 11,651,316</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, 2021

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, 2021

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, 2021

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 0.09% as of September 30, 2021. 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, 2021

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 \$5,000 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, 2021.

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, 2021

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, 2021

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, 2021, 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 \$166,048 are made from the Utility Fund to the General Fund for utility billing administrative costs. Transfers of \$400,000 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, 2021

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, 2021 from the GAAP basis to the budget basis are as follows:

<u>Utility Fund</u>	
Change in Net Position, GAAP Basis	\$ 976,778
Decrease due to water, sewer and reuse impact fees	(1,058,091)
Decrease due to developer contribution	(172,241)
Increase due to depreciation and amortization	1,205,633
Decrease due to equipment purchases	(285,589)
Decrease due to building engineering	(170,000)
Decrease due to utility system construction	<u>(869,223)</u>
Deficiency of Revenues Under Expenses, Budget Basis	<u><u>\$ (372,733)</u></u>

NOTE 4 CASH DEPOSITS AND INVESTMENTS

Cash Deposits

At September 30, 2021, the carrying amount of the Town's cash deposits, including funds in bank money market investments, was \$16,487,084. The actual bank balances at September 30, 2021 totaled \$16,693,396, 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, 2021

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, 2021 are categorized below.

	<u>Level 1</u>	<u>Level 2</u>	<u>NAV</u>
General Fund Investments:			
Florida Cooperative Liquid Assets			
Securities System	\$ -	\$ -	\$ 11,712,802
Pension Trust Fund Investments:			
Money Market Funds	121,446	-	-
Corporate Equity Funds	5,675,339	-	-
Corporate Bond Funds	4,770,992	-	-
Real Estate Funds	-	1,098,840	-
	<u>\$10,567,777</u>	<u>\$ 1,098,840</u>	<u>\$ 11,712,802</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 177 days. The Town's investment policy does not specifically address interest rate risk.

NOTE 5 RECEIVABLES

Accounts receivable at September 30, 2021 are as follows:

	<u>General Fund</u>	<u>Utility Fund</u>
Customer Accounts Receivable	\$ -	\$ 282,429
Franchise and Utility Taxes	306,317	-
Other Receivables	12,990	172,394
Less Allowance for Uncollectibles	-	(23,391)
Net Receivables	<u>\$ 319,307</u>	<u>\$ 431,432</u>

TOWN OF LADY LAKE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 6 CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2021 was as follows:

	September 30, 2020	Additions	Transfers/ Disposals	September 30, 2021
Governmental Activities:				
Land (not being depreciated)	\$ 2,143,894	\$ -	\$ -	\$ 2,143,894
Construction in Progress	363,302	91,791	-	455,093
	<u>2,507,196</u>	<u>91,791</u>	<u>-</u>	<u>2,598,987</u>
Capital assets being depreciated:				
Buildings	12,987,562	209,741	111,369	13,308,672
Improvements	2,583,098	-	-	2,583,098
Equipment	5,991,790	540,781	(122,322)	6,410,249
Infrastructure	3,416,528	-	-	3,416,528
	<u>24,978,978</u>	<u>750,522</u>	<u>(10,953)</u>	<u>25,718,547</u>
Less accumulated depreciation for:				
Buildings	(5,955,218)	(435,976)	-	(6,391,194)
Improvements	(1,519,639)	(100,458)	-	(1,620,097)
Equipment	(4,555,631)	(476,947)	122,322	(4,910,256)
Infrastructure	(1,151,401)	(102,371)	-	(1,253,772)
	<u>(13,181,889)</u>	<u>(1,115,752)</u>	<u>122,322</u>	<u>(14,175,319)</u>
Total Being Depreciated, net	<u>11,797,089</u>	<u>(365,230)</u>	<u>111,369</u>	<u>11,543,228</u>
Governmental Activities				
Capital Assets, net	<u>\$ 14,304,285</u>	<u>\$ (273,439)</u>	<u>\$ 111,369</u>	<u>\$ 14,142,215</u>
Business-Type Activities:				
Land (not being depreciated)	\$ 509,453	\$ -	\$ -	\$ 509,453
Construction in Progress	1,172,297	1,030,726	-	2,203,023
	<u>1,681,750</u>	<u>1,030,726</u>	<u>-</u>	<u>2,712,476</u>
Capital assets being depreciated:				
Buildings	2,968,307	-	-	2,968,307
Utility Systems	29,465,211	180,738	-	29,645,949
Equipment	2,361,031	285,589	(25,877)	2,620,743
	<u>34,794,549</u>	<u>466,327</u>	<u>(25,877)</u>	<u>35,234,999</u>
Less accumulated depreciation for:				
Buildings	(283,669)	(97,131)	-	(380,800)
Utility Systems	(13,854,081)	(930,250)	-	(14,784,331)
Equipment	(1,702,179)	(139,197)	25,877	(1,815,499)
	<u>(15,839,929)</u>	<u>(1,166,578)</u>	<u>25,877</u>	<u>(16,980,630)</u>
Total Being Depreciated, net	<u>18,954,620</u>	<u>(700,251)</u>	<u>-</u>	<u>18,254,369</u>
Business-Type Activities				
Capital Assets, net	<u>\$ 20,636,370</u>	<u>\$ 330,475</u>	<u>\$ -</u>	<u>\$ 20,966,845</u>

TOWN OF LADY LAKE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 6 CAPITAL ASSETS (continued)

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

Governmental Activities:	
General Government	\$ 206,755
Public Safety	222,193
Growth Management	726
Public Works	265,557
Culture and Recreation	<u>420,521</u>
 Total Depreciation Expense - Governmental Activities	 \$ 1,115,752 <u><u> </u></u>
 Business-type Activities:	
Water	\$ 396,780
Sewer	769,798
Garbage	<u>-</u>
 Total Depreciation Expense - Business-type Activities	 \$ 1,166,578 <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, 2021 the engineering design services were complete, and construction was in progress. The Town has paid FDOT \$101,107 for engineering, and \$1,335,645 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, 2021

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, 2021 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, 2021, the total cost of sewer capacity reservations, which includes the 2004 purchases, was \$1,629,006. Amortization for the year ended September 30, 2021 totaled \$39,055. Accumulated amortization at September 30, 2021 was \$789,328, and the net book value was \$839,678.

NOTE 7 LONG-TERM DEBT

Changes in Long-Term Liabilities

Long-term liability activity for the year ended September 30, 2021 was as follows:

	Balances 10/1/2020	Additions	Principal Reductions	Balances 9/30/2021	Due within One Year
Governmental Activities:					
Compensated Absences	\$ 682,175	\$ 527,541	\$ (503,727)	\$ 705,989	\$ 494,192
Governmental Activity Long-Term Liabilities	<u>\$ 682,175</u>	<u>\$ 527,541</u>	<u>\$ (503,727)</u>	<u>\$ 705,989</u>	<u>\$ 494,192</u>
Business-type Activities:					
Compensated Absences	\$ 111,831	\$ 59,416	\$ (63,753)	\$ 107,494	\$ 47,297
Business-type Activity Long-term Liabilities	<u>\$ 111,831</u>	<u>\$ 59,416</u>	<u>\$ (63,753)</u>	<u>\$ 107,494</u>	<u>\$ 47,297</u>

TOWN OF LADY LAKE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

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, 2021 .
- (2) Individual fund interfund receivable and payable balances at September 30, 2021:

	<u>Receivable</u>	<u>Payable</u>
General Fund	\$ 5,356	\$ -
Utility Fund	-	5,356

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, 2021.
- (4) The following details the various constraints placed on fund balances in the governmental funds at September 30, 2021:

General Fund

Nonspendable - Prepaids	\$ 44,701
Nonspendable - Assets Held for Resale	<u>6,800</u>
Total Nonspendable	<u>\$ 51,501</u>

Restricted for Police Training and Equipment	\$ 13,181
Restricted for Education	1,625,466
Restricted for Recreation Capital Improvements	609,395
Restricted for Library Capital Improvements	78,131
Restricted for Library	<u>1,790</u>
Total Restricted	<u>\$ 2,327,963</u>

Committed for Capital Improvements	<u>\$ 3,604,030</u>
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Assigned to Tree Beautification	<u>\$ 23,935</u>
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Sales Tax Revenue Fund

Restricted for Infrastructure	<u>\$ 3,421,466</u>
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TOWN OF LADY LAKE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

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, 2021, ten 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 30 Officers in the plan at September 30, 2021, five 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, 2021

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, 2021, the Town collected \$124,682 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, 2021 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, 2021 is as follows:

Balance 10/01/2020	\$80,281
Prior Year Adjustment	199
Additions	19,792
Investment Return Earned	16,523
Administrative Fees	(1,500)
Distributions	<u>(4,821)</u>
Balance 9/30/2021	<u>\$110,474</u>

Net Pension Liability

The measurement date is September 30, 2021.

The measurement period for the pension expense was October 1, 2020 to September 30, 2021.

The reporting period is October 1, 2020 through September 30, 2021.

The Town's net pension liability was measured as of September 30, 2021.

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, 2021

NOTE 9 RETIREMENT COMMITMENTS (continued)

Actuarial Assumptions:

The total pension liability was determined by an actuarial valuation as of October 1, 2020 updated to September 30, 2021 using the following actuarial assumptions.

Inflation	2.50%
Salary Increases	Service based
Discount Rate	7.00%
Investment Rate of Return	7.00%

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. This law mandates the use of assumptions used in either of the two most recent valuations of the Florida Retirement System (FRS).

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 2021 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, 2021 are summarized in the following table:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return
Domestic Equity	45%	7.5%
International Equity	15%	8.5%
Broad Market Fixed Income	25%	2.5%
Global Fixed Income	5%	3.5%
Real Estate	10%	4.5%

TOWN OF LADY LAKE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 9 RETIREMENT COMMITMENTS (continued)

Discount Rate:

The discount rate used to measure the total pension liability was 7.00 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, 2020	\$ 8,530,512	\$ 9,722,250	\$ (1,191,738)
Changes for a Year:			
Service Cost	310,932	-	310,932
Interest	658,877	-	658,877
Share Plan Allocation	19,792	-	19,792
Differences between Expected and Actual Experience	(90,188)	-	(90,188)
Changes of assumptions	249,989	-	249,989
Changes of benefit terms	462,151	-	462,151
Contributions - Employer	-	217,593	(217,593)
Contributions - State	-	124,682	(124,682)
Contributions - Employee	-	87,037	(87,037)
Net Investment Income	-	1,985,061	(1,985,061)
Benefit Payments, including Refunds of Employee Contributions	(431,268)	(431,268)	-
Administrative Expense	-	(54,040)	54,040
Net Changes	1,180,285	1,929,065	(748,780)
September 30, 2021	<u>\$ 9,710,797</u>	<u>\$ 11,651,315</u>	<u>\$ (1,940,518)</u>

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

	1% Decrease	Current Discount Rate	1% Increase
	6.00%	7.00%	8.00%
Town's Net Pension Liability	\$ (813,637)	\$ (1,940,518)	\$ (2,877,752)

TOWN OF LADY LAKE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 9 RETIREMENT COMMITMENTS (continued)

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

For the year ended September 30, 2021, the Town has recognized a pension expense of \$345,329. On September 30, 2021 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	\$ -	\$ 222,633
Changes of Assumptions	269,487	66,028
Net difference between Projected and Actual Earnings on Pension Plan Investments	<u>-</u>	<u>1,002,788</u>
Total	<u>\$ 269,487</u>	<u>\$ 1,291,449</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:	
2022	(276,859)
2023	(249,540)
2024	(239,117)
2025	(256,446)
2026	-

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, 2021

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, 2021, the Town contributed \$186,634 into the plan. Total plan assets at September 30, 2021 were \$2,892,195.

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, 2021, the Town used \$2,699 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, 2021 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, 2021, Town contributions to the plan totaled \$60,515. Total plan assets at September 30, 2021 were \$1,207,430.

TOWN OF LADY LAKE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

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, 2021, the Town had two retirees continuing to participate in its group health insurance plan, and three retirees 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, 2021 was 3.3962. The millage rate assessed by the Town on taxable property to be levied on November 1, 2021 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, 2021

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, 2021, 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 SUBSEQUENT EVENTS

Town management has evaluated events occurring subsequent to the financial statement date through June 23, 2022.

The Town adopted Ordinance 2021-20 on October 4, 2021 that made the following benefit changes to the Police Officers' Retirement Trust Fund:

Increase the benefit accrual rate from 3.3% to 3.5% for credited service earned on or after October 1, 2021.

Reduce the vesting requirements from 10 years to 8 years of credited service.

Change the required service for non-service incurred disability from 10 years to 8 years.

Change the early retirement date from age 50 with 10 years of credited service to age 50 with 8 years of credited service.

Change the normal retirement date from the earlier of age 55 with 10 years of credited service or 25 years of credited service regardless of age to the earlier of age 55 with 8 years of credited service or 20 years of credited service regardless of age.

Increase the "frozen" state monies from \$85,098 to \$110,000. The Town would be able to use this amount each year and anything received above the amount would be split between the Town and the Share Plan.

Change the required beginning date from age seventy and one-half to seventy-two.

No other 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, 2021

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

	9/30/2014	9/30/2015	9/30/2016
<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	-	-	-
Differences Between Expected and Actual			
Experience	-	(217,494)	(366,717)
Changes of Assumptions	-	-	122,831
Changes of Benefit Terms	-	-	-
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>	<u>9/30/2021</u>
\$ 346,389	\$ 350,792	\$ 340,709	\$ 353,932	\$ 310,932
512,808	551,308	573,785	594,885	658,877
4,972	(53,498)	-	-	-
-	39,018	18,239	18,280	19,792
(63,314)	(47,663)	(303,366)	(14,413)	(90,188)
-	245,986	-	(132,057)	249,989
-	-	-	-	462,151
-	-	-	38,801	-
<u>(292,124)</u>	<u>(314,904)</u>	<u>(342,541)</u>	<u>(360,585)</u>	<u>(431,268)</u>
508,731	771,039	286,826	498,843	1,180,285
6,465,073	6,973,804	7,744,843	8,031,669	8,530,512
<u>\$ 6,973,804</u>	<u>\$ 7,744,843</u>	<u>\$ 8,031,669</u>	<u>\$ 8,530,512</u>	<u>\$ 9,710,797</u>
\$ 151,316	\$ 186,876	\$ 182,501	\$ 191,866	\$ 217,593
102,879	109,637	121,575	121,658	124,682
73,295	74,751	79,127	76,746	87,037
-	-	-	38,801	-
812,313	695,027	353,758	761,986	1,985,061
(292,124)	(314,904)	(342,541)	(360,585)	(431,268)
<u>(27,452)</u>	<u>(28,844)</u>	<u>(49,636)</u>	<u>(48,163)</u>	<u>(54,040)</u>
820,227	722,543	344,784	782,309	1,929,065
7,052,387	7,872,614	8,595,157	8,939,941	9,722,250
<u>\$ 7,872,614</u>	<u>\$ 8,595,157</u>	<u>\$ 8,939,941</u>	<u>\$ 9,722,250</u>	<u>\$ 11,651,315</u>
<u>\$ (898,810)</u>	<u>\$ (850,314)</u>	<u>\$ (908,272)</u>	<u>\$ (1,191,738)</u>	<u>\$ (1,940,518)</u>
112.89%	110.98%	111.31%	111.31%	119.98%
\$ 1,465,893	\$ 1,495,012	\$ 1,460,011	\$ 1,534,928	\$ 1,740,746
-61.31%	-56.88%	-66.21%	-77.64%	-111.48%

TOWN OF LADY LAKE, FLORIDA
POLICE RETIREMENT TRUST FUND
REQUIRED SUPPLEMENTARY INFORMATION (Continued)
September 30, 2021

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: 10/1/2019

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: 2.50% 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>	<u>9/30/2021</u>
\$ 271,562	\$ 299,311	\$ 330,741
<u>285,838</u>	<u>295,244</u>	<u>322,483</u>
<u>\$ (14,276)</u>	<u>\$ 4,067</u>	<u>\$ 8,258</u>
\$ 1,460,011	\$ 1,534,928	\$ 1,740,741
19.58%	19.24%	18.53%
4.14%	8.56%	20.53%

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, 2021 AND 2020

	2021	2020
<u>ASSETS</u>		
Cash and Equivalents	\$ 7,217,832	\$ 6,787,378
Investments	11,712,802	7,220,582
Accounts Receivable	319,307	286,719
Due from Utility Fund	5,356	4,774
Due from Other Governments:		
Federal	18,062	77,767
State of Florida	150,017	138,358
Lake County	9,855	9,503
Real Property Held for Resale	6,800	6,800
Prepaid Expenditures	44,701	40,378
Total Assets	<u>\$ 19,484,732</u>	<u>\$ 14,572,259</u>
<u>LIABILITIES</u>		
Accounts Payable	\$ 677,244	\$ 872,139
Accrued Payroll and Related Liabilities	81,791	250,833
Due to State of Florida	2,467	2,271
Unearned Revenue - Business Taxes	37,006	34,817
Deferred Grant Revenue	4,463,931	-
Total Liabilities	<u>5,262,439</u>	<u>1,160,060</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>		
Unavailable Revenue:		
Federal FEMA Grant	17,276	17,276
Total Deferred Inflows of Resources	<u>17,276</u>	<u>17,276</u>
<u>FUND BALANCE</u>		
Nonspendable:		
Prepaid Expenditures/Resale Assets	51,501	47,178
Restricted:		
For Police Training/Equipment	13,181	12,847
For Education	1,625,466	1,625,466
For Recreation Capital Improvements	609,395	538,355
For Library Capital Improvements	78,131	54,581
For Library	1,790	-
For Building Inspections	-	35,664
Committed for Capital Improvements	3,640,030	3,725,258
Assigned:		
To Tree Beautification	23,935	33,629
Unassigned	8,161,588	7,321,945
Total Fund Balance	<u>14,205,017</u>	<u>13,394,923</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 19,484,732</u>	<u>\$ 14,572,259</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, 2021

With comparative actual amounts for the year ended September 30, 2020

	2021			
	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	2020 ACTUAL
REVENUES:				
Taxes	\$ 8,004,108	\$ 8,168,366	\$ 164,258	\$ 7,724,222
Licenses and Permits	467,030	464,034	(2,996)	418,776
Intergovernmental	1,946,019	2,280,284	334,265	1,758,214
Charges for Services	235,600	231,133	(4,467)	211,544
Fines and Forfeitures	31,400	28,027	(3,373)	21,444
Miscellaneous	1,311,867	1,346,559	34,692	1,349,157
Total Revenues	11,996,024	12,518,403	522,379	11,483,357
EXPENDITURES:				
Current:				
General Government	2,599,797	2,482,512	117,285	2,304,152
Public Safety	6,135,051	5,659,848	475,203	5,134,138
Growth Management	735,729	310,386	425,343	346,542
Public Works	2,304,955	2,077,264	227,691	2,012,006
Culture and Recreation	1,672,191	1,560,621	111,570	1,634,149
Capital Outlay	246,158	209,741	36,417	257,678
Debt Service	-	-	-	-
Total Expenditures	13,693,881	12,300,372	1,393,509	11,688,665
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,697,857)	218,031	1,915,888	(205,308)
OTHER FINANCING SOURCES (USES):				
Transfer from Sales Tax Revenue Fund	754,750	400,000	(354,750)	649,770
Transfer from Utility Fund	166,048	166,048	-	255,500
Sale of Capital Assets	-	26,015	26,015	45,555
Total Other Financing Sources	920,798	592,063	(328,735)	950,825
Net Change in Fund Balance	(777,059)	810,094	1,587,153	745,517
Fund Balance, Beginning of Year	13,394,923	13,394,923	-	12,649,406
Fund Balance, End of Year	\$ 12,617,864	\$ 14,205,017	\$ 1,587,153	\$ 13,394,923

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, 2021

With comparative actual amounts for the year ended September 30, 2020

	2021			
	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	2020 ACTUAL
TAXES:				
Ad Valorem Taxes	\$ 4,204,508	\$ 4,265,864	\$ 61,356	\$ 3,913,190
Local Option Gas Tax	275,000	253,085	(21,915)	250,759
County Gas Tax	20,000	20,028	28	18,996
Casualty Insurance Premium Tax	130,000	124,682	(5,318)	121,657
Franchise Fees:				
Electric	1,290,000	1,280,852	(9,148)	1,268,102
Gas	27,000	32,682	5,682	26,577
Garbage	225,000	227,610	2,610	226,729
Utility Taxes:				
Electric	1,085,000	1,147,898	62,898	1,118,781
Water	173,000	187,398	14,398	185,307
Gas	27,000	26,736	(264)	25,183
Communications Services Tax	500,000	552,565	52,565	520,751
Town Business Tax	47,600	48,966	1,366	48,190
Total Taxes	8,004,108	8,168,366	164,258	7,724,222
LICENSES AND PERMITS:				
Building Permits and Inspections	321,000	325,093	4,093	316,830
Building Plan Review Fees	45,000	54,117	9,117	35,843
Site Plan Review Fees	6,000	10,400	4,400	5,920
Annexation/Subdivision Fees	48,500	29,580	(18,920)	28,160
Zoning Fees	25,000	22,975	(2,025)	20,345
Comp Plan Amendment Fees	10,000	10,150	150	4,500
Other Licenses & Permits	11,530	11,719	189	7,178
Total Licenses and Permits	467,030	464,034	(2,996)	418,776
INTERGOVERNMENTAL:				
Federal Law Enforcement Grants	4,050	7,760	3,710	10,373
FEMA Hurricane Grants	-	-	-	61,174
Federal Cares Act Funding	423,969	416,533	(7,436)	55,255
State Hurricane Grants	-	-	-	7,708
State Revenue Sharing	405,500	535,315	129,815	451,152
Mobile Home Licenses	45,000	40,731	(4,269)	41,658
Alcohol Beverage Licenses	14,500	15,177	677	13,140
1/2 Cent Sales Tax	855,000	1,071,229	216,229	903,351
State Transportation Revenue	63,000	52,576	(10,424)	70,968
County Library Agreement	135,000	140,963	5,963	134,810
County Business Tax	-	-	-	8,625
Total Intergovernmental	1,946,019	2,280,284	334,265	1,758,214

TOWN OF LADY LAKE, FLORIDA
GENERAL FUND
SCHEDULE OF REVENUES COMPARED TO BUDGET (Continued)
FOR THE YEAR ENDED SEPTEMBER 30, 2021
With comparative actual amounts for the year ended September 30, 2020

	2021			
	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	2020 ACTUAL
CHARGES FOR SERVICES:				
Villages - Public Safety	\$ 100,000	\$ 100,000	\$ -	\$ 100,000
Police Services	87,100	61,857	(25,243)	60,260
Road and Street Revenue	39,000	60,754	21,754	43,796
Copies and Certifications	500	718	218	360
Library Fees	7,000	6,694	(306)	6,003
Recreation Program Fees	2,000	1,110	(890)	1,125
Total Charges for Services	235,600	231,133	(4,467)	211,544
FINES AND FORFEITURES:				
Court Fines	18,000	17,889	(111)	12,252
Forfeitures	-	-	-	55
Animal Control Citations	1,500	2,192	692	2,145
Code Enforcement Fines	2,000	1,653	(347)	1,344
Police Education	1,800	2,318	518	1,539
Parking Fines	4,500	1,504	(2,996)	2,254
Library Fines	3,600	2,471	(1,129)	1,855
Total Fines and Forfeitures	31,400	28,027	(3,373)	21,444
MISCELLANEOUS:				
Interest Earnings	160,300	19,035	(141,265)	141,338
Building/Park/Tower Rental Fees	76,425	38,241	(38,184)	65,072
Fire Assessments - Villages	1,020,000	1,044,048	24,048	1,035,316
Library Impact Fees	-	23,460	23,460	10,166
Recreation Impact Fees	-	139,920	139,920	60,632
Contributions and Donations	8,500	20,758	12,258	12,056
Fuel Tax Refund	8,000	8,100	100	7,572
Insurance Claim Proceeds	18,942	25,192	6,250	7,116
Miscellaneous Revenues	19,700	27,805	8,105	9,889
Total Miscellaneous	1,311,867	1,346,559	34,692	1,349,157
Total Revenues	\$ 11,996,024	\$ 12,518,403	\$ 522,379	\$ 11,483,357

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, 2021
With comparative actual amounts for the year ended September 30, 2020

	2021			
	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	2020 ACTUAL
GENERAL GOVERNMENT:				
Town Commission:				
Personal Services	\$ 39,893	\$ 39,506	\$ 387	\$ 39,811
Operating Expenses	14,295	11,619	2,676	6,474
Total Town Commission	54,188	51,125	3,063	46,285
Town Manager:				
Personal Services	224,642	308,481	(83,839)	247,946
Operating Expenses	44,194	35,845	8,349	10,906
Total Town Manager	268,836	344,326	(75,490)	258,852
Town Clerk:				
Personal Services	247,608	163,905	83,703	107,619
Operating Expenses	32,909	18,941	13,968	13,498
Election Expenses	5,000	-	5,000	-
Total Town Clerk	285,517	182,846	102,671	121,117
Finance Department:				
Personal Services	365,871	374,527	(8,656)	331,189
Operating Expenses	64,731	49,907	14,824	52,600
Total Finance Department	430,602	424,434	6,168	383,789
Human Resources/Risk Mgmt:				
Personal Services	156,179	153,955	2,224	149,756
Operating Expenses	46,408	34,111	12,297	45,035
Total Human Resources	202,587	188,066	14,521	194,791
Information Technology:				
Personal Services	279,088	272,651	6,437	236,310
Operating Expenses	149,722	135,741	13,981	178,092
Capital Outlay	5,855	26,336	(20,481)	209,167
Total Information Technology	434,665	434,728	(63)	623,569
Legal Counsel	130,000	140,731	(10,731)	77,144

TOWN OF LADY LAKE, FLORIDA
GENERAL FUND
SCHEDULE OF EXPENDITURES COMPARED TO BUDGET (Continued)
FOR THE YEAR ENDED SEPTEMBER 30, 2021
With comparative actual amounts for the year ended September 30, 2020

	2021			
	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	2020 ACTUAL
GENERAL GOVERNMENT (continued):				
Other General Government:				
Operating Expenses	\$ 419,839	\$ 434,657	\$ (14,818)	\$ 433,373
Aid to Private Organizations	12,000	11,000	1,000	11,000
Capital Outlay	158,211	128,454	29,757	290,151
Contingency	70,408	-	70,408	-
Total Other General Government	660,458	574,111	86,347	734,524
Facilities Maintenance:				
Personal Services	121,984	135,002	(13,018)	116,223
Operating Expenses	10,960	7,143	3,817	5,536
Total Facilities Maintenance	132,944	142,145	(9,201)	121,759
Total General Government	2,599,797	2,482,512	117,285	2,561,830
PUBLIC SAFETY:				
Police Department:				
Personal Services	3,362,083	3,060,301	301,782	2,849,536
Operating Expenses	844,208	750,986	93,222	586,290
Operating Expenses - Federal Grants	4,050	7,760	(3,710)	10,373
Capital Outlay - Vehicles	220,794	220,793	1	227,151
Total Police Department	4,431,135	4,039,840	391,295	3,673,350
Fire Control:				
Operating Expenses	1,020,000	1,043,993	(23,993)	1,035,315
Building Inspections:				
Personal Services	97,975	102,034	(4,059)	93,541
Operating Expenses	504,564	401,328	103,236	265,763
Total Building Inspections	602,539	503,362	99,177	359,304
Code Enforcement:				
Personal Services	57,914	55,895	2,019	54,246
Operating Expenses	23,463	16,758	6,705	11,923
Total Code Enforcement	81,377	72,653	8,724	66,169
Total Public Safety	6,135,051	5,659,848	475,203	5,134,138
GROWTH MANAGEMENT:				
Personal Services	312,876	239,646	73,230	298,557
Operating Expenses	137,853	70,740	67,113	44,352
Capital Outlay	285,000	-	285,000	3,633
Total Growth Management	735,729	310,386	425,343	346,542

Continued on next page

TOWN OF LADY LAKE, FLORIDA
GENERAL FUND
SCHEDULE OF EXPENDITURES COMPARED TO BUDGET (Continued)
FOR THE YEAR ENDED SEPTEMBER 30, 2021
With comparative actual amounts for the year ended September 30, 2020

	2021		VARIANCE WITH FINAL BUDGET	2020 ACTUAL
	FINAL BUDGET	ACTUAL		
PUBLIC WORKS:				
Administration:				
Personal Services	\$ 228,142	\$ 228,175	\$ (33)	\$ 229,594
Operating Expenses	84,197	57,029	27,168	34,337
Capital Outlay	-	-	-	13,712
Total Administration	312,339	285,204	27,135	277,643
Streets and Maintenance:				
Personal Services	853,154	706,707	146,447	752,435
Electric-Street Lights	160,000	202,441	(42,441)	166,304
Operating Expenses	332,013	228,937	103,076	229,987
Street Resurfacing	400,000	411,977	(11,977)	395,913
Capital Outlay	58,075	82,979	(24,904)	31,607
Total Streets and Maintenance	1,803,242	1,633,041	170,201	1,576,246
Motor Pool (Fleet Maintenance):				
Personal Services	163,488	139,810	23,678	135,582
Operating Expenses	25,886	19,209	6,677	19,535
Capital Outlay	-	-	-	3,000
Total Motor Pool	189,374	159,019	30,355	158,117
Total Public Works	2,304,955	2,077,264	227,691	2,012,006
CULTURE AND RECREATION:				
Library:				
Personal Services	507,560	478,060	29,500	480,383
Operating Expenses	163,211	163,878	(667)	178,461
Operating Expenses - Community Bldg	12,975	17,688	(4,713)	115,769
Library Books	65,000	67,541	(2,541)	60,698
Capital Outlay	246,158	209,741	36,417	23,340
Total Library	994,904	936,908	57,996	858,651
Parks and Recreation:				
Personal Services	471,471	440,876	30,595	417,530
Operating Expenses	261,488	220,868	40,620	210,328
Capital Outlay	190,486	171,710	18,776	147,640
Total Parks and Recreation	923,445	833,454	89,991	775,498
Total Culture and Recreation	1,918,349	1,770,362	147,987	1,634,149
Total Expenditures	<u>\$ 13,693,881</u>	<u>\$ 12,300,372</u>	<u>\$ 1,393,509</u>	<u>\$ 11,688,665</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, 2021 AND 2020**

<u>ASSETS</u>	<u>2021</u>	<u>2020</u>
Cash	\$ 3,237,550	\$ 2,021,298
Due from State of Florida	<u>183,916</u>	<u>148,885</u>
Total Assets	<u><u>\$ 3,421,466</u></u>	<u><u>\$ 2,170,183</u></u>
 <u>LIABILITIES AND FUND BALANCE</u>		
Liabilities	<u>\$ -</u>	<u>\$ -</u>
Fund Balance, Restricted for Infrastructure	<u>3,421,466</u>	<u>2,170,183</u>
Total Liabilities and Fund Balance	<u><u>\$ 3,421,466</u></u>	<u><u>\$ 2,170,183</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, 2021
With comparative actual amounts for the year ended September 30, 2020

	2021			
	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	2020 ACTUAL
REVENUES:				
Local Government Infrastructure Surtax	\$ 1,360,000	\$ 1,648,054	\$ 288,054	\$ 1,398,258
Interest Earned	15,200	3,229	(11,971)	10,140
Total Revenues	1,375,200	1,651,283	276,083	1,408,398
OTHER FINANCING SOURCES (USES):				
Transfer to General Fund	(754,750)	(400,000)	354,750	(649,770)
Total Other Financing Sources (Uses)	(754,750)	(400,000)	354,750	(649,770)
Net Change in Fund Balance	620,450	1,251,283	630,833	758,628
Fund Balance, Beginning of Year	2,170,183	2,170,183	-	1,411,555
Fund Balance, End of Year	<u>\$ 2,790,633</u>	<u>\$ 3,421,466</u>	<u>\$ 630,833</u>	<u>\$ 2,170,183</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, 2021 AND 2020

<u>ASSETS</u>	<u>2021</u>	<u>2020</u>
CURRENT ASSETS:		
Cash	\$ 2,649,435	\$ 2,779,776
Restricted Cash:		
Customer Deposits	721,793	702,763
Customer Accounts Receivable, net of allowance for uncollectibles of \$23,391 and \$18,915	259,038	235,831
Unbilled Utility Service Receivables	172,394	140,343
Due from Other Governments	5,990	6,015
Inventory	110,975	92,080
Prepaid Expenses	2,021	2,304
	<u>3,921,646</u>	<u>3,959,112</u>
Total Current Assets		
NONCURRENT ASSETS:		
RESTRICTED CASH:		
Impact Fees - Water	661,283	353,196
Impact Fees - Sewer	1,822,644	1,358,099
Impact Fees - Reuse	176,547	107,676
	<u>2,660,474</u>	<u>1,818,971</u>
Total Restricted Cash		
SEWER CAPACITY RESERVATION AGREEMENT, net of accumulated amortization of \$789,328 and \$750,273 in 2021 and 2020, respectively	<u>839,678</u>	<u>878,733</u>
PROPERTY, PLANT, AND EQUIPMENT:		
Land	509,453	509,453
Buildings	2,968,307	2,968,307
Water Utility System	8,928,795	8,865,975
Sewer Utility System	20,717,154	20,599,236
Equipment	2,620,743	2,361,031
Construction in Progress	2,203,023	1,172,297
	<u>37,947,475</u>	<u>36,476,299</u>
Less Accumulated Depreciation	<u>16,980,630</u>	<u>15,839,929</u>
Net Property, Plant, and Equipment	<u>20,966,845</u>	<u>20,636,370</u>
Total Assets	<u>28,388,643</u>	<u>27,293,186</u>

TOWN OF LADY LAKE, FLORIDA
UTILITY FUND
COMPARATIVE STATEMENTS OF NET POSITION (Continued)
SEPTEMBER 30, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
<u>LIABILITIES</u>		
CURRENT LIABILITIES:		
Accounts Payable	\$ 175,836	\$ 56,329
Retainage Payable	5,663	-
Accrued Payroll and Related Taxes	10,197	32,463
Accrued Vacation Payable	47,297	49,206
Due to General Fund	5,356	4,774
Customer Deposits	<u>721,793</u>	<u>702,263</u>
Total Current Liabilities	<u>966,142</u>	<u>845,035</u>
NONCURRENT LIABILITIES:		
Accrued Vacation Payable	60,197	62,625
Unearned Revenue	<u>31,757</u>	<u>31,757</u>
Total Noncurrent Liabilities	<u>91,954</u>	<u>94,382</u>
Total Liabilities	<u>1,058,096</u>	<u>939,417</u>
<u>NET POSITION</u>		
Net Investment in Capital Assets	21,663,297	21,515,103
Restricted for Utility Capital Improvements	2,660,474	1,818,971
Unrestricted	<u>3,006,776</u>	<u>3,019,695</u>
Total Net Position	<u><u>\$27,330,547</u></u>	<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
UTILITY FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
FOR THE YEARS ENDED SEPTEMBER 30, 2021 AND 2020

	2021	2020
OPERATING REVENUES:		
Water Sales	\$ 1,404,238	\$ 1,253,916
Sewer Revenue	1,352,721	1,131,897
Reuse Water Sales	167,446	151,186
Connection Fees	40,250	28,550
Garbage Revenue	1,234,453	1,223,613
Late Fees and Other Customer Revenue	34,309	25,618
Total Operating Revenues	4,233,417	3,814,780
OPERATING EXPENSES:		
Personal Services	880,653	862,567
Garbage Contract Services	1,186,560	1,166,355
Repairs and Maintenance	241,255	207,647
Utilities	234,294	205,478
Operating Supplies	117,658	158,665
Insurance	185,404	164,152
Other Contract Services	171,535	138,410
Professional Services	56,943	168,930
Other Operating Expenses	100,867	105,269
Amortization	39,055	39,054
Depreciation	1,166,578	1,146,454
Total Operating Expenses	4,380,802	4,362,981
Net Operating Loss	(147,385)	(548,201)
NONOPERATING REVENUES (EXPENSES):		
Interest Revenue	51,791	50,215
Insurance Claims	3,088	2,821
Gain on Sale of Capital Assets	5,000	12,531
Total Nonoperating Revenues (Expenses)	59,879	65,567
Loss Before Contributions and Transfers	(87,506)	(482,634)
CAPITAL CONTRIBUTIONS:		
Water Impact Fees	351,575	20,986
Sewer and Reuse Impact Fees	706,516	71,300
Developer Contribution	172,241	-
TRANSFERS OUT - to General Fund	(166,048)	(255,500)
Change in Net Position	976,778	(645,848)
Total Net Position, Beginning of Year	26,353,769	26,999,617
Total Net Position, End of Year	\$27,330,547	\$26,353,769

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, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash Received from Customers	\$ 4,197,714	\$ 3,874,163
Cash Payments to Employees for Services	(907,256)	(842,448)
Cash Payments to Suppliers for Goods and Services	<u>(2,333,500)</u>	<u>(2,290,896)</u>
Net Cash Provided by Operating Activities	<u>956,958</u>	<u>740,819</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Transfer to General Fund	<u>(166,048)</u>	<u>(255,500)</u>
Net Cash Used in Noncapital Financing Activities	<u>(166,048)</u>	<u>(255,500)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Water, Sewer and Reuse Impact Fees Received	1,058,091	92,286
Acquisition and Construction of Capital Assets	(1,178,688)	(1,197,858)
Proceeds from Insurance Claims	3,088	2,821
Proceeds from Sale of Capital Assets	<u>5,000</u>	<u>12,531</u>
Net Cash Used in Capital and Related Financing Activities	<u>(112,509)</u>	<u>(1,090,220)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest Received on Demand Deposits	<u>51,791</u>	<u>50,215</u>
Net Cash Provided by Investing Activities	<u>51,791</u>	<u>50,215</u>
NET INCREASE (DECREASE) IN CASH	730,192	(554,686)
Cash at Beginning of Year	<u>5,301,510</u>	<u>5,856,196</u>
Cash at End of Year	<u><u>\$ 6,031,702</u></u>	<u><u>\$ 5,301,510</u></u>

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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, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Operating Loss	<u>\$ (147,385)</u>	<u>\$ (548,201)</u>
Adjustments to reconcile operating loss to net cash provided by operating activities:		
Depreciation and Amortization	1,205,633	1,185,508
Increase in Accounts Receivable	(23,207)	(44,493)
(Increase) Decrease in Unbilled Receivables	(32,051)	8,372
Decrease in Due from Other Governments	25	770
Increase in Inventory	(18,895)	(2,003)
(Increase) Decrease in Prepaid Expenses	283	(1,454)
Increase (Decrease) in Accounts Payable	(20,954)	27,944
Increase (Decrease) in Due to General Fund	582	(477)
Increase (Decrease) in Accrued Payroll and Related Taxes	(22,266)	9,240
Increase (Decrease) in Accrued Vacation Payable	(4,337)	10,879
Increase in Customer Deposits	<u>19,530</u>	<u>94,734</u>
Total Adjustments	<u>1,104,343</u>	<u>1,289,020</u>
Net Cash Provided by Operating Activities	<u><u>\$ 956,958</u></u>	<u><u>\$ 740,819</u></u>
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES:		
Utility system construction on account	\$ 146,124	\$ -
Utility system contributed by developer	172,241	-

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, 2021

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES:			
Water Sales	\$ 1,303,000	\$ 1,404,238	\$ 101,238
Sewer Revenue	1,125,550	1,352,721	227,171
Reuse Water Sales	135,300	167,446	32,146
Connection Fees	36,900	40,250	3,350
Garbage Revenue	1,202,000	1,234,453	32,453
Late Fees and Other Revenue	34,795	34,309	(486)
Interest Revenue	70,550	51,791	(18,759)
Sale of Equipment/Insurance Proceeds	6,100	8,088	1,988
Total Revenues	3,914,195	4,293,296	379,101
EXPENSES:			
Personal Services - Water	752,559	679,798	72,761
Personal Services - Sewer	194,652	200,855	(6,203)
Operating Expenses - Water	486,738	470,214	16,524
Operating Expenses - Sewer	640,342	637,742	2,600
Operating Expenses - Garbage	1,228,000	1,186,560	41,440
Building Engineering	627,000	170,000	457,000
Utility System Improvements	444,426	869,223	(424,797)
Equipment Purchases	289,476	285,589	3,887
Contingency	189,490	-	189,490
Transfers out to General Fund	166,048	166,048	-
Total Expenses	5,018,731	4,666,029	352,702
Deficiency of Revenues Under Expenses	<u><u>\$(1,104,536)</u></u>	<u><u>\$ (372,733)</u></u>	<u><u>\$ 731,803</u></u>

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, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
CAPITAL ASSETS:		
Land	\$ 2,143,894	\$ 2,143,894
Buildings	13,308,672	12,987,562
Improvements Other Than Buildings	2,583,098	2,583,098
Furniture and Equipment	6,410,249	5,991,790
Infrastructure	3,416,528	3,416,528
Construction in Progress	<u>455,093</u>	<u>363,302</u>
 Total Capital Assets	 <u><u>\$ 28,317,534</u></u>	 <u><u>\$ 27,486,174</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	2,363,609	2,074,396
State of Florida Grants	582,278	582,278
Lake County Grants	623,899	623,899
Donations and Developer Contributions	2,606,245	2,603,945
General Fund Revenues	<u>21,473,216</u>	<u>20,933,369</u>
 Total Investment in Capital Assets	 <u><u>\$ 28,317,534</u></u>	 <u><u>\$ 27,486,174</u></u>

TOWN OF LADY LAKE, FLORIDA
SCHEDULE OF CAPITAL ASSETS USED IN GOVERNMENTAL ACTIVITIES
BY FUNCTION AND ACTIVITY
SEPTEMBER 30, 2021

FUNCTION AND ACTIVITY	LAND	BUILDINGS	IMPROVEMENTS OTHER THAN BUILDINGS	FURNITURE AND EQUIPMENT	INFRA- STRUCTURE	CONSTRUCTION IN PROGRESS	TOTAL
GENERAL GOVERNMENT:							
Town Manager	\$ -	\$ -	\$ -	\$ 31,573	\$ -	\$ -	\$ 31,573
Town Clerk	-	-	-	5,265	-	-	5,265
Finance	-	-	-	27,838	-	-	27,838
Human Resources	-	-	-	7,188	-	-	7,188
Information Technology	-	-	-	650,528	-	-	650,528
Other General Government	1,424,727	2,848,875	463,030	559,854	-	385,343	5,681,829
Facilities Maintenance	-	-	-	95,819	-	-	95,819
Total General Government	1,424,727	2,848,875	463,030	1,378,065	-	385,343	6,500,040
PUBLIC SAFETY:							
Police	-	24,922	8,806	2,050,141	-	-	2,083,869
Building Inspections/Code Enf	-	-	-	25,807	-	-	25,807
Total Public Safety	-	24,922	8,806	2,075,948	-	-	2,109,676
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	1,714,163	2,280,698	-	4,640,129
Motor Pool	-	6,437	-	70,627	-	-	77,064
Total Public Works	236,447	1,929,961	151,698	1,857,148	2,280,698	-	6,455,952
CULTURE AND RECREATION:							
Library	48,000	7,200,331	23,340	287,421	-	-	7,559,092
Parks and Recreation	434,720	1,304,583	1,936,224	709,985	1,135,830	69,750	5,591,092
Total Culture and Recreation	482,720	8,504,914	1,959,564	997,406	1,135,830	69,750	13,150,184
Total Capital Assets	\$ 2,143,894	\$ 13,308,672	\$ 2,583,098	\$ 6,410,249	\$ 3,416,528	\$ 455,093	\$ 28,317,534

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, 2021

FUNCTION AND ACTIVITY	BALANCE 9/30/2020	ADDITIONS	TRANSFERS/ DISPOSALS	BALANCE 9/30/2021
GENERAL GOVERNMENT:				
Town Manager	\$ 7,650	\$ -	\$ 23,923	\$ 31,573
Town Clerk	5,265	-	-	5,265
Finance	27,838	-	-	27,838
Human Resources	7,188	-	-	7,188
Information Technology	624,192	26,336	-	650,528
Other General Government	5,564,496	128,454	(11,121)	5,681,829
Facilities Maintenance	95,819	-	-	95,819
Total General Government	6,332,448	154,790	12,802	6,500,040
PUBLIC SAFETY:				
Police	1,973,966	223,093	(113,190)	2,083,869
Building Inspections/Code Enforce	25,807	-	-	25,807
Total Public Safety	1,999,773	223,093	(113,190)	2,109,676
GROWTH MANAGEMENT	101,682	-	-	101,682
PUBLIC WORKS:				
Administration	1,738,759	-	-	1,738,759
Streets and Maintenance	4,579,084	82,979	(21,934)	4,640,129
Motor Pool	77,064	-	-	77,064
Total Public Works	6,394,907	82,979	(21,934)	6,455,952
CULTURE AND RECREATION:				
Library	7,237,982	209,741	111,369	7,559,092
Parks and Recreation	5,419,382	171,710	-	5,591,092
Total Culture and Recreation	12,657,364	381,451	111,369	13,150,184
Total Capital Assets	\$ 27,486,174	\$ 842,313	\$ (10,953)	\$ 28,317,534

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.

<u>Contents</u>	<u>Page</u>
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.	84-94
Revenue Capacity	
These schedules contain information to help the reader assess the Town's most significant revenue source, the property tax.	95-98
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.	99-102
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.	103-106
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.	107-111

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 2012	Fiscal Year 2013	Fiscal Year 2014	Fiscal Year 2015
GOVERNMENTAL ACTIVITIES				
Net Investment in Capital Assets	\$ 10,834,189	\$ 10,682,438	\$ 11,831,421	\$ 12,253,224
Restricted for:				
Capital Improvements	253,198	308,271	356,616	467,143
Police	4,957	18,790	21,075	11,537
Building Inspections	7,339	-	-	4,056
Education	1,590,846	1,590,846	1,596,096	1,615,816
Library	-	-	-	-
Unrestricted	6,512,844	6,736,665	5,467,962	7,361,403
 Total Governmental Activities Net Position	 <u>\$ 19,203,373</u>	 <u>\$ 19,337,010</u>	 <u>\$ 19,273,170</u>	 <u>\$ 21,713,179</u>
 BUSINESS-TYPE ACTIVITIES				
Net Investment in Capital Assets	\$ 21,148,454	\$ 21,260,019	\$ 21,246,272	\$ 20,263,034
Restricted for:				
Capital Improvements	1,284,655	1,323,003	1,223,405	1,550,223
Unrestricted	1,829,470	2,109,382	2,365,504	2,660,877
 Total Business-type Activities Net Position	 <u>\$ 24,262,579</u>	 <u>\$ 24,692,404</u>	 <u>\$ 24,835,181</u>	 <u>\$ 24,474,134</u>
 TOWN OF LADY LAKE				
Net Investment in Capital Assets	\$ 31,982,643	\$ 31,942,457	\$ 33,077,693	\$ 32,516,258
Restricted for:				
Capital Improvements	1,537,853	1,631,274	1,580,021	2,017,366
Police	4,957	18,790	21,075	11,537
Building Inspections	7,339	-	-	4,056
Education	1,590,846	1,590,846	1,596,096	1,615,816
Library	-	-	-	-
Unrestricted	8,342,314	8,846,047	7,833,466	10,022,280
 Total Town of Lady Lake Net Position	 <u>\$ 43,465,952</u>	 <u>\$ 44,029,414</u>	 <u>\$ 44,108,351</u>	 <u>\$ 46,187,313</u>

Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021
\$ 12,615,596	\$ 14,700,622	\$ 14,612,058	\$ 14,427,310	\$ 14,304,285	\$ 14,142,215
546,121	379,212	403,967	515,830	592,936	687,526
10,956	3,572	5,252	6,476	12,847	13,181
-	52,037	299,657	179,791	35,664	-
1,625,466	1,625,466	1,625,466	1,625,466	1,625,466	1,625,466
-	-	-	-	-	1,790
9,212,834	10,347,351	11,501,590	12,106,114	13,805,317	15,793,409
<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>	<u>\$ 32,263,587</u>
\$ 19,805,320	\$ 19,356,812	\$ 19,536,904	\$ 21,502,753	\$ 21,515,103	\$ 21,663,297
1,579,323	1,819,281	1,303,346	2,420,018	1,818,871	2,660,474
2,476,071	2,300,558	2,473,513	3,076,846	3,019,695	3,006,776
<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>	<u>\$ 27,330,547</u>
\$ 32,420,916	\$ 34,057,434	\$ 34,148,962	\$ 35,930,063	\$ 35,819,388	\$ 35,805,512
2,125,444	2,198,493	1,707,313	2,935,848	2,411,907	3,348,000
10,956	3,572	5,252	6,476	12,847	13,181
-	52,037	299,657	179,791	35,664	-
1,625,466	1,625,466	1,625,466	1,625,466	1,625,466	1,625,466
-	-	-	-	-	1,790
11,688,905	12,647,909	13,975,103	15,182,960	16,825,012	18,800,185
<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>	<u>\$ 59,594,134</u>

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

	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014	Fiscal Year 2015
EXPENSES				
Governmental Activities:				
General Government	\$ 1,480,301	\$ 1,521,779	\$ 1,668,708	\$ 1,742,534
Public Safety	4,183,461	4,433,960	4,485,737	4,234,108
Growth Management	205,076	248,856	243,718	265,218
Public Works	1,642,133	1,809,065	2,118,038	1,710,173
Culture and Recreation	1,334,575	1,332,810	1,326,100	1,299,452
Interest on Long-term Debt	143,289	139,871	137,017	116,230
Total Governmental Activities Expenses	<u>8,988,835</u>	<u>9,486,341</u>	<u>9,979,318</u>	<u>9,367,715</u>
Business-Type Activities				
Water	1,157,928	1,151,286	1,305,705	1,177,220
Sewer	1,266,414	1,374,593	1,269,726	1,320,503
Garbage	325,861	328,389	330,661	336,229
Total Business-Type Activities Expenses	<u>2,750,203</u>	<u>2,854,268</u>	<u>2,906,092</u>	<u>2,833,952</u>
Total Expenses	<u>\$ 11,739,038</u>	<u>\$ 12,340,609</u>	<u>\$ 12,885,410</u>	<u>\$ 12,201,667</u>
PROGRAM REVENUES				
Governmental Activities:				
Charges for Services:				
General Government	\$ 20,583	\$ 46,061	\$ 26,257	\$ 35,390
Public Safety	1,148,897	1,180,261	1,270,751	1,390,133
Growth Management	44,806	63,305	84,945	107,165
Public Works	19,183	16,996	39,447	53,469
Culture and Recreation	32,502	48,081	48,550	54,430
Operating Grants and Contributions	198,181	180,793	210,371	224,196
Capital Grants and Contributions	234,178	55,155	1,207,037	375,154
Total Governmental Activities Program Revenues	<u>1,698,330</u>	<u>1,590,652</u>	<u>2,887,358</u>	<u>2,239,937</u>
Business-Type Activities:				
Charges for Services:				
Water	1,070,237	1,063,469	1,113,378	1,115,560
Sewer	710,978	733,441	768,116	790,573
Garbage	358,768	360,974	364,311	367,953
Operating Grants and Contributions	432	-	-	-
Capital Grants and Contributions	708,452	520,624	161,466	324,250
Total Business-Type Activities Program Revenues	<u>2,848,867</u>	<u>2,678,508</u>	<u>2,407,271</u>	<u>2,598,336</u>
Total Program Revenues	<u>\$ 4,547,197</u>	<u>\$ 4,269,160</u>	<u>\$ 5,294,629</u>	<u>\$ 4,838,273</u>
NET REVENUE (EXPENSE)				
Governmental Activities	\$ (7,290,505)	\$ (7,895,689)	\$ (7,091,960)	\$ (7,127,778)
Business-Type Activities	<u>98,664</u>	<u>(175,760)</u>	<u>(498,821)</u>	<u>(235,616)</u>
Total Net Expense	<u>\$ (7,191,841)</u>	<u>\$ (8,071,449)</u>	<u>\$ (7,590,781)</u>	<u>\$ (7,363,394)</u>

Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021
\$ 1,730,431	\$ 1,903,693	\$ 2,053,017	\$ 2,056,037	\$ 2,269,596	\$ 2,497,141
4,006,978	3,924,096	4,915,400	4,958,150	4,927,303	5,686,900
233,680	325,481	368,809	379,399	350,102	326,594
1,880,482	1,950,796	2,426,249	2,032,846	2,238,018	2,259,528
1,444,723	1,482,354	1,679,340	1,655,769	1,875,363	1,721,447
79,468	4,819	-	-	-	-
9,375,762	9,591,239	11,442,815	11,082,201	11,660,382	12,491,610
1,187,348	1,332,455	1,219,467	1,354,782	1,609,735	1,546,792
1,365,635	1,375,192	1,488,960	1,559,945	1,586,891	1,647,450
1,054,906	1,071,930	1,103,068	1,137,596	1,166,355	1,186,560
3,607,889	3,779,577	3,811,495	4,052,323	4,362,981	4,380,802
\$ 12,983,651	\$ 13,370,816	\$15,254,310	\$15,134,524	\$16,023,363	\$ 16,872,412
\$ 28,061	\$ 147,905	\$ 95,665	\$ 33,549	\$ 24,999	\$ 48,342
1,208,703	1,297,263	1,519,432	1,323,201	1,567,838	1,610,671
69,590	123,685	123,845	92,569	58,925	73,105
33,798	116,439	46,598	37,023	43,796	60,754
52,236	66,544	112,430	106,940	74,055	48,516
271,989	368,848	437,937	545,935	299,482	666,082
166,767	546,634	196,056	100,751	70,798	163,380
1,831,144	2,667,318	2,531,963	2,239,968	2,139,893	2,670,850
1,165,389	1,179,920	1,185,629	1,269,018	1,304,191	1,462,965
842,015	860,488	918,613	1,187,475	1,302,328	1,544,087
1,155,701	1,170,324	1,187,130	1,205,529	1,223,613	1,234,453
-	-	-	-	-	-
39,670	295,678	147,885	2,252,749	92,286	1,230,332
3,202,775	3,506,410	3,439,257	5,914,771	3,922,418	5,471,837
\$ 5,033,919	\$ 6,173,728	\$ 5,971,220	\$ 8,154,739	\$ 6,062,311	\$ 8,142,687
\$ (7,544,618)	\$ (6,923,921)	\$ (8,910,852)	\$ (8,842,233)	\$ (9,520,489)	\$ (9,820,760)
(405,114)	(273,167)	(372,238)	1,862,448	(440,563)	1,091,035
\$ (7,949,732)	\$ (7,197,088)	\$ (9,283,090)	\$ (6,979,785)	\$ (9,961,052)	\$ (8,729,725)

Continued on Next Page

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

	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014	Fiscal Year 2015
GENERAL REVENUES AND TRANSFERS				
Governmental Activities:				
Taxes:				
Property Taxes	\$ 2,551,573	\$ 2,499,157	\$ 2,541,325	\$3,066,208
Sales Taxes	1,763,033	1,801,238	1,924,431	2,051,083
Franchise Fees	1,295,015	1,283,585	1,395,151	1,395,373
Utility Taxes	2,208,800	2,361,744	978,520	2,015,130
Excise Taxes	704,042	710,796	742,764	770,234
Unrestricted Investment Earnings	112,217	(41,207)	81,731	98,552
Gain on Sale of Capital Assets	-	-	10,400	27,084
Transfers	(602,138)	(585,987)	(646,202)	144,123
Total Governmental Activities	8,032,542	8,029,326	7,028,120	9,567,787
Business-Type Activities:				
Unrestricted Investment Earnings	36,335	19,598	(4,604)	18,692
Transfers	602,138	585,987	646,202	(144,123)
Total Business-Type Activities	638,473	605,585	641,598	(125,431)
Total General Revenues and Transfers	\$ 8,671,015	\$ 8,634,911	\$ 7,669,718	\$9,442,356
CHANGE IN NET POSITION				
Governmental Activities	\$ 742,037	\$ 133,637	\$ (63,840)	\$2,440,009
Business-Type Activities	737,137	429,825	142,777	(361,047)
Total Change in Net Position	\$ 1,479,174	\$ 563,462	\$ 78,937	\$2,078,962

Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021
\$ 3,118,280	\$ 3,156,218	\$ 3,399,162	\$ 3,626,787	\$ 3,913,190	\$ 4,265,864
2,146,461	2,219,432	2,348,220	2,523,438	2,321,548	2,736,286
1,383,861	1,390,322	1,474,639	1,557,631	1,521,408	1,541,144
1,992,703	2,094,236	2,007,958	1,941,351	1,873,916	1,911,712
873,717	943,577	999,106	1,043,088	953,422	1,038,499
105,060	55,887	133,381	306,890	151,478	22,264
-	20,036	22,616	1,045	45,555	26,015
222,330	141,500	(134,500)	(1,745,000)	255,500	166,048
9,842,412	10,021,208	10,250,582	9,255,230	11,036,017	11,707,832
14,024	30,604	74,850	78,406	50,215	51,791
(222,330)	(141,500)	134,500	1,745,000	(255,500)	(166,048)
(208,306)	(110,896)	209,350	1,823,406	(205,285)	(114,257)
\$ 9,634,106	\$ 9,910,312	\$ 10,459,932	\$ 11,078,636	\$ 10,830,732	\$ 11,593,575
\$ 2,297,794	\$ 3,097,287	\$ 1,339,730	\$ 412,997	\$ 1,515,528	\$ 1,887,072
(613,420)	(384,063)	(162,888)	3,685,854	(645,848)	976,778
\$ 1,684,374	\$ 2,713,224	\$ 1,176,842	\$ 4,098,851	\$ 869,680	\$ 2,863,850

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

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
General Fund				
Nonspendable	\$ 107,936	\$ 70,346	\$ 44,981	\$ 41,004
Restricted	1,856,340	1,917,907	1,973,787	2,098,552
Committed	-	-	-	-
Assigned	12,768	7,139	11,386	766,158
Unassigned	<u>5,765,899</u>	<u>5,879,340</u>	<u>5,274,753</u>	<u>6,087,035</u>
Total General Fund	<u>\$ 7,742,943</u>	<u>\$ 7,874,732</u>	<u>\$ 7,304,907</u>	<u>\$ 8,992,749</u>
All Other Governmental Funds				
Restricted	<u>\$ 809,506</u>	<u>\$ 997,795</u>	<u>\$ 1,106,801</u>	<u>\$ 1,304,057</u>
Total all other governmental funds	<u>\$ 809,506</u>	<u>\$ 997,795</u>	<u>\$ 1,106,801</u>	<u>\$ 1,304,057</u>

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
\$ 46,031	\$ 49,488	\$ 49,097	\$ 53,044	\$ 47,178	\$ 51,501
2,182,543	2,060,287	2,334,342	2,327,563	2,266,913	2,327,963
-	1,700,000	1,078,030	2,397,951	3,725,258	3,640,030
770,904	158,777	92,632	58,532	33,629	23,935
7,345,746	6,604,574	7,804,930	7,812,316	7,321,945	8,161,588
<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>\$ 14,205,017</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>\$ 3,421,466</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>\$ 3,421,466</u>

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

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Revenues					
Taxes	\$ 7,493,824	\$ 7,553,814	\$ 7,293,702	\$ 7,912,220	\$ 8,207,018
Licenses and Permits	290,528	312,656	432,447	590,564	387,774
Intergovernmental Revenues	1,253,675	1,266,458	2,331,525	1,755,741	1,530,756
Charges for Services	177,124	188,237	211,456	213,007	185,214
Fines and Forfeitures	43,908	52,245	46,955	44,695	30,624
Investment Earnings	72,962	(41,207)	81,731	98,552	105,060
Miscellaneous	1,020,181	856,827	916,867	988,966	1,004,780
Total Revenues	<u>10,352,202</u>	<u>10,189,030</u>	<u>11,314,683</u>	<u>11,603,745</u>	<u>11,451,226</u>
Expenditures					
General Government	1,398,473	1,523,567	1,627,104	1,632,305	1,538,019
Public Safety	4,150,583	4,405,663	4,558,273	4,388,499	4,484,607
Growth Management	215,450	242,670	267,524	256,226	223,873
Public Works	1,541,586	1,694,717	2,033,250	1,524,132	1,715,032
Culture and Recreation	1,022,768	986,624	1,112,112	947,118	1,090,028
Capital Outlay	-	242,358	1,337,746	193,574	90,776
Debt Service:					
Principal	125,584	63,900	66,743	828,800	865,430
Interest	145,788	140,100	137,257	119,200	82,570
Total Expenditures	<u>8,600,232</u>	<u>9,299,599</u>	<u>11,140,009</u>	<u>9,889,854</u>	<u>10,090,335</u>
Excess (Deficiency) of Revenues over (under) Expenditures	1,751,970	889,431	174,674	1,713,891	1,360,891
Other Financing Sources (Uses)					
Transfers in	332,000	348,123	437,333	1,217,709	1,315,671
Transfers out	(934,138)	(934,110)	(1,083,535)	(1,073,586)	(1,093,341)
Sale of Capital Assets	1,802	16,634	10,709	27,084	-
Other Losses	(39,999)	-	-	-	-
Total Other Financing Sources (Uses)	<u>(640,335)</u>	<u>(569,353)</u>	<u>(635,493)</u>	<u>171,207</u>	<u>222,330</u>
Net Change in Fund Balances	<u>\$ 1,111,635</u>	<u>\$ 320,078</u>	<u>\$ (460,819)</u>	<u>\$ 1,885,098</u>	<u>\$ 1,583,221</u>
Debt service as a percentage of noncapital expenditures	3.4%	2.4%	2.2%	10.8%	9.8%

<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
\$ 7,826,746	\$ 8,718,518	\$ 8,927,566	\$ 9,122,480	\$ 9,816,420
496,752	724,049	468,847	418,776	464,034
1,949,676	1,670,310	1,967,202	1,758,214	2,280,284
252,829	217,754	233,056	211,544	231,133
35,031	34,081	29,569	21,444	28,027
55,887	133,381	306,890	151,478	22,264
1,171,585	1,295,918	1,049,221	1,207,819	1,327,524
<u>11,788,506</u>	<u>12,794,011</u>	<u>12,982,351</u>	<u>12,891,755</u>	<u>14,169,686</u>
1,912,327	1,876,200	1,889,699	2,304,152	2,482,512
4,482,304	4,640,086	4,882,448	5,134,138	5,659,848
310,336	349,849	374,420	346,542	310,386
1,782,135	2,508,867	1,960,815	2,012,006	2,077,264
1,157,207	1,432,709	1,316,850	1,634,149	1,560,621
907,063	178,862	288,669	257,678	209,741
1,417,934	-	-	-	-
9,897	-	-	-	-
<u>11,979,203</u>	<u>10,986,573</u>	<u>10,712,901</u>	<u>11,688,665</u>	<u>12,300,372</u>
(190,697)	1,807,438	2,269,450	1,203,090	1,869,314
1,777,331	412,836	474,611	905,270	566,048
(1,635,831)	(547,336)	(2,219,611)	(649,770)	(400,000)
9,082	22,616	1,045	45,555	26,015
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>150,582</u>	<u>(111,884)</u>	<u>(1,743,955)</u>	<u>301,055</u>	<u>192,063</u>
<u>\$ (40,115)</u>	<u>\$ 1,695,554</u>	<u>\$ 525,495</u>	<u>\$ 1,504,145</u>	<u>\$ 2,061,377</u>
13.8%	0.0%	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)

FISCAL YEAR	PROPERTY TAXES	INFRA- STRUCTURE SALES SURTAX	EXCISE TAXES	FRANCHISE FEES	UTILITY TAXES	COMMUNI- CATIONS SERVICES TAX	TOTAL TAXES
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
2021	4,265,864	1,648,054	446,761	1,541,144	1,362,032	552,565	9,816,420

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		
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	1,036,462,798	3.396	69.33%
2019	1,444,744,000	1,028,846,181	133,704,265	79,352,745	1,578,448,265	1,108,198,926	3.396	70.21%
2020	1,536,959,814	1,110,518,790	140,131,182	85,617,805	1,677,090,996	1,196,136,595	3.396	71.32%
2021	1,669,435,614	1,207,500,114	146,689,572	92,533,211	1,816,125,186	1,300,033,325	3.396	71.58%

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	
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
2021	3.396	5.613	6.699	0.337	0.229	0.463	0.895	17.632

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, 2021
CURRENT YEAR COMPARED TO TEN YEARS AGO

Taxpayer	Fiscal Year 2021			Fiscal Year 2012		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Value
Villages Operating Company	\$ 77,859,846	1	5.14%	\$ 33,079,887	1	4.12%
GMC Lady Lake LLC	34,694,208	2	2.29%			
Sun Communities Finance LP	37,906,933	3	2.50%	18,405,674	3	2.29%
Villages Land Operating Company LLC	34,804,277	4	2.30%			
SRK Lady Lake 43 Associates, LLC	27,510,312	5	1.82%	16,919,840	4	2.11%
Vereit MT Lady Lake FL LLC	25,659,857	6	1.69%			
Lady Lake Apartments LLC	25,598,317	7	1.69%	10,936,248	7	1.36%
Carmendy Square Properties LLC	17,136,044	8	1.13%			
Lady Lake Inc	15,932,009	9	1.05%			
VVLL Properties LLC	12,351,400	10	0.82%			
Lazy B Cattle Venture LTD				26,046,757	2	3.24%
Courtney Villages LLC				16,671,230	5	2.08%
TMW Wltfonds Rolling Acres Plaza LP				15,257,894	6	1.90%
Sam's East Inc				7,776,675	8	0.97%
The Villages of Lake Sumter Inc				7,651,694	9	0.95%
Kohl's Department Stores, Inc.				6,420,492	10	0.80%
Total	<u>\$ 309,453,203</u>		<u>20.44%</u>	<u>\$ 159,166,391</u>		<u>19.82%</u>
Total Taxable Assessed Valuation	\$ 1,514,233,203			\$ 803,142,992		

Source: Tax Year 2020 and Tax Year 2011 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

98

<u>FISCAL YEAR</u>	<u>TOTAL TAX LEVY</u>	<u>CURRENT TAX COLLECTIONS</u>	<u>PERCENT OF LEVY COLLECTED</u>	<u>DELINQUENT TAX COLLECTIONS</u>	<u>TOTAL TAX COLLECTIONS</u>	<u>PERCENT OF TOTAL TAX COLLECTIONS TO TAX LEVY</u>
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%
2021	4,415,173	4,257,976	96.4%	7,888	4,265,864	96.6%

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 Revenue Note	Business-Type Activities Loans Payable	Total Primary Government	Percentage of Personal Income^a	Per Capita^a
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%	-
2021	-	-	-	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, 2021**

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Debt repaid with property taxes	\$ -	4.02%	\$ -
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	
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
2021	1,648,054	-	-	-	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	
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
2021	2,797,209	1,988,609	808,600	-	-	-	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

<u>Year</u>	<u>Town of Lady Lake</u>		<u>Lake County</u>	
	<u>Population</u>	<u>% Increase</u>	<u>Population</u>	<u>% Increase</u>
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%
2021	16,042	7.23%	399,342	15.56%

POPULATION DISTRIBUTION BY AGE - 2021

<u>Age</u>	<u>Lake County</u>	<u>State of Florida</u>
0-19	20.4%	22.1%
20-44	26.3%	30.6%
45-64	25.2%	25.7%
65+	28.1%	21.6%

POPULATION PER SQUARE MILE

<u>Year</u>	<u>Lake County</u>	<u>State of Florida</u>
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
2021	421	408

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	2012	2013	2014	2015
Population	13,909	13,947	14,148	14,207
Total Personal Income of all Lady Lake Residents	393,812,611	362,370,954	371,186,928	341,195,312
Per Capita Personal Income	28,314	25,982	26,236	24,016
Median Age	67	65	65	66
School Enrollment The Villages of Lady Lake Elementary	761	809	832	843
Lake County Unemployment Rate	8.9%	6.9%	5.4%	5.2%

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)

2016	2017	2018	2019	2020	2021
14,687	14,821	14,960	15,655	15,754	16,042
367,659,671	396,061,583	404,488,480	424,720,150	434,400,796	478,757,448
25,033	26,723	27,038	27,130	27,574	29,844
66	65	67	64	68	68
827	830	827	872	866	771
4.8%	3.4%	2.9%	2.9%	7.2%	4.3%

TOWN OF LADY LAKE, FLORIDA
PRINCIPAL EMPLOYERS
SEPTEMBER 30, 2021

Employer	2021			2012		
	* Employees	Rank	Percentage of Total Town Employment	* Employees	Rank	Percentage of Total Town Employment
The Villages Rehab & Nursing Center	230	1	4.79%			
The Home Depot	220	2	4.58%	140	4	3.65%
Sam's Club	185	3	3.85%	176	3	4.59%
The Villages Media Group	185	4	3.85%	200	2	5.22%
OMI, Inc	171	5	3.56%			
Lady Lake Specialty Care	165	6	3.44%	315	1	8.22%
Publix Super Markets	150	7	3.12%	133	6	3.47%
Winn Dixie Stores, Inc/Winn Dixie Liquors	133	8	2.77%	106	9	2.77%
Kohl's Department Store	112	9	2.33%	112	8	2.92%
Texas Roadhouse	109	10	2.27%			
Katie Belles Music Hall				137	5	3.58%
Target Department Store				119	7	3.11%
Town of Lady Lake				105	10	2.74%
Total	<u>1,660</u>		<u>34.56%</u>	<u>1,543</u>		<u>40.27%</u>
Total Town Employment	4,803			3,832		

* 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 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
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	3
Finance	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	5
Human Resource/Risk Management	2	2	2	2	2	2	2	2	2	2
Information Technology	2	2	2	2	2	2	2	3	3	3.5
Facilities Maint.	2	2	2	2	2	2	2	2	2	2
Total General Government	14.5	14.5	14.5	14.5	14.5	14.5	14.5	15.5	15.5	17.5
Public Safety										
Police Officers	28	28	28	28	28	28	28	30	30	30
Police Civilians	14.5	14.5	6.5	6.5	6.5	6	6	6	6	6
Building Dept.	1	1	1	1	1	1	1	1	2	2
Code Enforcement	1	1	1	1	1	1	1	1	1	1
Total Public Safety	44.5	44.5	36.5	36.5	36.5	36	36	38	39	39
Growth Management	3	3	3	3	3.5	4.5	4.5	4.5	3.5	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	7	7	7.5	7.5	9	9	9.5	9.5	9.5
Parks & Recreation	5	5	5	5	5	5	5	5	6	6
Total Culture and Recreation	12	12	12	12.5	12.5	14	14	14.5	15.5	15.5
Utilities										
Water	9	10	10	10	10	11	11	11	11	11
Sewer	3	2	2	2	2	2	2	2	2	2
Total Utilities	12	12	12	12	12	13	13	13	13	13
Total Government Employees	100	100	92	92.5	93	96	96	99.5	100.5	102.5

Source: Finance Department

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

<u>Function/Program</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Police					
Booking Arrests	414	390	305	350	485
DUI Citations	30	26	24	29	35
Misdemeanor Citations	47	45	41	78	62
Traffic Citations	1,462	1,742	1,370	2,095	1,512
Traffic Accidents	382	439	408	561	728
Warrants Arrests	44	55	45	62	73
Dispatch Center:					
Medical Calls	2,418	2,448	174	912	608
Assist other Agencies	312	283	186	156	205
General Calls	27,797	18,406	13,096	15,878	16,482
Building Department					
Total Commercial Permits	240	241	303	368	238
Total Residential Permits	1,065	1,033	1,173	1,236	1,209
Number of Permits Issued	1,305	1,274	1,476	1,604	1,447
Total Construction Value	\$24,027,568	\$12,457,348	\$36,044,724	\$41,692,307	\$34,064,698
Growth Management					
Site Plans Approved	0	4	7	11	5
Clerk's Office					
Business Tax Receipts	1,073	818	817	882	847
Roads and Streets					
Potholes repaired	600	500	500	500	600
Street resurfacing (miles)	0	0.25	1.40	2.70	3.18
Street Micro-resurfacing (miles)	4.57	12.19	0.00	0.00	0.00
Street Reclamite (miles)	0.00	0.00	0.00	0.00	0.00
Library					
Total Circulation (library materials checked out)	140,181	134,728	123,563	149,504	169,592
Total Users of Public Internet Computers	38,850	16,951	13,535	14,134	15,547
Total Reference Transactions	24,364	27,868	21,696	13,884	15,689
Total Annual Programs	605	499	428	815	852
Total Program Attendance	15,505	22,345	11,963	12,722	12,993
Total Number of Registered Card Holders	9,412	10,318	6,394	7,796	9,019
Total Number of Volunteer Hours	4,786	3,935	2,687	3,435	3,465
Total Library visitors	149,741	152,530	149,318	176,182	187,226
Number of Bookings for Library Rooms	566	1,015	223	832	871
Number of Bookings at the Community Building	358	332	251	320	363
Parks and Recreation					
Number of Recreation Leases	8	8	7	7	7
Water					
Commercial Connections	420	396	397	408	422
Residential Connections	1,931	1,988	1,997	2,010	2,017
Total Connections	2,351	2,384	2,394	2,418	2,439
Total Equivalent Residential Units	3,859	3,861	3,896	3,954	4,005
Average Daily Consumption (gallons per day)	662,634	655,523	675,229	678,622	734,828
Reuse					
Commercial Connections	27	30	34	38	42
Residential Connections	0	0	9	10	13
Total Equivalent Residential Units	104	112	142	162	173
Average Daily Consumption (gallons per day)	109,000	162,000	170,000	222,000	227,000
Wastewater					
Commercial Connections	226	231	234	241	261
Residential Connections	672	734	737	743	742
Total Connections	898	967	971	984	1,003
Total Equivalent Residential Units	1,950	2,060	2,084	2,107	2,165
Average Daily Sewage Treatment (gallons per day)	220,500	238,000	240,000	244,000	247,000

Sources: Various Town departments

<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
450	290	370	277	325
29	23	11	19	11
70	53	56	32	32
1,444	1,169	925	783	1,413
771	779	773	602	713
124	85	45	51	56
133	165	164	167	221
170	159	188	173	154
8,670	15,783	17,149	16,179	18,920
207	171	188	218	253
1,224	1,617	1,397	1,824	1,795
1,431	1,788	1,585	2,042	2,048
\$34,371,713	\$54,846,969	\$32,197,936	\$29,682,928	\$29,083,340
9	5	8	8	4
899	841	841	817	853
300	300	200	300	300
2.27	1.24	2.17	3.60	2.49
0.00	11.00	0.00	1.34	1.93
0.00	0.00	0.00	3.38	0.00
167,896	145,467	136,548	145,981	130,425
15,682	15,887	11,950	6,467	6,040
19,169	21,372	22,430	28,184	19,232
896	886	865	226	426
20,081	16,671	15,840	10,499	6,365
10,303	11,629	12,907	12,561	13,633
3,068	2,381	2,686	1,734	2,376
207,987	194,636	181,385	99,281	138,000
1,003	1,095	1,216	614	306
403	441	508	53	103
8	8	8	8	8
466	471	430	454	453
2,069	2,094	2,064	2,112	2,131
2,535	2,565	2,494	2,566	2,584
4,043	4,115	4,143	4,435	4,593
735,359	698,041	725,408	738,000	750,000
42	43	44	46	45
20	38	36	43	49
180	196	206	384	390
238,000	283,000	291,000	283,000	275,000
263	266	271	280	283
751	756	758	773	774
1,014	1,022	1,029	1,053	1,057
2,178	2,205	2,232	2,440	2,659
263,000	313,000	325,000	435,000	496,000

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

<u>Function/Program</u>	<u>2012</u>	<u>2012</u>	<u>2014</u>	<u>2015</u>
Police				
Stations (Includes substation)	1	1	1	1
Sworn Officers (positions filled)	28	28	28	28
Administration Units	3	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	0	0	0
K-9 Officer with Dog Unit	0	1	1	1
Support (Non-Sworn)	16	15	6.5	6.5
Roads and Streets				
Paved Roads (miles)	61.21	61.44	61.44	61.44
Unpaved Roads (miles)	2.58	2.58	2.58	2.58
Sidewalks (feet)	9,100	9,100	26,084	26,084
Land Annexations (acreage)	26.83	0	0	-3.18
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)	54.3	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	305	306	319	322
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)	638,000	638,000	638,000	638,000
Lift Stations	18	18	19	19

Sources: Various Town departments

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
1	1	1	1	1	1
28	28	28	30	30	30
3	3	3	3	3	3
21	21	22	24	24	23
1	1	0	0	0	0
2	2	2	2	2	3
0	0	0	0	0	0
1	1	1	1	1	1
7	6	6	6	6	6
61.44	62.64	62.64	62.64	62.64	62.64
2.58	3.08	3.08	3.08	3.08	3.08
26,084	30,250	30,250	30,250	30,250	30,250
4.89	5.81	39.06	9.53	0.16	273.45
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	54.5	54.6	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
327	327	337	346	363	363
3	3	3	3	3	3
7.3	7.3	7.3	7.4	7.5	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	23.6	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

Certified Public Accountants

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Robert E. Johnston, CPA (1982-2001)
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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*

June 23, 2022

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, 2021, which collectively comprise the Town of Lady Lake, Florida's basic financial statements, and have issued our report thereon dated June 23, 2022. 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.

A handwritten signature in blue ink that reads "Shumacker, Johnston & Ross, PA".

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, 2021**

FEDERAL AWARDS

Federal Grantor/ Program Title	Federal Assistance Listing Number	Federal Revenues	Federal Expenditures	Federal through State Receipts
U.S. DEPARTMENT OF JUSTICE				
Bulletproof Vest (total grant \$4,000) Grant #2020-BUBX	16.607	\$ 1,572	\$ 1,572	\$ -
Pass through the Florida Department of Law Enforcement: Byrne Memorial Justice Assistance Grant Active Shooter Kits (total grant \$4,312) Contract #2020-JAGC-LAKE-18-5R-035	16.738	2,396	2,396	2,396
Molle Style Outer Vest Carrier (total grant \$1,657) Contract #2019-JAGD-LAKE-6-N3-082	16.738	1,657	1,657	1,657
Molle Style Outer Vest Carrier (total grant \$2,137) Contract #2020-JAGD-LAKE-2-Y6-048	16.738	2,135	2,135	2,135
U.S. DEPARTMENT OF THE TREASURY				
COVID-19 FEDERAL FINANCIAL ASSISTANCE PROGRAMS				
Pass through the Florida Division of Emergency Management: American Rescue Plan Act of 2021	21.027	-	-	4,011,837
CORONOVIRUS RELIEF FUND				
Pass through Lake County Government: FY21 Lake County CARES Act Funding	21.019	416,533	416,533	-
Total Federal Awards		<u>\$ 424,293</u>	<u>\$ 424,293</u>	<u>4,018,025</u>

Continued on next page

(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, 2021

STATE OF FLORIDA FINANCIAL ASSISTANCE

State Agency/ Program Title	State CSFA Number	State Revenues	State Expenditures	State Receipts
Total State Financial Assistance		\$ -	\$ -	-
Total State Receipts				\$4,018,025

(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

June 23, 2022

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, 2021, and have issued our report thereon dated June 23, 2022.

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 June 23, 2022, 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

June 23, 2022

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, 2021. 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*, Local Government Investment Policies for the year ended September 30, 2021, 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.

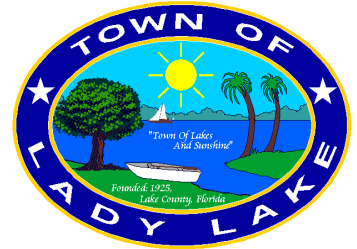
In our opinion, the Town complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2021.

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 23rd day of June, 2022.

NOTARY PUBLIC
Print Name: Julia Harris

Personally known X or produced identification _____

Type of identification produced: _____

My Commission Expires: June 1, 2026

Official Signatures on File in Town Clerk's Office