



# COMPREHENSIVE ANNUAL FINANCIAL REPORT



Fiscal Year Ending  
September 30, 2020  
City of Leesburg, Florida



**CITY OF LEESBURG, FLORIDA**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**



**Prepared by the Department of Finance**



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**CITY OF LEESBURG, FLORIDA  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

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## **INTRODUCTORY SECTION**





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## MISSION STATEMENT

"Dedicated to Our Community, Committed to Service Excellence"

March 16, 2021

Honorable Mayor and  
Members of the City Commission, and  
Citizens of the City of Leesburg, Florida

It is our pleasure to submit this Comprehensive Annual Financial Report (CAFR) for the City of Leesburg, Florida (City) for the fiscal year ended September 30, 2020. The report fulfills the requirements set forth by State law in accordance with Section 218.39, Florida Statutes, and Chapter 10.500, Rules of the Auditor General, which require that all general purpose local governments publish each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) in the United States and audited in accordance with auditing standards generally accepted in the United States by a firm of licensed certified public accountants.

This CAFR consists of management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed both to protect the City's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements are free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Florida Statutes require that an annual financial audit be performed by independent certified public accountants. This year the audit was performed by MSL CPA & Advisors. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended September 30, 2020 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was reasonable basis for rendering an unmodified opinion that the City's financial statements for the fiscal year ended September 30, 2020 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The City is also subject to a broader, mandated “Single Audit” designed to meet the special needs of federal and state grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government’s internal controls and compliance with legal requirements - with special emphasis involving the administration of federal and state awards. For the fiscal year ended September 30, 2020, the City's expenditures of federal financial assistance did not meet the required Federal threshold for reporting on such by the City or the independent auditor.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management’s Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City’s MD&A can be found immediately following the report of the independent auditor.

### **Profile of the Government**

The City of Leesburg was founded and first settled in 1857 by Evander H. Lee, a native of Sumter, South Carolina. The City received its name as a result of shipping directions given by Calvin Lee, Evander’s brother, during a merchandising trip to New York City in 1866. By a vote of 23 to 2, the City of Leesburg was incorporated on July 12, 1875. The City was originally part of Sumter County and served as the County seat until 1882 when the Florida Legislature created Lake County. The City has been a part of Lake County since then and is the oldest and second highest populated of the fourteen incorporated municipalities in Lake County, which include Astatula, Clermont, Eustis, Fruitland Park, Groveland, Howey-in-the-Hills, Lady Lake, Mascotte, Minneola, Montverde, Mount Dora, Tavares, and Umatilla.

The City of Leesburg 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 City is empowered to levy a property tax on both real and personal properties located within its boundaries. It also is empowered by state statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the governing body.

The City operates under a commission/manager form of government, with a governing body consisting of five City Commissioners, elected to staggered four-year terms. Three of the commission members must meet district residency requirements. The remaining two commissioners are elected at-large without a district residency requirement. One of the commissioners is selected by the other four as Mayor to serve a one-year term. The City Commission is responsible for, among other things, passing ordinances and resolutions, adopting the budget, appointing committees, and hiring the City Manager and City Attorney. The City Manager is responsible for carrying out the policies and ordinances adopted by the City Commission, for overseeing day-to-day operations of the City, appointing the department heads and approving the hiring of all employees.

The City provides a traditional mix of governmental services, including police and fire protection, the construction and maintenance of streets and infrastructure, library, recreational activities, cultural events, planning, zoning, housing, and administrative services. The City also provides a full range of utility services, including electric, natural gas, solid waste, water, reuse water, wastewater treatment, and stormwater drainage. The City has an international airport as well. In addition, the City has three Community Redevelopment Agencies (CRA), which are Greater Leesburg, Carver Heights/Montclair Area, and U.S. Highway 441&27.

The City is situated between Lake Harris and Lake Griffin in Lake County. To the south, the City extends past the intersection of U.S. Highway 27 with County Road 48, and south on County Road 33 past the Florida's Turnpike. The City extends west on County Road 48 and County Road 470 past the Florida's Turnpike to the Sumter County line. To the east, the City follows U.S. Highway 441 to County Road 473; the north is bounded by U.S. Highway 441 at Fruitland Park. The City occupies a land area of 40 square miles and has a population of approximately 25,000. The City is located in north central Florida midway between the Gulf of Mexico and the Atlantic Ocean, approximately 200 miles southeast of the State Capital, Tallahassee, 80 miles northeast of Tampa, 40 miles northwest of Orlando and 70 miles southwest of Daytona Beach. The City is intersected by State Road 44, U.S. Highway 27, U.S. Highway 441 and the Florida's Turnpike, with Interstate 75 close by.

The City's Library on Main Street in the downtown area is a two-story building of almost 42,000 sq. ft. featuring community meeting rooms, a Technology Lab, and an outdoor amphitheater for performances and events.

The City also takes pride in preserving its rich heritage through the Leesburg Historical Museum and Mote-Morris House, which offers a fine example of Victorian architecture.

The City is known for its scenic beauty, relaxed lifestyle, recreational facilities, temperate climate, extensive waterways, and affordable housing. Waterfront living is a way of life with 1,400 beautiful lakes located in Lake County.

The City's geographic location enables it to offer three parks that include lake access to the beautiful Harris Chain of Lakes, one on Lake Griffin (Herlong Park) and two on Lake Harris (Venetian Gardens and Singletary Park). Venetian Gardens offers a variety of recreational amenities, including great shoreline fishing opportunities, as seven pedestrian bridges connect islands within this picturesque setting. Other recreational amenities in Venetian Gardens include outdoor volleyball courts, Kids Korner Playground, a splash pad, pavilions, the Community Building, Venetian Cove Marina and Pat Thomas Stadium/Buddy Lowe Field that has hosted professional baseball in the past and is the current home of Leesburg High School varsity baseball and the Leesburg Lightning of the Florida Collegiate Summer League. The City is continuing to upgrade and add facilities to Venetian Gardens to continue to make the park a destination for all.

These outstanding recreational facilities of regional impact are complemented with numerous community and neighborhood parks. The City has three athletic complex locations. The Sleepy Hollow Sports Complex includes two football/soccer fields, two youth softball fields, two Babe Ruth Baseball fields, four adult softball fields, concessions, locker rooms, restrooms, pavilion and a playground. Sleepy Hollow is the site of numerous tournaments and attracts over 1,000 athletic teams each year to Leesburg. In 2007, the United States Sports Specialty Association voted the Sleepy Hollow Sports Complex their "Facility of the Year" for the State of Florida.

The Susan Street Complex includes four youth baseball fields, one regulation football field, four tennis courts, four outdoor racquetball courts, concessions and restrooms. Pat Thomas Stadium has one regulation high school/college field with a full stadium, locker rooms, concessions, and restrooms. The Palmetto Street Complex features four tennis courts as well as 24 shuffleboard courts. Other quality recreational facilities throughout the City include Rogers Park & Rogers Park Splash Pad, Berry Park, Veterans Park, John L. Johnson Park, Leesburg's Dog Park, and the Town Square, which serves as the focal point during major festivals hosted within the City.

The Leesburg Recreational Complex features two indoor regulation basketball courts, four indoor volleyball courts, an outdoor basketball court, playground and offices for the Parks and Recreation Department.

The City currently operates one swimming pool, H.O. Dabney Swimming Pool. This pool is located just around the corner from the Leesburg Recreational Complex. A family aquatic center is under construction with an estimated summer 2021 completion. The new facility will consist of a 25 yard competition pool, a beach entry pool, kids play area, two story slide, and basketball/volleyball area. The new facility will also include a bath house, guard house and concession stand.

The City Leesburg Resource Center, is an 8,900 square-foot multipurpose facility that includes meeting rooms, computer-training space, resource offices, and a central meeting hall. The Venetian Center at Venetian Gardens includes a 20,700 square-foot multipurpose community building with views of Venetian Gardens Park and Lake Harris. The largest room in Venetian Center can accommodate up to 1,000 people auditorium style.

Leesburg International Airport (LEE) is a large general aviation airport with over 50,000 flight operations per year. The Airport has grown substantially in the past few years and it continues to grow. The Airport provides a diversity of activities; with its two intersecting runways, the Airport can support a variety of aircraft. LEE is the largest airport in Lake County.

The Airport sustains and leads economic growth and development. It is an important economic engine, and supports vital health, welfare, emergency, and safety-related services. The annual economic impact of LEE is associated with direct impacts that come from tenants/businesses located at the Airport and construction projects that are undertaken by the Airport or by on-site businesses; indirect impacts are associated with spending from visitors who arrive in the area via general aviation aircraft.

### **Budgetary Controls**

The annual budget serves as the foundation for the City's financial planning and control. Department heads are required to submit requests for appropriations to the City Manager, who uses those requests as the starting point for developing a proposed budget. The City Manager is required by the City Charter to keep the City Commission fully advised as to the financial condition and needs of the City and to submit an annual budget for its consideration. The City Commission is required to hold public hearings on the proposed budget and to adopt a final budget by September 30, the close of the City's fiscal year. The appropriated budget is prepared by fund, function and department.

The City's adopted budget policy establishes budgetary control (i.e., the level at which expenditures cannot exceed the appropriated amount) at the fund level. Budgets for all governmental fund types are adopted on a basis consistent with GAAP. Department heads may make transfers of appropriations within a category from one division to another in their respective department, and transfers of appropriations between departments or categories can be approved by the City Manager. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual budget adopted by the City Commission. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the General Fund and major special revenue funds, these comparisons are presented as required supplementary information. For other governmental funds with appropriated annual budgets, these comparisons are presented in the Supplemental Information section of this report.

## **Economic Condition**

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

## **Local Economy**

The City, and Lake County as a whole, have transitioned in recent decades from agricultural roots to a growth-driven economy that is heavily centered in real estate, retail, personal services, and health care. For the last five years, Lake County's unemployment numbers have been either equal to or slightly below the State of Florida and the United States, and the local unemployment figure has decreased nearly 10% since 2010. Housing prices are continuing to increase, as well as ad valorem tax revenues. Vacancies in the downtown area have stabilized and are lower than levels experienced in the past. In spite of these improvements, given the effects of the prior recession and the City's desire to maintain lower taxes for its citizens and customers, challenges remain in trying to prepare a balanced budget.

Although future revenues will be increasing, there is a need to address various budget items that were eliminated or reduced during the recession.

The City's top private sector employer is UF Health Leesburg (f/k/a Central Florida Health Alliance), boasting a labor force of 1,696. Other principal employers within the City include LifeStream Behavioral Center, Lake County School District, Lake Sumter State College, and the City itself. Health care, education, personal services, retail, and construction are sectors with the highest employment levels in Lake County.

The City is home to Leesburg International Airport, a regional shopping mall, two colleges and a growing medical community. The City's retail shopping is largely concentrated along U.S. Highways 27 and 441.

FY 21 will mark a turning point in The City's future. The financial policies of the past few years have begun to make a positive impact on the City's overall financial position, thereby allowing reinvestment in a sustainable manner. Such steps include continued allocated reinvestments in the downtown area, the Leesburg International Airport, Wastewater and Electric Expansion. With these goals accomplished, FY 22 is poised to set Leesburg in a positive financial and operational direction.

The City recently sold 1,127 acres of land to The Villages. It is anticipated that The Villages will begin building approximately 2,800 homes in the City in the next few years. The property tax revenues, as well as other tax and service revenues, are expected to substantially improve the economic condition of the City as a whole in the intermediate- and long-term future.

The population in Lake County nearly doubled from 1980 to 2000 (210,528 persons). The County now has more than 366,742 residents, which could double over the next 25 years and reach more than half a million people. Growth in the City has retreated from the peak experienced in 2006. The City currently has 24,539 residents. The City expects a population growth of 20,000 to 25,000 over the next 15 years.

The Leesburg area is positioned at the crossroads of geographic expansion, as the retirement market continues to push from the north and family households sustain the market segment to the south. This area has embraced both market segments and, as a result, has become one of the emerging economic submarkets in all of Central Florida.

## Long-term Financial Planning

The Core Values adopted by the City Commission will drive the long-term planning process. One of the Core Values, “Fiscal Responsibility,” shows a respect for the citizens whose taxes support the municipal government and a commitment for the thoughtful prioritization and careful management of financial resources. Also addressed in this Core Value is the recognition that resources are limited and that this necessitates fresh approaches and creativity in addressing current operations and community needs.

The 5-year Capital Improvement Plan was developed to maximize the “pay as you go approach” while recognizing the benefit of financing. Utility improvements and replacements will be scheduled and integrated into the street paving work plan. The plan includes a detailed explanation regarding development of revenue projections and assumptions regarding capital needs. Due to limited resources, capital spending is limited to that which is necessary. The major sources of funding include grants and renewal and replacement funds.

In the past, the City typically extended services beyond the current available infrastructure based on a calculation to recoup the initial investment over a 5- to 7-year period.

Additional long-range planning for the following departments is listed below:

**Electric** – The Electric Department consistently evaluates the costs of outsourcing specific activities. The City has designated to convert certain overhead utility lines within the City to underground. Furthermore, the City has put policies in place requiring any new residential subdivisions and commercial facilities to be installed with underground equipment. These efforts are intended to lesson future safety code compliance issues associated with poles, weather related damage and to provide other savings, including improved reliability. The City continues to grow and expand its Smart Grid initiatives. These improvements will aide in the data gathering necessary to identify areas in which future upgrades may be necessary due to growth and changing load characteristics. In addition, a revision to the 5-year Capital Improvement Plan is underway which will identify system replacements, upgrades, and improvements necessary to maintain a state-of-the-art system well into the future.

**Gas** – The City is a member of Florida Gas Utility (FGU), which is made up of natural gas utilities with a common goal of acquiring natural gas in bulk to reduce the overall price to customers. Prior to 2006, the department followed a guideline of extending service to new customers based on a seven-year calculated return on initial investment. Since April of 2006, natural gas is being required in all new subdivisions within the city limits, with the cost of infrastructure to be borne by the developer. In 2018, the City entered into an Agreement with South Sumter Gas Utility/The Villages to provide natural gas service to the majority of their residential and commercial customers as they expand in Sumter and Lake County. Additionally, the City has completed construction of a new gate station which connects to the Sabal Trail Natural Gas transmission pipeline. This connection provides a redundant feed for existing customers and capacity for future expansion of the gas system.

- **Water & Wastewater** – Future utility expansion will be based on the Utility Master Plan and assessed as development requires utility expansion. At the present time, there is no funding source in Water or Wastewater for future utility expansion. The water utility is looking into long-term solutions for increased water consumption driven by population growth. The Florida aquifer has limited resources and is not expected to keep pace with development. The Central Florida Water Initiative and other similar efforts will take a leading role in developing future water use policies. The City has agreed to provide 3 million gallons per day of wastewater

treatment capacity to South Sumter Utility Company, LLC at a bulk services rate and also provide bulk reuse water supply.

- **Solid Waste** – The Solid Waste Division executed a long term disposal agreement with Covanta Lake II, Inc., a waste-to-energy facility that produces electricity by burning municipal solid waste. The five-year agreement includes an option to extend the contract for three additional five-year terms. The negotiated disposal fee is considerably less than the fee formerly paid to Lake County and represents a significant savings in operating expenses for the duration of the contract. The utility will continue to replace semi-automated residential side loading trucks with larger, fully automated trucks.
- **Information and Technology (IT)**– The IT Department is an important part of the City’s operations; thus, long-term financial planning includes preparing to replace computers as they become obsolete. All computer equipment is owned by the IT Department and leased to the other City departments, based on a five-year payback period. IT is actively involved with upgrading business technology as financial resources become available.
- **Fleet Maintenance** – All City vehicles are owned by Fleet Services, which is responsible for repairs, vehicle bid specifications, and purchases. A lease fee, based on useful life, is charged to the user department. Fleet Services also maintains the City’s two fuel sites. The City maintains a vehicle replacement plan for all City-owned vehicles and updates it annually. Planning for future vehicle purchases is the joint responsibility of Fleet Services and the leasing department.

### **Awards and Acknowledgements**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Leesburg for its comprehensive annual financial report for the fiscal year ended September 30, 2019. This is the 30th consecutive year (fiscal years ended 1990-2019) that the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The City believes its current comprehensive annual financial report continues to meet the Certificate of Achievement Program’s requirements, and will submit it to the GFOA to determine its eligibility for another certificate.

In addition, the City of Leesburg also received the GFOA’s Distinguished Budget Presentation Award for its annual budget document for fiscal year 2019-20. This was the 22nd consecutive year the City received this award. In order to qualify for the Distinguished Budget Presentation Award, the City’s budget document was judged to be proficient in several categories, including as a policy document, as a financial document, as an operations guide, and as a communications device.

The preparation of this report on a timely basis was made possible through the efficient, dedicated and professional efforts of the entire staff of the Finance Department. The significant amount of year-end closing procedures required prior to the audit could not have been accomplished without the personal and professional dedication of the members of the Finance Department. Other City departments, although not extensively involved in year-end audit activities, contributed significantly by ensuring the accuracy and integrity of accounting information compiled throughout the year. Credit must also be

given to the Mayor and Commissioners for their unfailing support for maintaining the highest standards of professionalism in the management of the City's finances. We believe that this report clearly illustrates the financial position of the City of Leesburg and wish to thank you for your support and commitment to maintaining the financial integrity of the City.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Al Minner", with a horizontal line extending to the right.

Alfred (Al) Minner  
City Manager

A handwritten signature in blue ink that reads "James A. Williams" in a cursive style.

James (Jim) Williams  
Finance Director



**CITY OF LEESBURG, FLORIDA  
PRINCIPAL CITY OFFICIALS  
SEPTEMBER 30, 2020**



**ELECTED OFFICIALS**

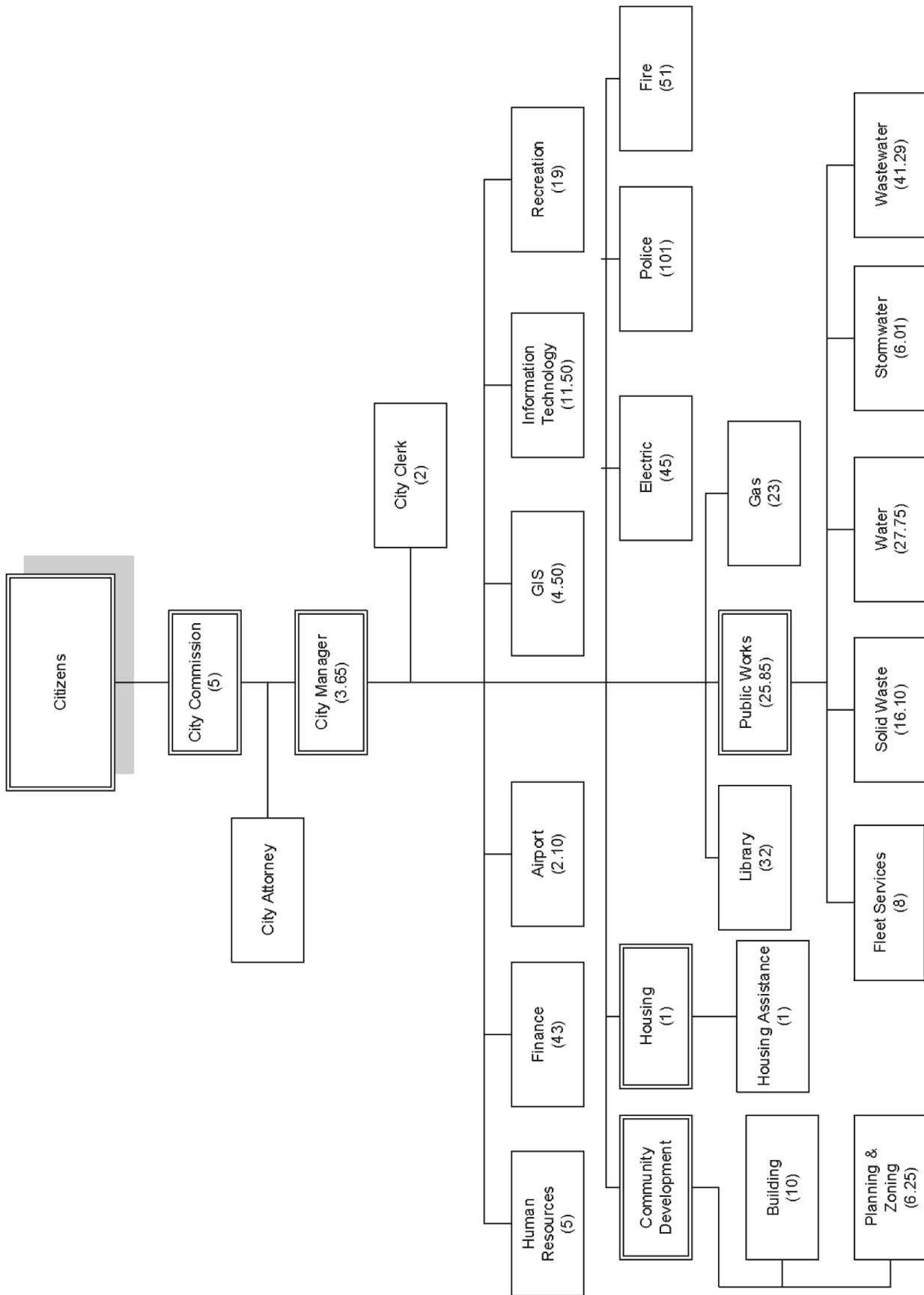
|                 |                |
|-----------------|----------------|
| Elise Dennison  | Mayor          |
| Jay Hurley      | Mayor, Pro-Tem |
| Mike Pederson   | Commissioner   |
| Dan Robuck, III | Commissioner   |
| John Christian  | Commissioner   |

**APPOINTED OFFICIALS**

|                                       |               |
|---------------------------------------|---------------|
| Al Minner                             | City Manager  |
| Fred Morrison / McLin & Burnsed, P.A. | City Attorney |

**EXECUTIVE STAFF**

|                  |                                   |
|------------------|-----------------------------------|
| James Williams   | Finance Director                  |
| Andi Purvis      | City Clerk                        |
| Melissa Arriaga  | Human Resources Director          |
| Tino Anthony     | Information Technologies Director |
| Robert Hicks     | Police Chief                      |
| David Johnson    | Fire Chief                        |
| Lucy Gangone     | Library Director                  |
| Travis Rima      | Recreation Director               |
| Brad Chase       | Electric Director                 |
| Jack Rogers, Jr. | Gas Director                      |
| Cliff Kelsey     | Public Works Director             |





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Leesburg  
Florida**

For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

September 30, 2019

*Christopher P. Morill*

Executive Director/CEO

## **FINANCIAL SECTION**



## INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and  
Members of the City Commission  
City of Leesburg, 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 City of Leesburg, Florida (the City) as of and for the fiscal year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, as listed in the table of contents.

#### ***Management's Responsibility for the Financial Statements***

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

#### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City'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 City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

#### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of September 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America.

The Honorable Mayor and  
Members of the City Commission  
City of Leesburg, Florida

### ***Other Matters***

#### *Required Supplementary Information*

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

#### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, the supplemental information section, the statistical section, and the debt disclosure section, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

The introductory section, statistical section, and debt disclosure section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

#### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated March 16, 2021, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 City's internal control over financial reporting and compliance.

***MSL, P.A.***

Certified Public Accountants

Orlando, Florida

March 16, 2021

**CITY OF LEESBURG, FLORIDA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**SEPTEMBER 30, 2020**

The City of Leesburg (the City), Florida's Management's Discussion and Analysis presents an overview of the City's financial activities for the fiscal year ended September 30, 2020. Please read it in conjunction with the letter of transmittal and the financial statements, as listed in the Table of Contents.

**Financial Highlights**

- The assets of the City exceed liabilities at the close of fiscal year 2020 by \$286.8 million (net position). Of this amount, \$52.7 million (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- The City's total net position increased \$17.4 million, or 6.5%. Net position for governmental activities increased \$3.7 million or 8.8%, while business-type activities increased \$13.7 million or 6.0%. The increase in the governmental activities is due primarily to increased taxes, interest income, and revenues in general due to an improving economy, while at the same time paying down debt and monitoring expenses closely. The increase in the business-type activities is due to increased customer charges and continued positive business performance of the City's various services.
- As of September 30, 2020, the City's governmental funds reported combined ending fund balance of \$28.5 million, a decrease of \$(1.3) million in comparison with the reported amount of \$29.8 million in the prior year.
- On September 30, 2020, unassigned fund balance for the General Fund was \$11.8 million, or 39% of total General Fund expenditures and transfers out of \$30.2 million.
- Governmental funds' fund balance decreased \$(1.3) million, while in the prior year fund balance decreased \$(5.5) million. This is mainly attributable to the significant capital outlay for the improvement of Venetian Gardens Community Building and other projects that occurred in 2019, but did not occur in 2020.
- The Internal Service Funds' change in net position decreased \$(263) thousand. Internal service funds are considered governmental activities on the City-wide statements, but are included with the enterprise funds on the individual funds' statements. The primary reason for the decrease was an increase in claims expense in the General Employees' Health Insurance and an increase in depreciation and amortization in the Fleet Fund.
- The total Enterprise Funds' change in net position increased \$13.7 million from the previous year, for the reasons noted for the increase in business-type activities above.
- The City's total financed debt as of September 30, 2020 increased \$10.6 million from \$103.3 million to \$113.9 million. Along with recurring debt repayments, the City borrowed \$15 million note for the expansion of the Turnpike Wastewater Plant and other improvements to the City's Water and Wastewater System. The City also borrowed \$100 thousand for improvements to the City's Electric System.

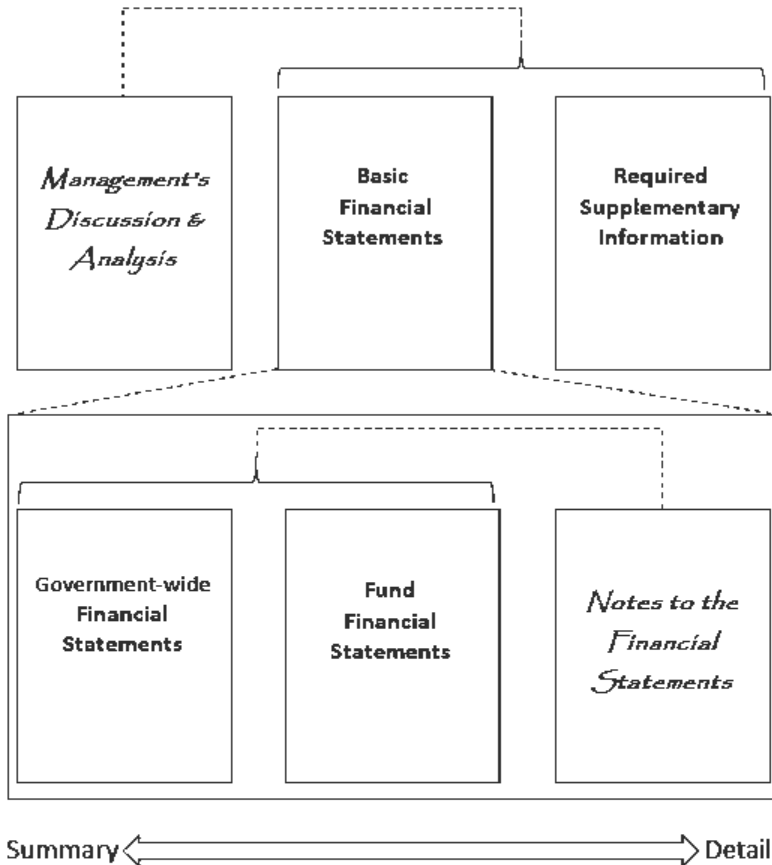
**CITY OF LEESBURG, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2020**

**Overview of the Financial Statements**

This narrative overview and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements provide information on both the City as a whole (government-wide) and on the major individual funds. Both perspectives (government-wide and fund level) allow the user to address relevant questions, broaden a basis for comparison and enhance the City's accountability. The City's basic financial statements are comprised of three components: 1) City-wide financial statements; 2) fund financial statements; and 3) notes to the financial statements that explain information in the financial statements and provide more detailed data.

The statements are followed by a section of Required Supplementary Information that further explains and supports the information in the financial statements.

This report also contains other Supplemental Information in addition to the basic financial statements that provides detail about the City's nonmajor governmental funds, nonmajor enterprise funds, and internal service funds, each of which are added together and presented in single columns in the basic financial statements. The required parts of this annual report are arranged and relate to one another as shown in the following graphical representation:





**CITY OF LEESBURG, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2020**

**City-wide Financial Statements**

The government-wide financial statements are the Statement of Net Position and the Statement of Activities. These statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private sector business. Emphasis is placed on the net position of governmental activities and business-type activities, and the change in net position. Governmental activities are principally supported by taxes and intergovernmental revenues. Governmental activities include most of the City's basic services, including police, fire, public works, parks and recreation, library, and general administration. Business-type activities are intended to recover all or a significant portion of their costs through user fees and charges. The City's water system, sewer system, electric system, stormwater system, gas system, solid waste system operations and airport operations are reported as business-type activities.

The City-wide financial statements include not only the City itself, but also the Greater Leesburg Community Redevelopment Agency, Carver Heights/Montclair Area Community Redevelopment Agency, and the U.S. Highway 441 & 27 Community Redevelopment Agency (all three "CRAs"). The CRAs, though legally separate, are reported as part of the primary government as blended component units due to the City Commission serving as each of the CRA's governing boards.

- The *Statement of Net Position* presents information on all of the City's assets and deferred outflows, less liabilities and deferred inflows, with the difference 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 City is improving or deteriorating.
- The *Statement of Activities* presents information showing how the government's net position changed during the current fiscal year. All changes in net position are reported as soon as the occasion arises, regardless of the timing of related cash flows. Thus, revenues and expenses are reported for some items that result in cash flows in future fiscal periods (e.g., uncollected taxes and unused vacation leave when earned).

Both of these financial statements distinguish functions of the City 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 Internal Service Funds, namely health insurance, workers' compensation, risk management, and fleet maintenance, are recorded as governmental activities on the entity-wide statements, but presented with the proprietary funds in the fund-level statements.

**CITY OF LEESBURG, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2020**

**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 fund financial statements provide detailed information about the City's major funds - not the City as a whole. Fund accounting helps to ensure and demonstrate compliance with finance-related legal requirements. Based on restrictions on the use of monies, the City established multiple funds that account for various services provided to residents and businesses. These fund financial statements focus on the City's most significant funds: governmental; proprietary; and fiduciary.

**Governmental Funds**

Governmental funds are used to account for essentially the same functions reported as governmental activities in the City-wide financial statements. However, unlike the City-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 City-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the City-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds' balance sheet and the governmental funds' statement of revenues, expenditures, and changes in fund balances provide reconciliations to facilitate this comparison between governmental funds and governmental activities.

The City maintains thirteen individual governmental funds. Separate information for the General Fund, Capital Projects Fund, and the Community Redevelopment Agency Fund, which are considered major funds, is presented in the governmental funds' balance sheet and in the governmental funds' statement of revenues, expenditures, and changes in fund balances. Data from the other ten governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in the Supplemental Information section of this report.

Annual appropriated budgets are adopted for the governmental funds. Budgetary comparison statements and/or schedules are provided for these funds to demonstrate budgetary compliance.

**Proprietary Funds**

The City maintains two different types of proprietary funds: enterprise and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the City-wide financial statements. The City uses enterprise funds to account for its electric, gas, water and reuse water, wastewater, airport, stormwater, and solid waste operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its self-insurance health care, workers' compensation, risk management, and fleet maintenance programs. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the City-wide financial statements.

**CITY OF LEESBURG, FLORIDA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**SEPTEMBER 30, 2020**

Proprietary funds provide the same type of information as the City-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for Electric Utility, Gas Utility, Water Utility, Wastewater Utility and Airport enterprise funds, which are considered major funds of the City. The remaining nonmajor enterprise funds are combined into a single fund and are aggregated into a single presentation. Individual fund data for the nonmajor enterprise funds and the internal service funds is provided in the form of combining statements in the Supplemental Information section 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 City-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is similar to proprietary funds. The fiduciary funds include pension trust funds for police, fire, and general employees.

**Notes to the Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the City-wide and fund financial statements, including the City's progress in funding its obligations to provide pension benefits and other postemployment benefits (OPEB) to its employees.

**Other Information**

In addition to the basic financial statements and accompanying notes, required supplementary information is included which presents budgetary comparison schedules for the City's General Fund, major special revenue fund, as well as historical trend information for the pension trust funds and the City's OPEB plan.

The combining statements and budgetary comparison schedules referred to earlier, in connection with nonmajor governmental funds, nonmajor enterprise funds, and internal service funds, are presented in the Supplemental Information section of this report.

**CITY OF LEESBURG, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2020**

**City-wide Financial Analysis**

**Statement of Net Position**

As noted earlier, over time net position may serve as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows exceeded liabilities and deferred inflows by \$286.8 million at the close of the fiscal year ended September 30, 2020.

At the end of fiscal year 2020, the City is able to report positive balances in all three categories of net position for governmental and business-type activities. The following table reflects the condensed Statement of Net Position for the current year as compared to the prior year:

|                                       | <b>Net Position</b>            |                      |                                 |                       |                       |                       |
|---------------------------------------|--------------------------------|----------------------|---------------------------------|-----------------------|-----------------------|-----------------------|
|                                       | <b>Governmental Activities</b> |                      | <b>Business-type Activities</b> |                       | <b>Total</b>          |                       |
|                                       | <b>2020</b>                    | <b>2019</b>          | <b>2020</b>                     | <b>2019</b>           | <b>2020</b>           | <b>2019</b>           |
| <b>Assets</b>                         |                                |                      |                                 |                       |                       |                       |
| Current and Other Assets              | \$ 39,798,081                  | \$ 42,141,759        | \$ 117,162,634                  | \$ 96,974,974         | \$ 156,960,715        | \$ 139,116,733        |
| Capital Assets (net)                  | 69,163,846                     | 64,813,609           | 242,284,936                     | 236,972,910           | 311,448,782           | 301,786,519           |
| <b>Total Assets</b>                   | <b>108,961,927</b>             | <b>106,955,368</b>   | <b>359,447,570</b>              | <b>333,947,884</b>    | <b>468,409,497</b>    | <b>440,903,252</b>    |
| <b>Deferred Outflows of Resources</b> | <b>5,025,049</b>               | <b>6,020,227</b>     | <b>2,068,304</b>                | <b>1,868,536</b>      | <b>7,093,353</b>      | <b>7,888,763</b>      |
| <b>Liabilities</b>                    |                                |                      |                                 |                       |                       |                       |
| Current and Other Liabilities         | 8,956,842                      | 8,748,874            | 21,526,720                      | 20,573,823            | 30,483,562            | 29,322,697            |
| Long-Term Liabilities                 | 50,710,424                     | 58,349,351           | 96,319,441                      | 86,978,011            | 147,029,865           | 145,327,362           |
| <b>Total Liabilities</b>              | <b>59,667,266</b>              | <b>67,098,225</b>    | <b>117,846,161</b>              | <b>107,551,834</b>    | <b>177,513,427</b>    | <b>174,650,059</b>    |
| <b>Deferred Inflows of Resources</b>  | <b>8,137,654</b>               | <b>3,433,261</b>     | <b>3,076,501</b>                | <b>1,337,738</b>      | <b>11,214,155</b>     | <b>4,770,999</b>      |
| <b>Net Position</b>                   |                                |                      |                                 |                       |                       |                       |
| Net Investment in Capital Assets      | 42,701,384                     | 36,350,667           | 178,502,750                     | 172,603,318           | 221,204,134           | 208,953,985           |
| Restricted                            | 8,276,202                      | 7,357,874            | 4,592,640                       | 3,166,299             | 12,868,842            | 10,524,173            |
| Unrestricted                          | (4,795,530)                    | (1,264,432)          | 57,497,822                      | 51,157,231            | 52,702,292            | 49,892,799            |
| <b>Total Net Position</b>             | <b>\$ 46,182,056</b>           | <b>\$ 42,444,109</b> | <b>\$ 240,593,212</b>           | <b>\$ 226,926,848</b> | <b>\$ 286,775,268</b> | <b>\$ 269,370,957</b> |

The largest portion of the City's net position is reflected in the investment in capital assets (e.g., land, buildings, and equipment) less any related outstanding debt used to acquire those assets. Net investment in capital assets totals \$221.2 million, or 47% of all assets, which total \$468.4 million. The City uses capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City'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 cannot be used to liquidate the debt.

A portion of the City's net position, \$12.9 million, or 4.5% of total net position, represents resources that are subject to external restriction on how they may be used. The balance of unrestricted net position totaling \$52.7 million, or 18.4% of the total net position, may be used to meet the City's ongoing obligations to citizens and creditors, and provide funding for various projects.

**CITY OF LEESBURG, FLORIDA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**SEPTEMBER 30, 2020**

**Statement of Activities**

The following table reflects the condensed Statement of Activities for the current year as compared to the prior year.

**Changes in Net Position**

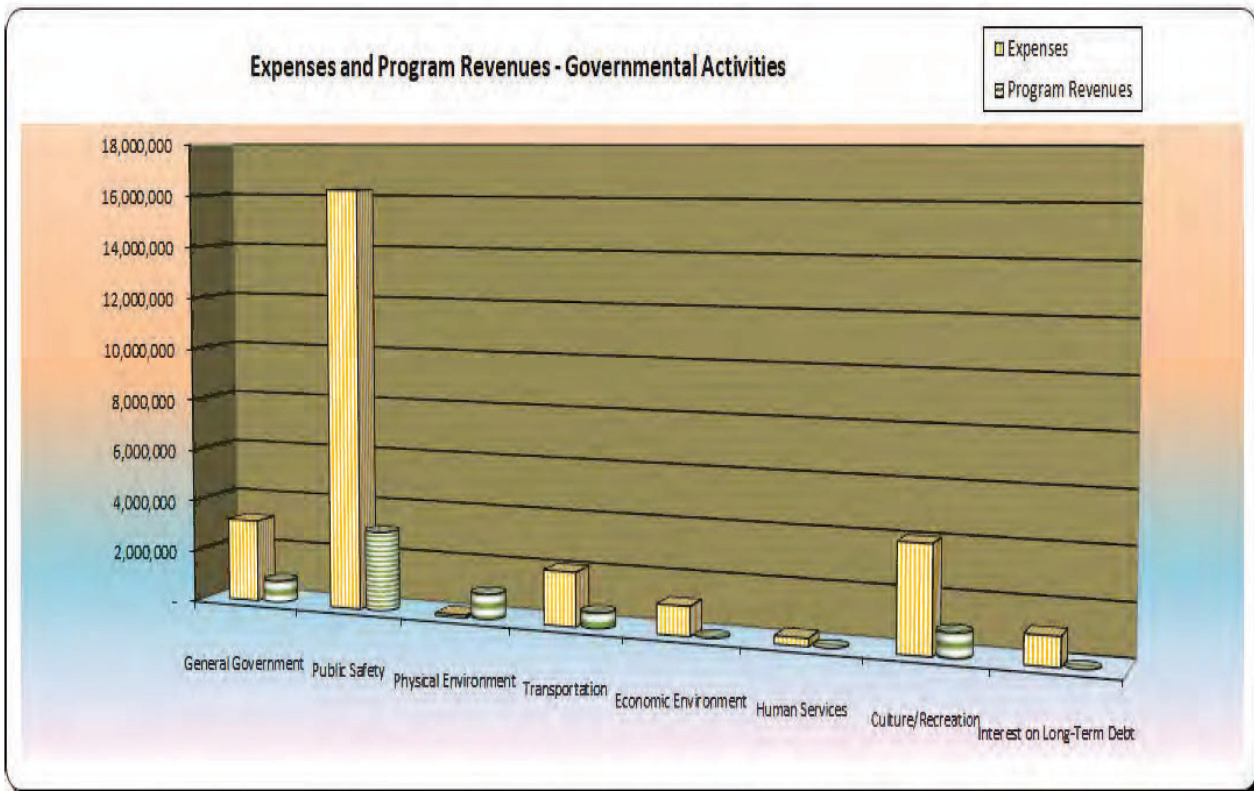
|   | Governmental Activities |               | Business-type Activities |                | Total          |                |
|---|-------------------------|---------------|--------------------------|----------------|----------------|----------------|
|   | 2020                    | 2019          | 2020                     | 2019           | 2020           | 2019           |
| <b>Revenues</b>                                 |                         |               |                          |                |                |                |
| <b>Program Revenues</b>                         |                         |               |                          |                |                |                |
| Charges for Services                            | \$ 4,341,533            | \$ 4,459,845  | \$ 94,418,697            | \$ 97,806,450  | \$ 98,760,230  | \$ 102,266,295 |
| Operating Grants and Contributions              | 628,643                 | 315,203       | 430,733                  | 565,210        | 1,059,376      | 880,413        |
| Capital Grants and Contributions                | 1,397,720               | 352,436       | 5,132,748                | 2,391,074      | 6,530,468      | 2,743,510      |
| <b>General Revenues</b>                         |                         |               |                          |                |                |                |
| <b>Taxes</b>                                    |                         |               |                          |                |                |                |
| Property Taxes                                  | 5,934,099               | 6,228,596     | -                        | -              | 5,934,099      | 6,228,596      |
| Sales Taxes                                     | 2,155,466               | 2,123,574     | -                        | -              | 2,155,466      | 2,123,574      |
| Utility Service Taxes                           | 3,807,987               | 3,816,666     | -                        | -              | 3,807,987      | 3,816,666      |
| Communication Services Taxes                    | 833,150                 | 855,154       | -                        | -              | 833,150        | 855,154        |
| Other Taxes                                     | 741,810                 | 799,292       | -                        | -              | 741,810        | 799,292        |
| State-Shared Revenues, Unrestricted             | 2,318,426               | 2,324,903     | -                        | -              | 2,318,426      | 2,324,903      |
| County-Shared Revenues, Unrestricted            | 412,602                 | 435,332       | -                        | -              | 412,602        | 435,332        |
| Investment Income                               | 697,381                 | 1,135,647     | 1,676,009                | 2,102,062      | 2,373,390      | 3,237,709      |
| Miscellaneous                                   | 227,220                 | 319,468       | 865,809                  | 4,027,281      | 1,093,029      | 4,346,749      |
| Total Revenues                                  | 23,496,037              | 23,166,116    | 102,523,996              | 106,892,077    | 126,020,033    | 130,058,193    |
| <b>Expenses</b>                                 |                         |               |                          |                |                |                |
| General Government                              | 3,478,302               | 4,316,993     | -                        | -              | 3,478,302      | 4,316,993      |
| Public Safety                                   | 16,285,754              | 16,221,272    | -                        | -              | 16,285,754     | 16,221,272     |
| Physical Environment                            | 101,602                 | 84,061        | -                        | -              | 101,602        | 84,061         |
| Transportation                                  | 2,072,205               | 2,085,647     | -                        | -              | 2,072,205      | 2,085,647      |
| Economic Environment                            | 1,124,000               | 1,040,933     | -                        | -              | 1,124,000      | 1,040,933      |
| Human Services                                  | 303,807                 | 296,365       | -                        | -              | 303,807        | 296,365        |
| Culture/Recreation                              | 4,042,393               | 3,862,143     | -                        | -              | 4,042,393      | 3,862,143      |
| Interest on Long-Term Debt                      | 1,096,516               | 1,146,628     | -                        | -              | 1,096,516      | 1,146,628      |
| Electric Utility                                | -                       | -             | 52,373,341               | 55,241,760     | 52,373,341     | 55,241,760     |
| Gas Utility                                     | -                       | -             | 5,152,566                | 5,908,980      | 5,152,566      | 5,908,980      |
| Water Utility                                   | -                       | -             | 6,662,035                | 7,008,398      | 6,662,035      | 7,008,398      |
| Wastewater Utility                              | -                       | -             | 9,107,135                | 8,265,558      | 9,107,135      | 8,265,558      |
| Airport   | -                       | -             | 2,171,954                | 2,269,693      | 2,171,954      | 2,269,693      |
| Stormwater                                      | -                       | -             | 1,018,538                | 2,165,042      | 1,018,538      | 2,165,042      |
| Solid Waste                                     | -                       | -             | 3,625,574                | 3,406,525      | 3,625,574      | 3,406,525      |
| Communications Services                         | -                       | -             | -                        | -              | -              | -              |
| Total Expenses                                  | 28,504,579              | 29,054,042    | 80,111,143               | 84,265,956     | 108,615,722    | 113,319,998    |
| <b>Changes in Net Position Before Transfers</b> | (5,008,542)             | (5,887,926)   | 22,412,853               | 22,626,121     | 17,404,311     | 16,738,195     |
| Transfers                                       | 8,746,489               | 8,442,590     | (8,746,489)              | (8,442,590)    | -              | -              |
| <b>Change in Net Position</b>                   | 3,737,947               | 2,554,664     | 13,666,364               | 14,183,531     | 17,404,311     | 16,738,195     |
| <b>Net Position - Beginning</b>                 | 42,444,109              | 39,889,445    | 226,926,848              | 212,743,317    | 269,370,957    | 252,632,762    |
| <b>Net Position - Ending</b>                    | \$ 46,182,056           | \$ 42,444,109 | \$ 240,593,212           | \$ 226,926,848 | \$ 286,775,268 | \$ 269,370,957 |

**CITY OF LEESBURG, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2020**

**Governmental Activities**

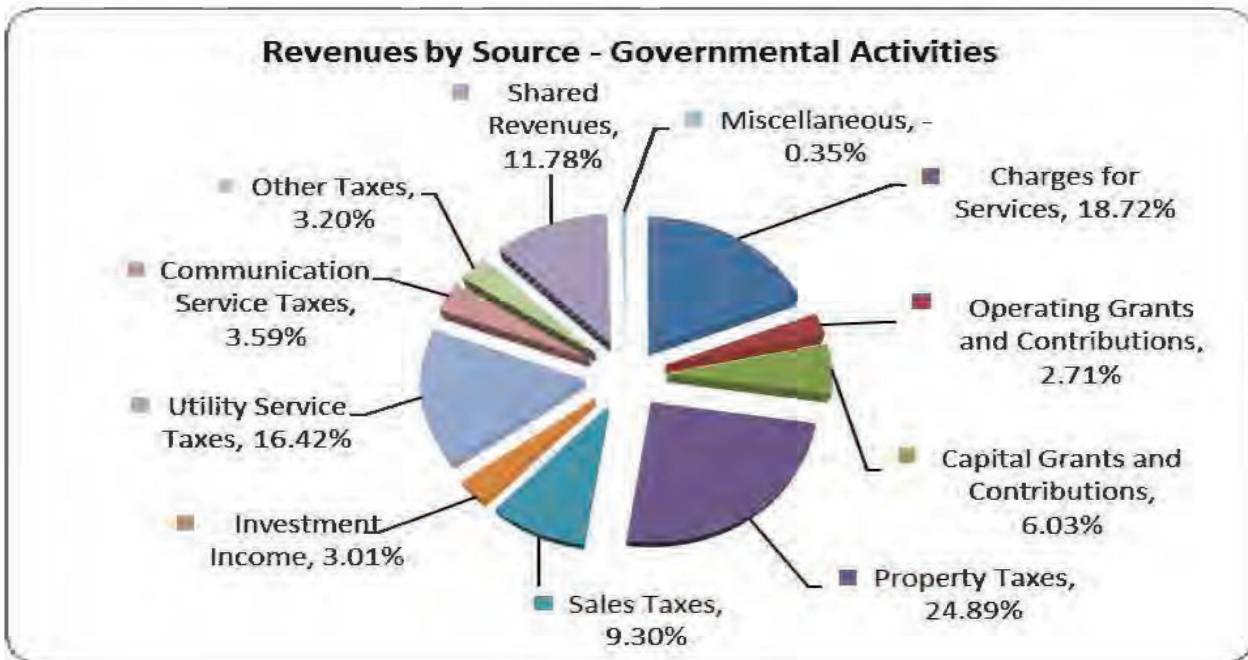
Governmental activities for the current fiscal year increased the City's net position by \$3.7 million, compared to an increase of \$2.5 million in the prior year. Program revenues and charges for services decreased by \$(118) thousand, primary a result of the COVID-19 pandemic. Operating grants and contributions increased \$313 thousand, while capital grants and contributions increased \$1.0 million, mainly due to the timing of grant-funded capital projects. Overall expenses decreased by \$(549.5) thousand, attributed primarily to a decrease in General Government costs. The COVID-19 Pandemic resulted in many of the programs the city offers to citizens to be suspended, thus resulting in less operating expenses.

The expenses and program revenues depicted in the following bar graph are from the Statement of Activities. Please note that expenses precede revenues as governments seek to identify the needs of their citizens and then raise the resources needed to meet those needs. The excess of expenses over program revenues are then funded by the remaining general revenues of the government.



**CITY OF LEESBURG, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2020**

The pie chart depicting revenues by source for governmental activities reflects the percentage of individual revenue sources to total revenue sources for governmental activities.



Activities of the City's four internal service funds are considered governmental rather than business-type activities. The net position of the four funds decreased by \$(263) thousand. The City's general employee health insurance fund net position decreased by \$(530) thousand due to an increase in claims expenses of \$624 thousand. The City continues to experience cost savings resulting from increased use of the City onsite wellness center, for which there is no cost to covered employees or dependents for visits, generic drugs dispensed from the center's formulary, and X-ray and MRI services performed by a third-party imaging center. The Workers' Compensation fund net position decreased by \$(59) thousand and claims decreased by \$(51) thousand. The City also has a Risk Management Fund, which charges the various departments an insurance fee for all costs related to General Liability, Excess Liability, Property/Casualty, Auto Physical Damage, Public Official and Employment Practices Liability. The Risk Management Fund charges City departments a fee based on factors such as number of vehicles, value of assets, and operating budget. The Fleet Maintenance fund tracks activities associated with providing vehicles and equipment services throughout the City's operations. Net operating income for the Fleet Maintenance Fund is \$435 thousand, which is an increase of \$226 thousand from the previous year, due primarily to greater internal charges. Combined operating expenses of all internal service funds increased by \$901 thousand.

**Business-type Activities**

The City has several business-type activities, which are accounted for much like commercial entities. The City has separate business-type funds for electric, gas, water and reuse water, wastewater, airport, stormwater, and solid waste. Business-type activities differ from governmental activities in that charges for services are designed specifically to recover the cost of providing those services, including capital costs, such as depreciation and debt service. Business-type activities primarily generate revenue as charges to users of the services of the various activities. Business-type activities for the current fiscal year increased the City's net position by \$13.7 million from \$226.9 million to \$240.6 million. Net

**CITY OF LEESBURG, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2020**

operating and nonoperating revenues of \$16 million (a decrease of \$(3.4) million from prior year) were offset primarily by transfers to the governmental funds of \$(8.7) million.

**Financial Analysis of the City's Funds**

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Funds**

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

As of the end of fiscal year 2020, the City's governmental funds reported combined ending fund balances of \$28.5 million, a decrease of \$(1.3) million from the prior year. Unassigned fund balance of the governmental funds decreased \$(2.5) million to \$10.9 million, which is available for spending at the City's discretion. The remainder of fund balance is classified as nonspendable, restricted, committed, or assigned to indicate that it is not available for new spending because it has already been committed for other uses.

The General Fund is the primary general government operating fund of the City. At the end of fiscal year 2020, the fund balance of the General Fund was \$12.9 million. This fund balance is comprised of non-spendable funds totaling \$795 thousand, restricted funds of \$182.2 thousand, committed funds of \$69 thousand, assigned funds of \$71.4 thousand, and unassigned funds of \$11.8 million. This unassigned balance is a decrease of \$(2.4) million from the previous year.

The Greater Leesburg CRA experienced an increase of \$71 thousand in expenditures, part of these expenditures were to provide financial assistance of \$78 thousand to the Leesburg Partnership for COVID-19 Relief, while revenues decreased \$(9) thousand. The Carver Heights/Montclair CRA revenues increased by \$43 thousand in TIF and other revenues, while expenditures increased by \$31.2 thousand due to a local grant for Housing Rehabilitation. The U.S. Highway 441 & 27 CRA experienced a \$214 thousand increase in TIF and other revenues, while expenditures increased \$69 thousand due to the paydown of debt. These activities in the three CRAs combined to result in an increase of fund balance of \$319.8 thousand.

Expenditures in the Capital Projects Fund declined \$(3.8) million due to significant capital improvements that occurred in 2019, primarily to Venetian Gardens Community Building. Expenditures of \$4.7 million were more than offset by corresponding interfund transfers in of \$5.6 million, thus leaving fund balance with an increase of \$648.6 thousand.



**CITY OF LEESBURG, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2020**

**Proprietary Funds**

The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Unrestricted net position for business-type activities increased \$6.3 million, or 12.4%.

| <b>Unrestricted Net Position</b> |                      |                      |                     |
|----------------------------------|----------------------|----------------------|---------------------|
| <b>Fund</b>                      | <b>2020</b>          | <b>2019</b>          | <b>Change</b>       |
| Electric                         | \$ 16,546,334        | \$ 18,369,477        | \$ (1,823,143)      |
| Gas                              | 3,002,671            | 1,933,730            | 1,068,941           |
| Water                            | 7,588,383            | 5,388,471            | 2,199,912           |
| Wastewater                       | 22,471,667           | 17,922,663           | 4,549,004           |
| Airport                          | 3,214,379            | 2,809,554            | 404,825             |
| Stormwater                       | 2,292,856            | 2,866,144            | (573,288)           |
| Solid Waste                      | 2,381,532            | 1,867,192            | 514,340             |
| Total                            | <u>\$ 57,497,822</u> | <u>\$ 51,157,231</u> | <u>\$ 6,340,591</u> |

The \$(1.8) million decrease in unrestricted net position in the Electric Fund is due to an decrease in personal service and contracted services of \$(198.7) thousand, and an increase in Net Investment in Capital Assets of \$3.9 million due to significant construction in progress on the Electric system. The unrestricted net position for the Gas Fund increased \$1.1 million, a result of continuing strong operations of the fund, which had an operating income of \$1.8 million. The increase in unrestricted net position in the Water Fund of \$2.2 million is attributable to an operating income of \$3.0 million. The unrestricted net position for the Wastewater Fund increased \$4.5 million, a result of the continuing strong operations of the fund, which had operating income of \$3.7 million, and a change in net position of \$5.1 million. The increase in unrestricted net position in the Solid Waste Fund of \$514 thousand is attributable to operating income of \$762 thousand.

**General Fund Budgetary Highlights**

The final General Fund expenditures budget of \$26.9 million is an increase over the original budget of \$25.5 million. The change is attributable to approximately \$1.3 million of rollovers from prior years for projects not completed in FY 19. Additionally, \$526 thousand dollars was added to the budget for the Aquatic Center project.

Actual revenues and expenditures varied from revised budget estimates in some areas. Licenses, permits, and assessments exceeded budget by \$107 thousand due to increased building and economic activity. Interest income exceeded budget by \$61.7 thousand due to conservative budgeting in general for this line item, as well as positive interest income and investment valuations in the current year. Other income exceeded budget by \$88 thousand due to significant purchasing card rebates, contributions, and sponsorships.

Expenditures lagged expectations in most areas. The majority of savings were in General Government, Public Safety, Human Services and Culture and Recreation, with variances of \$268 thousand, \$622 thousand, \$927 thousand and \$270 thousand, respectively. Savings in General Government, Public Safety, and Culture and Recreation stemmed from cost savings in the areas of salaries and other costs. Human Services was significantly below budget due to improvement grants that were budgeted but not taken in the current year, as well as the budget for paid time off sellbacks, which is budgeted for in Human Services, but the expenditures are recorded in the various other functions.

**CITY OF LEESBURG, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2020**

**Capital Asset and Debt Administration**

**Capital Assets**

Capital assets include land, buildings, improvements other than buildings, intangible assets, vehicles and equipment, infrastructure, and construction in progress. The infrastructure asset category includes long-lived capital assets, typically stationary in nature, such as roads, sidewalks and bridges. At September 30, 2020, the City had investments in capital assets of \$311.4 million (net of accumulated depreciation), a net increase of \$9.7 million from the previous year.

Significant changes in capital assets include the following:

**Capital Assets**

|                                   | Governmental Activities |                      | Business-type Activities |                       | Total                 |                       |
|-----------------------------------|-------------------------|----------------------|--------------------------|-----------------------|-----------------------|-----------------------|
|                                   | 2020                    | 2019                 | 2020                     | 2019                  | 2020                  | 2019                  |
| Land                              | \$ 5,455,412            | \$ 4,670,713         | \$ 15,596,789            | \$ 15,713,564         | \$ 21,052,201         | \$ 20,384,277         |
| Buildings                         | 49,607,757              | 39,703,678           | 45,661,410               | 45,181,058            | 95,269,167            | 84,884,736            |
| Improvements Other Than Buildings | 10,590,130              | 10,245,212           | 271,034,353              | 260,167,064           | 281,624,483           | 270,412,276           |
| Intangible Assets                 | -                       | -                    | 879,076                  | 879,076               | 879,076               | 879,076               |
| Equipment                         | 32,239,469              | 33,612,966           | 46,445,906               | 40,606,570            | 78,685,375            | 74,219,536            |
| Infrastructure                    | 43,479,972              | 42,529,042           | -                        | -                     | 43,479,972            | 42,529,042            |
| Construction in Progress          | 2,829,431               | 9,068,311            | 17,055,136               | 23,788,881            | 19,884,567            | 32,857,192            |
|                                   | <u>144,202,171</u>      | <u>139,829,922</u>   | <u>396,672,670</u>       | <u>386,336,213</u>    | <u>540,874,841</u>    | <u>526,166,135</u>    |
| Less: Accumulated Depreciation    | <u>75,038,325</u>       | <u>75,016,313</u>    | <u>154,387,734</u>       | <u>149,363,303</u>    | <u>229,426,059</u>    | <u>224,379,616</u>    |
| Capital Assets, Net               | <u>\$ 69,163,846</u>    | <u>\$ 64,813,609</u> | <u>\$ 242,284,936</u>    | <u>\$ 236,972,910</u> | <u>\$ 311,448,782</u> | <u>\$ 301,786,519</u> |

**Governmental Activities** - Total net capital assets increased \$4.4 million from the prior year, primarily due to capital projects such as the improvements to the various buildings within the city, and other improvements City-wide.

**Business-type Activities** – Total net capital assets increased \$5.3 million from the prior year, or 2.2%. Much of the increase is related to current and ongoing system improvements to the gas and water systems to handle future growth in the city and service areas of these utilities.

**CITY OF LEESBURG, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2020**

Expenses, including those provided below, were incurred on numerous capital projects in the business-type activities:

|  |              |
|--|--------------|
| <b>Electric</b>                            |              |
| Transformers                               | \$ 354,735   |
| Distribution Lines                         | 6,419,019    |
| Lighting Projects                          | 1,300,348    |
| Reconductoring                             | 106,369      |
| Subdivisions                               | 920,745      |
| <br>                                       |              |
| <b>Gas</b>                                 |              |
| Gate Stations                              | \$ 2,109,344 |
| <br>                                       |              |
| <b>Water</b>                               |              |
| Line Relocation                            | \$ 42,744    |
| Mains and Equipment                        | 474,966      |
| <br>                                       |              |
| <b>Wastewater</b>                          |              |
| Line Relocation                            | \$ 42,744    |
| Mains and Equipment                        | 443,177      |
| Turnpike Plant Expansion                   | 638,011      |
| Lift Station Rehabilitation                | 48,891       |
| <br>                                       |              |
| <b>Airport</b>                             |              |
| Runway 13/31 Rehab Design and Construction | \$ 267,377   |
| Design and Construct Storage Hangers       | 752,044      |
| Master Plan                                | 390,763      |
| Custom Facility Upgrades                   | 31,550       |
| <br>                                       |              |
| <b>Stormwater</b>                          |              |
| Lake Lorraine Pond Cleanout                | \$ 1,580,696 |

Additional information on the City's capital assets can be found in Note 6 of the financial statements.

**CITY OF LEESBURG, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2020**

**Long-Term Liabilities**

At the end of fiscal year 2020, the City had total long-term liabilities outstanding of \$120.7 million, attributable to outstanding bonds, notes, compensated absences, and capital leases. \$75.5 million represents bonds secured solely by specified revenue sources. \$11.7 million of the bonds are applicable to governmental activities, and \$63.8 million is for the business-type activities. The City also has revenue notes totaling \$41.7 million, of which \$15.6 million is for governmental activities and \$26.1 million is for business-type activities.

The City's long-term liabilities also include an amount for the City's net pension liability in both the City-wide and proprietary Statements of Net Position of \$8.9 million. This amount is actuarially determined and represents the City's obligation for future pension benefits to its employees based on past service already provided. The amount is calculated net of assets available to provide for these future payments. Additional information on the City's net pension liability can be found in Note 12 of the notes to the financial statements.

Other postemployment benefits (OPEB) are considered a liability on the Statement of Net Position. This is an unfunded obligation which is calculated annually by the City's actuary. The calculated liability for fiscal year 2020 is \$23.7 million. Additional information on the City's OPEB obligation can be found in Note 14 of the notes to the financial statements.

**Long-Term Liabilities  
Governmental and Business-type Activities Combined**

|  | <u>9/30/2020</u><br>Balance | <u>9/30/2019</u><br>Balance | <u>Net</u><br>Change |
|--|-----------------------------|-----------------------------|----------------------|
| <b>Revenue Bonds &amp; Notes</b>               |                             |                             |                      |
| Bonds  | \$ 75,434,992               | \$ 78,387,389               | \$ (2,952,397)       |
| Notes  | 41,706,400                  | 28,246,400                  | 13,460,000           |
| Total Revenue Bonds & Notes                    | <u>117,141,392</u>          | <u>106,633,789</u>          | <u>10,507,603</u>    |
| <b>Other Liabilities</b>                       |                             |                             |                      |
| Compensated Absences                           | 2,782,015                   | 2,523,558                   | 258,457              |
| Capital Lease Payable                          | 774,745                     | 873,393                     | (98,648)             |
| Net Pension Liability                          | 8,879,738                   | 12,353,994                  | (3,474,256)          |
| Other Postemployment Benefits                  | 23,704,230                  | 29,343,547                  | (5,639,317)          |
| Total Other Liabilities                        | <u>36,140,728</u>           | <u>45,094,492</u>           | <u>(8,953,764)</u>   |
| <b>Total Long-Term Liabilities Outstanding</b> | <u>\$ 153,282,120</u>       | <u>\$ 151,728,281</u>       | <u>\$ 1,553,839</u>  |

**CITY OF LEESBURG, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2020**

The City is under constant surveillance and scrutiny from Wall Street rating agencies. The City had several ratings reviews in fiscal year 2020. On January 7, 2020, Fitch reaffirmed the credit ratings on Capital Improvement and the Issuer Default Rating (IDR) at AA-. On December 3, 2020, Moody's issued commentary on the City's water and sewer system, without affirming or changing the credit rating of Aa3. Other ratings were unchanged during the fiscal year.

|          | Rating Agencies |     |       |
|----------|-----------------|-----|-------|
|          | Moody's         | S&P | Fitch |
| Capital  | A1              | N/A | AA-   |
| Electric | Aa3             | A   | A+    |
| Utility  | Aa3             | AA- | AA    |

Additional information on the City's long-term debt can be found in Note 8 of the notes to the financial statements.

**Economic Factors and Next Year's Budget**

- The unemployment rate for Lake County at September 2020 was 7.4%, compared to 2.9% from a year ago. This compares favorably to the State average rate of 7.2% and the national average of 7.7%.
- The millage rate for 2020 was 4.2678 mills, which was unchanged from the past few years. The City ranked 5<sup>th</sup> lowest out of the 14 cities in Lake County. The City is able to retain ad valorem rates at a minimal level due in large part from the transfers from utility fund operations.
- Population increased slightly to 24,539 from the prior fiscal year of 23,993.
- The 2021 property values are projected to improve from 2020 levels, resulting in ad valorem revenues that are expected to increase over the 2020 level. The city has attempted to adjust the economically drive revenues for decreases due to the ongoing COVID-19 pandemic. Revenues which are tied to sales are harder to predict.

**Other**

Power supply for 2020 received through the Florida Municipal Power Agency (FMPA) and the City's share of the St. Lucie Nuclear Power Plant represents 70% of the Electric Fund's annual operating expenses. More information on the City's Electric and Gas funds' purchased power agreements is in Note 7 of the financial statements.

**Requests for Information**

This financial report is designed to present users with a general overview of the City's finances and to demonstrate the City's accountability. If you have questions concerning any of the information provided in this report or need additional financial information, please contact the City's Finance Department at 501 West Meadow Street (P.O. Box 490630), Leesburg, FL, 34749-0630, or call (352) 728-9720.



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**CITY-WIDE FINANCIAL STATEMENTS**



**CITY OF LEESBURG, FLORIDA  
STATEMENT OF NET POSITION  
SEPTEMBER 30, 2020**

|   | <u>Governmental<br/>Activities</u> | <u>Business-type<br/>Activities</u> | <u>Total</u>          |
|---|------------------------------------|-------------------------------------|-----------------------|
| <b>Assets</b>   |                                    |                                     |                       |
| Pooled Cash and Investments                           | \$ 36,303,320                      | \$ 66,417,984                       | \$ 102,721,304        |
| Restricted Assets:                                    |                                    |                                     |                       |
| Temporarily Restricted:                               |                                    |                                     |                       |
| Pooled Cash and Investments                           | 928,118                            | 24,771,162                          | 25,699,280            |
| Cash with Fiscal Agent                                | 1,301,847                          | 4,753,792                           | 6,055,639             |
| Receivables (Net of Allowance for Uncollectibles)     | 517,986                            | 12,585,786                          | 13,103,772            |
| Notes Receivables, Employees                          | 17,678                             | -                                   | 17,678                |
| Internal Balances                                     | (1,033,661)                        | 1,033,661                           | -                     |
| Due from Other Governments                            | 879,624                            | 1,661,407                           | 2,541,031             |
| Prepaid Items   | 597,789                            | 11,579                              | 609,368               |
| Inventories   | 285,380                            | 5,927,263                           | 6,212,643             |
| Capital Assets Not Being Depreciated                  | 8,284,843                          | 32,651,925                          | 40,936,768            |
| Capital Assets Being Depreciated, Net of Depreciation | 60,879,003                         | 209,633,011                         | 270,512,014           |
| <b>Total Assets</b>                                   | <u>108,961,927</u>                 | <u>359,447,570</u>                  | <u>468,409,497</u>    |
| <b>Deferred Outflows of Resources</b>                 |                                    |                                     |                       |
| Bond Refunding  | 1,840,347                          | 993,619                             | 2,833,966             |
| Pensions  | 2,464,159                          | 732,316                             | 3,196,475             |
| Other Postemployment Benefits                         | 720,543                            | 342,369                             | 1,062,912             |
| <b>Total Deferred Outflows of Resources</b>           | <u>5,025,049</u>                   | <u>2,068,304</u>                    | <u>7,093,353</u>      |
| <b>Liabilities</b>                                    |                                    |                                     |                       |
| Accounts Payable                                      | 3,142,024                          | 5,835,454                           | 8,977,478             |
| Accrued Liabilities                                   | 1,108,224                          | 600,195                             | 1,708,419             |
| Accrued Interest Payable                              | 463,194                            | 1,430,699                           | 1,893,893             |
| Customer Advances for Construction                    | -                                  | 87,697                              | 87,697                |
| Unearned Revenue                                      | 150,797                            | 957,933                             | 1,108,730             |
| Claims Payable  | 1,669,061                          | -                                   | 1,669,061             |
| Customer Deposits                                     | 148,277                            | 5,578,405                           | 5,726,682             |
| Rate Stabilization Credit                             | -                                  | 2,720,452                           | 2,720,452             |
| Due to Other Governments                              | 3,633                              | 335,262                             | 338,895               |
| Noncurrent Liabilities:                               |                                    |                                     |                       |
| Due Within One Year                                   | 2,271,632                          | 3,980,623                           | 6,252,255             |
| Due in More Than One Year                             | 27,507,401                         | 87,049,732                          | 114,557,133           |
| Net Pension Liability                                 | 7,209,456                          | 1,670,282                           | 8,879,738             |
| Other Postemployment Benefits                         | 15,993,567                         | 7,599,427                           | 23,592,994            |
| <b>Total Liabilities</b>                              | <u>59,667,266</u>                  | <u>117,846,161</u>                  | <u>177,513,427</u>    |
| <b>Deferred Inflows of Resources</b>                  |                                    |                                     |                       |
| Pensions  | 2,453,239                          | 375,520                             | 2,828,759             |
| Other Postemployment Benefits                         | 5,684,415                          | 2,700,981                           | 8,385,396             |
| <b>Total Deferred Inflows of Resources</b>            | <u>8,137,654</u>                   | <u>3,076,501</u>                    | <u>11,214,155</u>     |
| <b>Net Position</b>                                   |                                    |                                     |                       |
| Net Investment in Capital Assets                      | 42,701,384                         | 178,502,750                         | 221,204,134           |
| Restricted for:                                       |                                    |                                     |                       |
| Public Safety   | 167,682                            | -                                   | 167,682               |
| Capital Projects                                      | 1,288,546                          | 4,404,316                           | 5,692,862             |
| Debt Service  | 2,020,419                          | -                                   | 2,020,419             |
| Special Revenue                                       | 4,799,555                          | -                                   | 4,799,555             |
| Gas Depository Trust                                  | -                                  | 188,324                             | 188,324               |
| Unrestricted  | (4,795,530)                        | 57,497,822                          | 52,702,292            |
| <b>Total Net Position</b>                             | <u>\$ 46,182,056</u>               | <u>\$ 240,593,212</u>               | <u>\$ 286,775,268</u> |

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

**CITY OF LEESBURG, FLORIDA**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

| Functional/Programs  | Program Revenues      |                      |                                    |                                  | Net (Expense) Revenue and Changes in Net Position |                          |                       |
|--|-----------------------|----------------------|------------------------------------|----------------------------------|---|--------------------------|-----------------------|
|  | Expenses              | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Governmental Activities                           | Business-type Activities | Total                 |
| <b>Governmental Activities</b>                             |                       |                      |                                    |                                  |   |                          |                       |
| General Government   | \$ 3,478,302          | \$ 768,233           | \$ 56,620                          | \$ -                             | \$ (2,653,449)                                    | \$ -                     | \$ (2,653,449)        |
| Public Safety  | 16,285,754            | 2,453,732            | 407,707                            | 190,476                          | (13,233,839)                                      | -                        | (13,233,839)          |
| Physical Environment                                       | 101,602               | 86,830               | -                                  | 880,096                          | 865,324   | -                        | 865,324               |
| Transportation   | 2,072,205             | 316,358              | 132,056                            | 147,468                          | (1,476,323)                                       | -                        | (1,476,323)           |
| Economic Environment                                       | 1,124,000             | 1,830                | -                                  | 6,765                            | (1,115,405)                                       | -                        | (1,115,405)           |
| Human Services   | 303,807               | -                    | -                                  | -                                | (303,807)   | -                        | (303,807)             |
| Culture and Recreation                                     | 4,042,393             | 714,550              | 32,260                             | 172,915                          | (3,122,668)                                       | -                        | (3,122,668)           |
| Interest on Long-Term Debt                                 | 1,096,516             | -                    | -                                  | -                                | (1,096,516)                                       | -                        | (1,096,516)           |
| <b>Total Governmental Activities</b>                       | <b>28,504,579</b>     | <b>4,341,533</b>     | <b>628,643</b>                     | <b>1,397,720</b>                 | <b>(22,136,683)</b>                               | <b>-</b>                 | <b>(22,136,683)</b>   |
| <b>Business-Type Activities</b>                            |                       |                      |                                    |                                  |   |                          |                       |
| Electric Utility   | 52,373,341            | 58,126,020           | 125,801                            | 914,416                          | -   | 6,792,896                | 6,792,896             |
| Gas Utility  | 5,152,566             | 6,825,859            | 2,818                              | 497,743                          | -   | 2,173,854                | 2,173,854             |
| Water Utility  | 6,662,035             | 8,946,893            | 34,338                             | 1,427,583                        | -   | 3,746,779                | 3,746,779             |
| Wastewater Utility   | 9,107,135             | 12,815,543           | 2,257                              | 1,018,269                        | -   | 4,728,934                | 4,728,934             |
| Airport  | 2,171,954             | 1,191,491            | -                                  | 1,073,187                        | -   | 92,724                   | 92,724                |
| Stormwater System  | 1,018,538             | 2,125,399            | 601                                | 201,550                          | -   | 1,309,012                | 1,309,012             |
| Solid Waste System   | 3,625,574             | 4,387,492            | 264,918                            | -                                | -   | 1,026,836                | 1,026,836             |
| <b>Total Business-Type Activities</b>                      | <b>80,111,143</b>     | <b>94,418,697</b>    | <b>430,733</b>                     | <b>5,132,748</b>                 | <b>-</b>  | <b>19,871,035</b>        | <b>19,871,035</b>     |
| <b>Total Primary Government</b>                            | <b>\$ 108,615,722</b> | <b>\$ 98,760,230</b> | <b>\$ 1,059,376</b>                | <b>\$ 6,530,468</b>              | <b>(22,136,683)</b>                               | <b>19,871,035</b>        | <b>(2,265,648)</b>    |
| <b>General Revenues:</b>                                   |                       |                      |                                    |                                  |   |                          |                       |
| Taxes:   |                       |                      |                                    |                                  |   |                          |                       |
| Property Taxes   |                       |                      |                                    |                                  | 5,934,099   | -                        | 5,934,099             |
| Sales Taxes  |                       |                      |                                    |                                  | 2,155,466   | -                        | 2,155,466             |
| Utility Service Taxes                                      |                       |                      |                                    |                                  | 3,807,987   | -                        | 3,807,987             |
| Communication Services Taxes                               |                       |                      |                                    |                                  | 833,150   | -                        | 833,150               |
| Other Taxes  |                       |                      |                                    |                                  | 741,810   | -                        | 741,810               |
| State-shared Revenues, Unrestricted                        |                       |                      |                                    |                                  | 2,318,426   | -                        | 2,318,426             |
| County-shared Revenues, Unrestricted                       |                       |                      |                                    |                                  | 412,602   | -                        | 412,602               |
| Investment Income  |                       |                      |                                    |                                  | 697,381   | 1,676,009                | 2,373,390             |
| Miscellaneous  |                       |                      |                                    |                                  | 227,220   | 865,809                  | 1,093,029             |
| Transfers  |                       |                      |                                    |                                  | 8,746,489   | (8,746,489)              | -                     |
| <b>Total General Revenues, Special Item, and Transfers</b> |                       |                      |                                    |                                  | <b>25,874,630</b>                                 | <b>(6,204,671)</b>       | <b>19,669,959</b>     |
| <b>Change in Net Position</b>                              |                       |                      |                                    |                                  | <b>3,737,947</b>                                  | <b>13,666,364</b>        | <b>17,404,311</b>     |
| <b>Net Position, Beginning of Year</b>                     |                       |                      |                                    |                                  | <b>42,444,109</b>                                 | <b>226,926,848</b>       | <b>269,370,957</b>    |
| <b>Net Position, End of Year</b>                           |                       |                      |                                    |                                  | <b>\$ 46,182,056</b>                              | <b>\$ 240,593,212</b>    | <b>\$ 286,775,268</b> |

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



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## **FUND FINANCIAL STATEMENTS**



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## MAJOR GOVERNMENTAL FUNDS

**General Fund** is the principal fund of the City and is used to account for all activities not included in other funds. The General Fund accounts for the normal recurring activities of the City (i.e., police, fire, public works, general government, etc.). These activities are funded principally by property taxes, intergovernmental revenues, and licenses, fees, and assessments.

**Community Redevelopment Agency Funds** consist of the Greater Leesburg Community Redevelopment Agency Fund, Carver Heights/Montclair Area Community Redevelopment Agency Fund, and U.S. Highway 441/27 Community Redevelopment Agency Fund, which are incremental tax districts established pursuant to Florida Statutes and accounted for as special revenue funds. The funds account for the incremental increase in ad valorem tax revenue collected within the designated community redevelopment agency areas. Revenues must be utilized and expended in accordance with the respective community redevelopment agency plans.

**Capital Projects Fund** accounts for financial resources used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).



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**CITY OF LEESBURG, FLORIDA  
BALANCE SHEET  
ALL GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2020**

|  | Major Funds          |  |                             | Other<br>Nonmajor<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|--|----------------------|--|-----------------------------|--|--------------------------------|
|  | General<br>Fund      | Community<br>Redevelopment<br>Agency Funds | Capital<br>Projects<br>Fund |  |                                |
| <b>Assets</b>  |                      |  |                             |  |                                |
| Pooled Cash and Investments                            | \$ 13,587,292        | \$ 1,475,758                               | \$ 8,307,610                | \$ 4,813,506                               | \$ 28,184,166                  |
| Restricted Cash  | 183,622              | 744,496                                    | -                           | -  | 928,118                        |
| Cash with Fiscal Agent                                 | -                    | 92,268                                     | -                           | 1,209,579                                  | 1,301,847                      |
| Accounts Receivables,<br>Net of Allowance of \$190,718 | 226,160              | -  | -                           | 31,925                                     | 258,085                        |
| Notes Receivable - Employees                           | 17,678               | -  | -                           | -  | 17,678                         |
| Due from Other Funds                                   | 25,924               | -  | -                           | -  | 25,924                         |
| Due from Other Governments                             | 329,443              | -  | 343,349                     | 206,827                                    | 879,619                        |
| Prepaid Items  | 588,273              | 9,516                                      | -                           | -  | 597,789                        |
| Inventory  | 189,363              | -  | -                           | -  | 189,363                        |
| <b>Total Assets</b>                                    | <u>\$ 15,147,755</u> | <u>\$ 2,322,038</u>                        | <u>\$ 8,650,959</u>         | <u>\$ 6,261,837</u>                        | <u>\$ 32,382,589</u>           |
| <b>Liabilities and Fund Balances</b>                   |                      |  |                             |  |                                |
| <b>Liabilities</b>                                     |                      |  |                             |  |                                |
| Accounts Payable                                       | \$ 906,290           | \$ 25,001                                  | \$ 270,664                  | \$ 213,523                                 | \$ 1,415,478                   |
| Due to Other Funds                                     | -                    | -  | -                           | 25,924                                     | 25,924                         |
| Due to Other Governments                               | 3,633                | -  | -                           | -  | 3,633                          |
| Accrued Salaries                                       | 1,041,300            | -  | -                           | 35,030                                     | 1,076,330                      |
| Unearned Revenue                                       | 150,797              | -  | -                           | -  | 150,797                        |
| Deposits   | 140,687              | 3,440                                      | -                           | 4,150                                      | 148,277                        |
| Advance from Other Fund                                | -                    | 1,033,661                                  | -                           | -  | 1,033,661                      |
| <b>Total Liabilities</b>                               | <u>2,242,707</u>     | <u>1,062,102</u>                           | <u>270,664</u>              | <u>278,627</u>                             | <u>3,854,100</u>               |
| <b>Fund Balances</b>                                   |                      |  |                             |  |                                |
| Nonspendable:  |                      |  |                             |  |                                |
| Prepaid Items  | 588,273              | -  | -                           | -  | 588,273                        |
| Inventory  | 189,363              | -  | -                           | -  | 189,363                        |
| Notes Receivable - Employees                           | 17,678               | -  | -                           | -  | 17,678                         |
| Restricted for:  |                      |  |                             |  |                                |
| Public Safety and Other Expenditures                   | 167,682              | -  | -                           | -  | 167,682                        |
| Capital Projects                                       | 14,500               | 1,274,046                                  | -                           | -  | 1,288,546                      |
| Debt Service   | -                    | 836,764                                    | -                           | 1,183,655                                  | 2,020,419                      |
| Special Revenue Funds                                  | -                    | -  | -                           | 4,799,555                                  | 4,799,555                      |
| Committed for:   |                      |  |                             |  |                                |
| C.U.R.E. Program                                       | 69,480               | -  | -                           | -  | 69,480                         |
| Assigned for:  |                      |  |                             |  |                                |
| Capital and Other Projects                             | 71,438               | -  | 8,380,295                   | -  | 8,451,733                      |
| Unassigned   | 11,786,634           | (850,874)                                  | -                           | -  | 10,935,760                     |
| <b>Total Fund Balances</b>                             | <u>12,905,048</u>    | <u>1,259,936</u>                           | <u>8,380,295</u>            | <u>5,983,210</u>                           | <u>28,528,489</u>              |
| <b>Total Liabilities and Fund Balances</b>             | <u>\$ 15,147,755</u> | <u>\$ 2,322,038</u>                        | <u>\$ 8,650,959</u>         | <u>\$ 6,261,837</u>                        | <u>\$ 32,382,589</u>           |

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





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**CITY OF LEESBURG, FLORIDA**  
**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF NET POSITION**  
**AS OF SEPTEMBER 30, 2020**

|  |                     |                       |
|--|---------------------|-----------------------|
| <b>Fund balances of governmental funds</b>   | \$                  | 28,528,489            |
| <br><b>Amounts reported for governmental activities in the statement of net position are different because:</b>  |                     |                       |
| <br>Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:  |                     |                       |
| Cost of the Assets (excluding capital assets of the Internal Service Funds included below)   | \$ 120,467,067      |                       |
| Accumulated Depreciation (excluding Internal Service Funds)  | <u>(58,477,949)</u> | 61,989,118            |
| <br>The internal service funds are used by management to charge the costs of health insurance and workers' compensation services, risk management costs and fleet operation costs to individual funds. The assets, deferred outflows, liabilities and deferred inflows of the internal service funds are included in governmental activities in the statement of net position. |                     |                       |
|  |                     | 11,605,707            |
| <br>Deferred Amounts on Refunding are not available to cover current liabilities and therefore are not considered revenue in the fund level statements.  |                     |                       |
|  |                     | 1,840,347             |
| <br>Deferred Outflows are not reported in the governmental funds but will be recognized in expense on a long-term basis (excluding Internal Service Funds).  |                     |                       |
| Pensions   |                     | 2,438,610             |
| Other Postemployment Benefits  |                     | 702,641               |
| <br>Deferred Inflows are not reported in the governmental funds but will be recognized in expense on a long-term basis (excluding Internal Service Funds).   |                     |                       |
| Pensions   |                     | (2,440,138)           |
| Other Postemployment Benefits  |                     | (5,543,187)           |
| <br>Accrued interest payable is not recorded in the fund financial statements but is recorded in governmental activities.  |                     |                       |
|  |                     | (463,194)             |
| <br>Long-term liabilities are not due and payable in the current period and, accordingly, are not reported in the governmental funds. Long-term liabilities at year-end consist of:  |                     |                       |
| Capital Improvement Revenue Bonds  | (11,670,000)        |                       |
| Notes Payable  | (15,587,400)        |                       |
| Capital Lease  | (774,745)           |                       |
| Compensated Absences (excluding Internal Service Funds)  | (1,623,264)         |                       |
| Total Other Postemployment Benefits (excl. Internal Service Funds)   | (15,669,744)        |                       |
| Net Pension Liability (excluding Internal Service Funds)   | <u>(7,151,184)</u>  | <u>(52,476,337)</u>   |
| <br><b>Net position of governmental activities</b>   | <br>\$              | <br><u>46,182,056</u> |

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



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**CITY OF LEESBURG, FLORIDA  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
ALL GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

|  | <b>Major Funds</b>      |   |                                      | <b>Other<br/>Nonmajor<br/>Governmental<br/>Funds</b> | <b>Total<br/>Governmental<br/>Funds</b> |
|--|-------------------------|---|--------------------------------------|--|---|
|  | <b>General<br/>Fund</b> | <b>Community<br/>Redevelopment<br/>Agency Funds</b> | <b>Capital<br/>Projects<br/>Fund</b> |  |   |
| <b>Revenues</b>  |                         |   |                                      |  |   |
| Taxes  | \$ 10,104,335           | \$ 1,522,700  | \$ -                                 | \$ 2,724,573   | \$ 14,351,608                           |
| Licenses, Permits, and Assessments                                   | 1,634,859               | -   | -                                    | 1,028,410  | 2,663,269                               |
| Intergovernmental  | 2,982,821               | -   | 191,692                              | 172,927  | 3,347,440                               |
| Charges for Services   | 885,765                 | -   | -                                    | 5,748  | 891,513                                 |
| Fines and Forfeitures  | 146,227                 | -   | -                                    | 5,552  | 151,779                                 |
| Impact Fees  | -                       | -   | -                                    | 325,067  | 325,067                                 |
| Miscellaneous:   |                         |   |                                      |  |   |
| Interest   | 271,683                 | 47,507  | 173,718                              | 73,883   | 566,791                                 |
| Rental   | 589,593                 | 1,830   | -                                    | -  | 591,423                                 |
| Other  | 167,194                 | -   | -                                    | 86,830   | 254,024                                 |
| <b>Total Revenues</b>  | <b>16,782,477</b>       | <b>1,572,037</b>                                    | <b>365,410</b>                       | <b>4,422,990</b>                                     | <b>23,142,914</b>                       |
| <b>Expenditures</b>  |                         |   |                                      |  |   |
| Current:   |                         |   |                                      |  |   |
| General Government   | 3,678,770               | -   | -                                    | -  | 3,678,770                               |
| Public Safety  | 15,230,727              | -   | -                                    | 962,286  | 16,193,013                              |
| Physical Environment   | 99,049                  | -   | -                                    | -  | 99,049                                  |
| Transportation   | 1,292,655               | -   | -                                    | -  | 1,292,655                               |
| Economic Environment   | 258,409                 | 463,338   | -                                    | 125,332  | 847,079                                 |
| Human Services   | 303,807                 | -   | -                                    | -  | 303,807                                 |
| Culture and Recreation   | 3,380,029               | -   | -                                    | -  | 3,380,029                               |
| Debt Service:  |                         |   |                                      |  |   |
| Principal Payments   | 71,150                  | 276,000   | -                                    | 887,498  | 1,234,648                               |
| Interest and Fees  | 18,965                  | 343,543   | -                                    | 647,559  | 1,010,067                               |
| Capital Outlay   | 339,614                 | 105,504   | 4,703,107                            | 67,996   | 5,216,221                               |
| <b>Total Expenditures</b>  | <b>24,673,175</b>       | <b>1,188,385</b>                                    | <b>4,703,107</b>                     | <b>2,690,671</b>                                     | <b>33,255,338</b>                       |
| <b>Excess (Deficiency) of Revenues Over<br/>(Under) Expenditures</b> | <b>(7,890,698)</b>      | <b>383,652</b>                                      | <b>(4,337,697)</b>                   | <b>1,732,319</b>                                     | <b>(10,112,424)</b>                     |
| <b>Other Financing Sources (Uses)</b>                                |                         |   |                                      |  |   |
| Sale of Capital Assets   | 42,923                  | -   | -                                    | -  | 42,923                                  |
| Insurance Proceeds from Losses                                       | -                       | -   | 152,176                              | -  | 152,176                                 |
| Transfers from Other Funds   | 10,593,887              | 78,120  | 5,630,222                            | 2,287,276  | 18,589,505                              |
| Transfers to Other Funds   | (5,561,199)             | (141,958)   | (796,097)                            | (3,451,587)  | (9,950,841)                             |
| <b>Total Other Financing Sources (Uses)</b>                          | <b>5,075,611</b>        | <b>(63,838)</b>                                     | <b>4,986,301</b>                     | <b>(1,164,311)</b>                                   | <b>8,833,763</b>                        |
| <b>Net Change in Fund Balances</b>                                   | <b>(2,815,087)</b>      | <b>319,814</b>                                      | <b>648,604</b>                       | <b>568,008</b>                                       | <b>(1,278,661)</b>                      |
| <b>Fund Balances, Beginning of Year</b>                              | <b>15,720,135</b>       | <b>940,122</b>                                      | <b>7,731,691</b>                     | <b>5,415,202</b>                                     | <b>29,807,150</b>                       |
| <b>Fund Balances, End of Year</b>                                    | <b>\$ 12,905,048</b>    | <b>\$ 1,259,936</b>                                 | <b>\$ 8,380,295</b>                  | <b>\$ 5,983,210</b>                                  | <b>\$ 28,528,489</b>                    |

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



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

**Net change in fund balances - total governmental funds** \$ (1,278,661)

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

Governmental funds report capital purchases as expenditures. However, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives and reported as depreciation expense. This reconciling item is the amount by which capital purchases, less net book value of disposals, exceeds depreciation expense:

|                             |                    |           |
|-----------------------------|--------------------|-----------|
| Capital Purchases           | \$ 5,212,221       |           |
| Net Book Value of Disposals | 925,630            |           |
| Depreciation Expense        | <u>(2,944,686)</u> | 3,193,165 |

Repayment of bond and note principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. This is a list of those repayments:

|                                   |               |           |
|-----------------------------------|---------------|-----------|
| Capital Improvement Revenue Bonds | 565,000       |           |
| Notes Payable                     | 571,000       |           |
| Capital Lease                     | <u>98,648</u> | 1,234,648 |

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:

|   |                |         |
|---|----------------|---------|
| Accrued Interest Payable                          | 20,437         |         |
| Compensated Absences                              | (173,597)      |         |
| Change in Deferred Amount on Refunding            | (125,851)      |         |
| Pension Expense                                   | 665,798        |         |
| Change in Other Postemployment Benefits Liability | <u>464,782</u> | 851,569 |

The Internal Service Funds are used by management to charge the costs of activities that benefit the entire government. The net revenue (expense) of the internal service funds is reported with governmental activities.

(262,774)

**Change in net position of governmental activities** \$ 3,737,947

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



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## MAJOR PROPRIETARY FUNDS

**Proprietary Funds** account for operations that are financed and operated in a manner similar to private business enterprises, where the costs of providing goods or services to the general public are recovered primarily through user charges; or where the City has decided that determination of net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes. Individual major proprietary funds are described below.

**Electric Utility Fund** accounts for the purchase and distribution of electric services.

**Gas Utility Fund** accounts for the purchase and distribution of gas services.

**Water Utility Fund** accounts for costs for collection, treatment, and distribution of water services.

**Wastewater Utility Fund** accounts for costs to provide wastewater and sanitary sewer services.

**Airport Fund** accounts for the costs associated with the management, construction, maintenance, protections, control, regulation, use, and enhancement of the City's International Airport.

## INTERNAL SERVICE FUNDS

**Internal Service Funds** account for the financing of goods and services provided by one department to other departments of the governmental unit on a cost-reimbursement basis. The City maintains four internal service funds. The internal service funds are for the payment of employee health and medical claims, workers' compensation claims, property and casualty policies, and the purchase and maintenance of the City's vehicles.



**CITY OF LEESBURG, FLORIDA**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**SEPTEMBER 30, 2020**

|  | <b>Business-type Activities - Enterprise Funds</b> |                                 |                                   |
|--|--|---------------------------------|-----------------------------------|
|  | <b>Major Funds</b>                                 |                                 |                                   |
|  | <b>Electric<br/>Utility<br/>Fund</b>               | <b>Gas<br/>Utility<br/>Fund</b> | <b>Water<br/>Utility<br/>Fund</b> |
| <b>Assets</b>                                  |  |                                 |                                   |
| Current Assets:                                |  |                                 |                                   |
| Pooled Cash and Investments                    | \$ 20,873,568                                      | \$ 4,187,297                    | \$ 8,767,214                      |
| Restricted Pooled Cash and Investments:        |  |                                 |                                   |
| Customer Deposits Account                      | 4,707,284  | 786,352                         | 555,720                           |
| Prefunded Construction Projects                | 87,697   | -                               | -                                 |
| Cash with Fiscal Agent                         | 2,025,990  | 274,602                         | 1,254,507                         |
| Receivables:                                   |  |                                 |                                   |
| Customer Accounts, Unbilled                    | 3,103,960  | 249,244                         | 449,133                           |
| Customer Accounts, Billed                      | 5,290,084  | 427,468                         | 665,319                           |
| (Allowance for Doubtful Accounts)              | (785,334)  | (57,198)                        | (109,849)                         |
| Miscellaneous Receivables                      | -  | -                               | -                                 |
| Due from Other Governments                     | 769,976  | 237                             | 1,792                             |
| Advance to Other Fund                          | 1,033,661  | -                               | -                                 |
| Prepaid Items                                  | -  | 11,579                          | -                                 |
| Inventories                                    | 5,228,597  | 386,776                         | 311,890                           |
| <b>Total Current Assets</b>                    | <b>42,335,483</b>                                  | <b>6,266,357</b>                | <b>11,895,726</b>                 |
| Noncurrent Assets:                             |  |                                 |                                   |
| Restricted Assets:                             |  |                                 |                                   |
| Pooled Cash and Investments:                   |  |                                 |                                   |
| Impact Fees Account                            | -  | -                               | 616,834                           |
| Bond Proceeds                                  | -  | -                               | -                                 |
| Depository Trust Account                       | -  | 188,324                         | -                                 |
| <b>Total Restricted Assets</b>                 | <b>-</b>   | <b>188,324</b>                  | <b>616,834</b>                    |
| Property, Plant, and Equipment:                |  |                                 |                                   |
| Land   | 3,547,105  | 425,361                         | 363,470                           |
| Buildings                                      | 2,925,202  | 560,896                         | 9,943,258                         |
| Improvements Other Than Buildings              | 129,561,260  | 19,586,618                      | 48,375,007                        |
| Machinery and Equipment                        | 17,164,558   | 3,692,913                       | 10,040,939                        |
| Less Accumulated Depreciation and Amortization | (61,972,372)                                       | (9,002,614)                     | (27,732,718)                      |
| Intangible Assets                              | 92,652   | -                               | 748,274                           |
| Construction in Progress                       | 12,701,678   | 192,966                         | 946,237                           |
| <b>Total Property, Plant, and Equipment</b>    | <b>104,020,083</b>                                 | <b>15,456,140</b>               | <b>42,684,467</b>                 |
| <b>Total Noncurrent Assets</b>                 | <b>104,020,083</b>                                 | <b>15,644,464</b>               | <b>43,301,301</b>                 |
| <b>Total Assets</b>                            | <b>146,355,566</b>                                 | <b>21,910,821</b>               | <b>55,197,027</b>                 |
| <b>Deferred Outflows of Resources</b>          |  |                                 |                                   |
| Deferred Amounts on Bond Refunding             | -  | 166,654                         | 346,653                           |
| Deferred Outflows-Pension Related              | 347,900  | 116,036                         | 61,263                            |
| Deferred Outflows: OPEB                        | 100,697  | 51,467                          | 55,943                            |
| <b>Total Deferred Outflows of Resources</b>    | <b>448,597</b>                                     | <b>334,157</b>                  | <b>463,859</b>                    |

| Business-type Activities - Enterprise Funds |                   |                                 |                              | Governmental                 |
|---|-------------------|---------------------------------|------------------------------|------------------------------|
| Major Funds                                 |                   |                                 |                              | Activities                   |
| Wastewater<br>Utility<br>Fund               | Airport<br>Fund   | Nonmajor<br>Enterprise<br>Funds | Total<br>Enterprise<br>Funds | Internal<br>Service<br>Funds |
| \$ 24,122,673                               | \$ 2,889,024      | \$ 5,578,208                    | \$ 66,417,984                | \$ 8,119,154                 |
| 2,190                                       | -                 | 3,160                           | 6,054,706                    | -                            |
| -   | -                 | -                               | 87,697                       | -                            |
| 1,198,693                                   | -                 | -                               | 4,753,792                    | -                            |
| 651,736                                     | -                 | 327,525                         | 4,781,598                    | -                            |
| 2,121,119                                   | 31,548            | 480,990                         | 9,016,528                    | -                            |
| (160,496)                                   | -                 | (99,463)                        | (1,212,340)                  | -                            |
| -   | -                 | -                               | -                            | 259,901                      |
| 65  | 871,688           | 17,649                          | 1,661,407                    | 5                            |
| -   | -                 | -                               | 1,033,661                    | -                            |
| -   | -                 | -                               | 11,579                       | -                            |
| -   | -                 | -                               | 5,927,263                    | 96,017                       |
| <u>27,935,980</u>                           | <u>3,792,260</u>  | <u>6,308,069</u>                | <u>98,533,875</u>            | <u>8,475,077</u>             |
| 3,787,482                                   | -                 | -                               | 4,404,316                    | -                            |
| 14,036,119                                  | -                 | -                               | 14,036,119                   | -                            |
| -   | -                 | -                               | 188,324                      | -                            |
| <u>17,823,601</u>                           | <u>-</u>          | <u>-</u>                        | <u>18,628,759</u>            | <u>-</u>                     |
| 5,790,529                                   | 4,698,649         | 771,675                         | 15,596,789                   | -                            |
| 24,400,385                                  | 7,817,813         | 13,856                          | 45,661,410                   | 564,988                      |
| 30,196,617                                  | 27,454,268        | 15,860,583                      | 271,034,353                  | 148,127                      |
| 15,225,594                                  | 107,139           | 214,763                         | 46,445,906                   | 22,902,713                   |
| (33,140,013)                                | (17,727,856)      | (4,812,161)                     | (154,387,734)                | (16,560,376)                 |
| 38,150                                      | -                 | -                               | 879,076                      | -                            |
| 1,609,903                                   | 1,539,173         | 65,179                          | 17,055,136                   | 119,276                      |
| <u>44,121,165</u>                           | <u>23,889,186</u> | <u>12,113,895</u>               | <u>242,284,936</u>           | <u>7,174,728</u>             |
| <u>61,944,766</u>                           | <u>23,889,186</u> | <u>12,113,895</u>               | <u>260,913,695</u>           | <u>7,174,728</u>             |
| <u>89,880,746</u>                           | <u>27,681,446</u> | <u>18,421,964</u>               | <u>359,447,570</u>           | <u>15,649,805</u>            |
| 480,312                                     | -                 | -                               | 993,619                      | -                            |
| 141,175                                     | 1,152             | 64,790                          | 732,316                      | 25,549                       |
| 85,033                                      | 4,475             | 44,754                          | 342,369                      | 17,902                       |
| <u>706,520</u>                              | <u>5,627</u>      | <u>109,544</u>                  | <u>2,068,304</u>             | <u>43,451</u>                |

(Continued)

**CITY OF LEESBURG, FLORIDA**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**SEPTEMBER 30, 2020**  
*(Concluded)*

|   | <b>Business-type Activities - Enterprise Funds</b> |                                 |                                   |
|---|--|---------------------------------|-----------------------------------|
|   | <b>Major Funds</b>                                 |                                 |                                   |
|   | <b>Electric<br/>Utility<br/>Fund</b>               | <b>Gas<br/>Utility<br/>Fund</b> | <b>Water<br/>Utility<br/>Fund</b> |
| <b>Liabilities</b>                                  |  |                                 |                                   |
| Current Liabilities:                                |  |                                 |                                   |
| Accounts and Retainage Payable                      | \$ 4,000,471                                       | \$ 143,829                      | \$ 421,955                        |
| Rate Stabilization Credit                           | 2,720,452  | -                               | -                                 |
| Due to Other Governments                            | 317,968  | 16,403                          | -                                 |
| Other Accrued Expenses                              | 255,658  | 78,731                          | 77,667                            |
| Claims Payable                                      | -  | -                               | -                                 |
| Compensated Absences                                | 309,272  | 75,505                          | 60,856                            |
| Other Postemployment Benefits                       | 10,538   | 5,386                           | 5,855                             |
| Unearned Revenue                                    | -  | 515,334                         | 56,003                            |
|   | <u>7,614,359</u>                                   | <u>835,188</u>                  | <u>622,336</u>                    |
| Current Liabilities Payable from Restricted Assets: |  |                                 |                                   |
| Customer Deposits                                   | 4,707,284  | 297,941                         | 555,720                           |
| Customer Advances for Construction                  | 87,697   | -                               | -                                 |
| Accrued Interest Payable                            | 666,989  | 88,482                          | 371,434                           |
| Bonds and Notes Payable - Current Portion           | <u>1,359,000</u>                                   | <u>187,949</u>                  | <u>886,878</u>                    |
| Current Liabilities Payable from Restricted Assets  | <u>6,820,970</u>                                   | <u>574,372</u>                  | <u>1,814,032</u>                  |
| Total Current Liabilities                           | <u>14,435,329</u>                                  | <u>1,409,560</u>                | <u>2,436,368</u>                  |
| Noncurrent Liabilities:                             |  |                                 |                                   |
| Claims Payable                                      | -  | -                               | -                                 |
| Electric Utility Revenue Bond 2007B                 | 7,115,000  | -                               | -                                 |
| Electric Utility Refunding Revenue Note 2016        | 6,215,000  | -                               | -                                 |
| Electric Utility Refunding Revenue Bond 2016        | 19,387,180   | -                               | -                                 |
| Electric Utility Revenue Note Series 2020           | 100,000  | -                               | -                                 |
| Revenue Bonds Payable, Series 2007                  | -  | -                               | -                                 |
| Utility Revenue Refunding Note Payable 2010         | -  | -                               | 1,680,076                         |
| Utility Revenue Refunding Bond Payable 2013         | -  | 2,651,197                       | 5,514,704                         |
| Utility Revenue Refunding Bond 2016                 | -  | 2,092,038                       | 11,986,713                        |
| Utility Revenue Note Series 2020                    | -  | -                               | -                                 |
| Compensated Absences                                | 253,041  | 61,777                          | 49,791                            |
| Other Postemployment Benefits                       | 2,235,128  | 1,142,397                       | 1,241,735                         |
| Net Pension Liability                               | <u>793,507</u>                                     | <u>264,653</u>                  | <u>139,730</u>                    |
| Total Noncurrent Liabilities                        | <u>36,098,856</u>                                  | <u>6,212,062</u>                | <u>20,612,749</u>                 |
| <b>Total Liabilities</b>                            | <u>50,534,185</u>                                  | <u>7,621,622</u>                | <u>23,049,117</u>                 |
| <b>Deferred Inflows of Resources</b>                |  |                                 |                                   |
| Deferred Inflows-Pension Related                    | 178,136  | 59,501                          | 31,414                            |
| Deferred Inflows: OPEB                              | <u>794,406</u>                                     | <u>406,030</u>                  | <u>441,337</u>                    |
| <b>Total Deferred Inflows of Resources</b>          | <u>972,542</u>                                     | <u>465,531</u>                  | <u>472,751</u>                    |
| <b>Net Position</b>                                 |  |                                 |                                   |
| Net Investment in Capital Assets                    | 78,751,102   | 10,966,830                      | 23,933,801                        |
| Restricted for:                                     |  |                                 |                                   |
| Capital Improvements                                | -  | -                               | 616,834                           |
| Gas Depository Trust                                | -  | 188,324                         | -                                 |
| Unrestricted  | <u>16,546,334</u>                                  | <u>3,002,671</u>                | <u>7,588,383</u>                  |
| <b>Total Net Position</b>                           | <u>\$ 95,297,436</u>                               | <u>\$ 14,157,825</u>            | <u>\$ 32,139,018</u>              |

| Business-type Activities - Enterprise Funds |                      |                           |                        | Governmental Activities |
|---|----------------------|---------------------------|------------------------|-------------------------|
| Major Funds                                 |                      |                           |                        |                         |
| Wastewater Utility Fund                     | Airport Fund         | Nonmajor Enterprise Funds | Total Enterprise Funds | Internal Service Funds  |
| \$ 825,395                                  | \$ 384,940           | \$ 58,864                 | \$ 5,835,454           | \$ 1,308,604            |
| -   | -                    | -                         | 2,720,452              | -                       |
| -   | 130                  | 761                       | 335,262                | -                       |
| 118,543                                     | 7,290                | 62,306                    | 600,195                | 31,894                  |
| -   | -                    | -                         | -                      | 1,002,114               |
| 99,819                                      | 9,184                | 56,157                    | 610,793                | 26,520                  |
| 8,899                                       | 468                  | 4,684                     | 35,830                 | 1,873                   |
| 77,596                                      | 309,000              | -                         | 957,933                | -                       |
| <u>1,130,252</u>                            | <u>711,012</u>       | <u>182,772</u>            | <u>11,095,919</u>      | <u>2,371,005</u>        |
| 2,190                                       | 12,110               | 3,160                     | 5,578,405              | -                       |
| -   | -                    | -                         | 87,697                 | -                       |
| 303,794                                     | -                    | -                         | 1,430,699              | -                       |
| 900,173                                     | -                    | -                         | 3,334,000              | -                       |
| <u>1,206,157</u>                            | <u>12,110</u>        | <u>3,160</u>              | <u>10,430,801</u>      | <u>-</u>                |
| <u>2,336,409</u>                            | <u>723,122</u>       | <u>185,932</u>            | <u>21,526,720</u>      | <u>2,371,005</u>        |
| -   | -                    | -                         | -                      | 1,084,889               |
| -   | -                    | -                         | 7,115,000              | -                       |
| -   | -                    | -                         | 6,215,000              | -                       |
| -   | -                    | -                         | 19,387,180             | -                       |
| -   | -                    | -                         | 100,000                | -                       |
| 745,000                                     | -                    | -                         | 745,000                | -                       |
| 2,019,924                                   | -                    | -                         | 3,700,000              | -                       |
| 7,641,009                                   | -                    | -                         | 15,806,910             | -                       |
| 4,402,151                                   | -                    | -                         | 18,480,902             | -                       |
| 15,000,000                                  | -                    | -                         | 15,000,000             | -                       |
| 81,670                                      | 7,514                | 45,947                    | 499,740                | 21,698                  |
| 1,887,439                                   | 99,339               | 993,389                   | 7,599,427              | 397,356                 |
| 321,991                                     | 2,627                | 147,774                   | 1,670,282              | 58,272                  |
| <u>32,099,184</u>                           | <u>109,480</u>       | <u>1,187,110</u>          | <u>96,319,441</u>      | <u>1,562,215</u>        |
| <u>34,435,593</u>                           | <u>832,602</u>       | <u>1,373,042</u>          | <u>117,846,161</u>     | <u>3,933,220</u>        |
| 72,390                                      | 856                  | 33,223                    | 375,520                | 13,101                  |
| 670,832                                     | 35,307               | 353,069                   | 2,700,981              | 141,228                 |
| <u>743,222</u>                              | <u>36,163</u>        | <u>386,292</u>            | <u>3,076,501</u>       | <u>154,329</u>          |
| 29,149,302                                  | 23,603,929           | 12,097,786                | 178,502,750            | 7,174,728               |
| 3,787,482                                   | -                    | -                         | 4,404,316              | -                       |
| -   | -                    | -                         | 188,324                | -                       |
| <u>22,471,667</u>                           | <u>3,214,379</u>     | <u>4,674,388</u>          | <u>57,497,822</u>      | <u>4,430,979</u>        |
| <u>\$ 55,408,451</u>                        | <u>\$ 26,818,308</u> | <u>\$ 16,772,174</u>      | <u>\$ 240,593,212</u>  | <u>\$ 11,605,707</u>    |

**CITY OF LEESBURG, FLORIDA**  
**STATEMENT OF REVENUES, EXPENSES,**  
**AND CHANGES IN FUND NET POSITION**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

|   | <b>Business-type Activities - Enterprise Funds</b> |                                 |                                   |
|---|--|---------------------------------|-----------------------------------|
|   | <b>Major Funds</b>                                 |                                 |                                   |
|   | <b>Electric<br/>Utility<br/>Fund</b>               | <b>Gas<br/>Utility<br/>Fund</b> | <b>Water<br/>Utility<br/>Fund</b> |
| <b>Operating Revenues</b>                                       |  |                                 |                                   |
| Charges for Services  | \$ 57,227,865                                      | \$ 6,526,365                    | \$ 8,807,910                      |
| Other   | 870,602  | 204,930                         | 138,983                           |
| <b>Total Operating Revenues</b>                                 | <u>58,098,467</u>                                  | <u>6,731,295</u>                | <u>8,946,893</u>                  |
| <b>Operating Expenses</b>                                       |  |                                 |                                   |
| Personal Services   | 3,468,800  | 1,511,504                       | 1,421,749                         |
| Purchased Energy  | 35,770,698   | 1,532,632                       | -                                 |
| Supplies and Materials  | 359,757  | 152,622                         | 626,952                           |
| Maintenance Costs   | 900,912  | 110,909                         | 203,967                           |
| Contracted Services   | 1,469,406  | 59,331                          | 246,374                           |
| Other Services and Charges                                      | 4,618,917  | 1,011,288                       | 1,817,463                         |
| Depreciation and Amortization                                   | 4,417,501  | 597,085                         | 1,649,642                         |
| Claims Expense  | -  | -                               | -                                 |
| Insurance Premiums  | -  | -                               | -                                 |
| <b>Total Operating Expenses</b>                                 | <u>51,005,991</u>                                  | <u>4,975,371</u>                | <u>5,966,147</u>                  |
| <b>Operating Income (Loss)</b>                                  | <u>7,092,476</u>                                   | <u>1,755,924</u>                | <u>2,980,746</u>                  |
| <b>Nonoperating Revenues (Expenses)</b>                         |  |                                 |                                   |
| Investment Income   | 541,462  | 89,967                          | 191,277                           |
| Other Nonoperating Income                                       | -  | -                               | -                                 |
| Gain (Loss) on Sale of Assets                                   | 186,307  | 4                               | (35,103)                          |
| Interest Expense  | (1,367,350)  | (177,195)                       | (695,888)                         |
| Grants  | 125,801  | 2,818                           | 34,338                            |
| <b>Total Nonoperating Revenues (Expenses)</b>                   | <u>(513,780)</u>                                   | <u>(84,406)</u>                 | <u>(505,376)</u>                  |
| <b>Income (Loss) Before Capital Contributions and Transfers</b> | <u>6,578,696</u>                                   | <u>1,671,518</u>                | <u>2,475,370</u>                  |
| <b>Capital Contributions and Transfers</b>                      |  |                                 |                                   |
| Capital Contributions   | 914,416  | 592,307                         | 1,427,583                         |
| Transfers from Other Funds                                      | -  | -                               | -                                 |
| Transfers to Other Funds  | (5,392,360)  | (748,552)                       | (1,011,461)                       |
| <b>Total Capital Contributions and Transfers</b>                | <u>(4,477,944)</u>                                 | <u>(156,245)</u>                | <u>416,122</u>                    |
| <b>Change in Net Position</b>                                   | 2,100,752  | 1,515,273                       | 2,891,492                         |
| <b>Net Position, Beginning of Year</b>                          | <u>93,196,684</u>                                  | <u>12,642,552</u>               | <u>29,247,526</u>                 |
| <b>Net Position, End of Year</b>                                | <u>\$ 95,297,436</u>                               | <u>\$ 14,157,825</u>            | <u>\$ 32,139,018</u>              |

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

| Business-type Activities - Enterprise Funds |                      |                                 |                              | Governmental                 |
|---|----------------------|---------------------------------|------------------------------|------------------------------|
| Major Funds                                 |                      |                                 |                              | Activities                   |
| Wastewater<br>Utility<br>Fund               | Airport<br>Fund      | Nonmajor<br>Enterprise<br>Funds | Total<br>Enterprise<br>Funds | Internal<br>Service<br>Funds |
| \$ 11,967,569                               | \$ 113,817           | \$ 5,900,850                    | \$ 90,544,376                | \$ 10,774,969                |
| 208,862                                     | 1,085,006            | 69,457                          | 2,577,840                    | 424,314                      |
| <u>12,176,431</u>                           | <u>1,198,823</u>     | <u>5,970,307</u>                | <u>93,122,216</u>            | <u>11,199,283</u>            |
| 2,235,996                                   | 140,468              | 1,121,925                       | 9,900,442                    | 594,795                      |
| -   | -                    | -                               | 37,303,330                   | -                            |
| 437,710                                     | 14,943               | 304,257                         | 1,896,241                    | 151,997                      |
| 557,811                                     | 146,641              | 445,816                         | 2,366,056                    | 672,556                      |
| 562,476                                     | 117,132              | 1,070,375                       | 3,525,094                    | 923,297                      |
| 2,945,841                                   | 226,531              | 1,409,944                       | 12,029,984                   | 50,518                       |
| 1,708,685                                   | 1,526,239            | 291,749                         | 10,190,901                   | 1,432,298                    |
| -   | -                    | -                               | -                            | 6,305,866                    |
| -   | -                    | -                               | -                            | 1,287,201                    |
| <u>8,448,519</u>                            | <u>2,171,954</u>     | <u>4,644,066</u>                | <u>77,212,048</u>            | <u>11,418,528</u>            |
| <u>3,727,912</u>                            | <u>(973,131)</u>     | <u>1,326,241</u>                | <u>15,910,168</u>            | <u>(219,245)</u>             |
| 726,707                                     | 55,773               | 98,376                          | 1,703,562                    | 130,589                      |
| -   | 105,010              | -                               | 105,010                      | -                            |
| 610,681                                     | (7,332)              | -                               | 754,557                      | (309,377)                    |
| (658,616)                                   | -                    | -                               | (2,899,049)                  | -                            |
| 2,257                                       | -                    | 265,519                         | 430,733                      | 160                          |
| <u>681,029</u>                              | <u>153,451</u>       | <u>363,895</u>                  | <u>94,813</u>                | <u>(178,628)</u>             |
| <u>4,408,941</u>                            | <u>(819,680)</u>     | <u>1,690,136</u>                | <u>16,004,981</u>            | <u>(397,873)</u>             |
| 1,656,291                                   | 1,073,187            | 744,088                         | 6,407,872                    | 27,274                       |
| -   | -                    | -                               | -                            | 1,611,848                    |
| (970,515)                                   | (41,302)             | (582,299)                       | (8,746,489)                  | (1,504,023)                  |
| <u>685,776</u>                              | <u>1,031,885</u>     | <u>161,789</u>                  | <u>(2,338,617)</u>           | <u>135,099</u>               |
| 5,094,717                                   | 212,205              | 1,851,925                       | 13,666,364                   | (262,774)                    |
| <u>50,313,734</u>                           | <u>26,606,103</u>    | <u>14,920,249</u>               | <u>226,926,848</u>           | <u>11,868,481</u>            |
| <u>\$ 55,408,451</u>                        | <u>\$ 26,818,308</u> | <u>\$ 16,772,174</u>            | <u>\$ 240,593,212</u>        | <u>\$ 11,605,707</u>         |

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

**CITY OF LEESBURG, FLORIDA**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

|  | <b>Business-type Activities - Enterprise Funds</b> |                                 |                                   |
|--|--|---------------------------------|-----------------------------------|
|  | <b>Major Funds</b>                                 |                                 |                                   |
|  | <b>Electric<br/>Utility<br/>Fund</b>               | <b>Gas<br/>Utility<br/>Fund</b> | <b>Water<br/>Utility<br/>Fund</b> |
| <b>Cash Flows from Operating Activities</b>                                    |  |                                 |                                   |
| Receipts from Customers and Users  | \$ 57,578,411                                      | \$ 6,640,614                    | \$ 8,957,124                      |
| Payments to Suppliers for Goods and Services                                   | (43,242,355)                                       | (3,145,738)                     | (2,894,197)                       |
| Cash Paid for Insurance Claims   | -  | -                               | -                                 |
| Cash Paid to Employees for Services  | (3,626,640)  | (1,474,807)                     | (1,651,826)                       |
| <b>Net Cash Provided by (Used in) Operating Activities</b>                     | <b>10,709,416</b>                                  | <b>2,020,069</b>                | <b>4,411,101</b>                  |
| <b>Cash Flows from Noncapital Financing Activities</b>                         |  |                                 |                                   |
| Transfers from Other Funds   | -  | -                               | -                                 |
| Transfers to Other Funds   | (5,392,360)  | (748,552)                       | (1,011,461)                       |
| Non-Capital Grant Proceeds   | 125,801  | 3,006                           | 32,546                            |
| Proceeds from Interfund Loan   | 68,465   | -                               | -                                 |
| Principal Paid on Noncapital Debt  | (485,000)  | -                               | -                                 |
| Interest Paid on Noncapital Debt   | (464,182)  | -                               | -                                 |
| <b>Net Cash Provided by (Used in) Noncapital Financing Activities</b>          | <b>(6,147,276)</b>                                 | <b>(745,546)</b>                | <b>(978,915)</b>                  |
| <b>Cash Flows from Capital and Related Financing Activities</b>                |  |                                 |                                   |
| Interest Paid on Revenue Bonds and Customer Deposits                           | (1,025,612)  | (187,388)                       | (769,389)                         |
| Acquisition and Construction of Capital Assets                                 | (8,043,865)  | (396,075)                       | (320,780)                         |
| Proceeds from the Disposition of Capital Assets                                | 33,360   | 4                               | -                                 |
| Issuance of Debt   | 100,000  | -                               | -                                 |
| Principal Paid on Capital Debt   | (824,000)  | (181,785)                       | (858,574)                         |
| Capital Contributions  | 709,869  | 433,572                         | 589,126                           |
| Return of Customer Advances  | (35,820)   | -                               | -                                 |
| <b>Net Cash Provided by (Used in) Capital and Related Financing Activities</b> | <b>(9,086,068)</b>                                 | <b>(331,672)</b>                | <b>(1,359,617)</b>                |
| <b>Cash Flows from Investing Activities</b>                                    |  |                                 |                                   |
| Interest Received  | 541,462  | 88,044                          | 187,277                           |
| <b>Net Cash Provided by (Used in) Investing Activities</b>                     | <b>541,462</b>                                     | <b>88,044</b>                   | <b>187,277</b>                    |
| <b>Net Increase (Decrease) in Cash and Cash Equivalents</b>                    | <b>(3,982,466)</b>                                 | <b>1,030,895</b>                | <b>2,259,846</b>                  |
| <b>Cash and Cash Equivalents, Beginning of Year</b>                            | <b>31,677,005</b>                                  | <b>4,405,680</b>                | <b>8,934,429</b>                  |
| <b>Cash and Cash Equivalents, End of Year</b>                                  | <b>\$ 27,694,539</b>                               | <b>\$ 5,436,575</b>             | <b>\$ 11,194,275</b>              |

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

| Business-type Activities - Enterprise Funds |                     |                           |                        | Governmental Activities |
|---|---------------------|---------------------------|------------------------|-------------------------|
| Major Funds                                 |                     |                           |                        |                         |
| Wastewater Utility Fund                     | Airport Fund        | Nonmajor Enterprise Funds | Total Enterprise Funds | Internal Service Funds  |
| \$ 11,030,735                               | \$ 1,202,014        | \$ 5,952,265              | \$ 91,361,163          | \$ 10,718,793           |
| (4,126,816)                                 | (414,111)           | (3,270,810)               | (57,094,027)           | (3,088,170)             |
| -   | -                   | -                         | -                      | (4,857,414)             |
| (2,424,688)                                 | (142,814)           | (1,304,374)               | (10,625,149)           | (627,022)               |
| <u>4,479,231</u>                            | <u>645,089</u>      | <u>1,377,081</u>          | <u>23,641,987</u>      | <u>2,146,187</u>        |
| -   | -                   | -                         | -                      | 1,504,023               |
| (903,992)                                   | -                   | (582,299)                 | (8,638,664)            | (1,504,023)             |
| 2,192                                       | 23,025              | 606,930                   | 793,500                | 155                     |
| -   | -                   | -                         | 68,465                 | -                       |
| (35,000)                                    | -                   | -                         | (520,000)              | -                       |
| (47,348)                                    | -                   | -                         | (511,530)              | -                       |
| <u>(984,148)</u>                            | <u>23,025</u>       | <u>24,631</u>             | <u>(8,808,229)</u>     | <u>155</u>              |
| (640,076)                                   | -                   | -                         | (2,622,465)            | -                       |
| (198,293)                                   | (1,382,252)         | (1,660,084)               | (12,001,349)           | (2,503,316)             |
| 1,090                                       | 105,010             | -                         | 139,464                | 132,567                 |
| 15,000,000                                  | -                   | -                         | 15,100,000             | -                       |
| (829,641)                                   | -                   | -                         | (2,694,000)            | -                       |
| 1,018,269                                   | 384,275             | -                         | 3,135,111              | -                       |
| -   | -                   | -                         | (35,820)               | -                       |
| <u>14,351,349</u>                           | <u>(892,967)</u>    | <u>(1,660,084)</u>        | <u>1,020,941</u>       | <u>(2,370,749)</u>      |
| <u>721,164</u>                              | <u>55,773</u>       | <u>98,376</u>             | <u>1,692,096</u>       | <u>130,589</u>          |
| <u>721,164</u>                              | <u>55,773</u>       | <u>98,376</u>             | <u>1,692,096</u>       | <u>130,589</u>          |
| 18,567,596                                  | (169,080)           | (159,996)                 | 17,546,795             | (93,818)                |
| <u>24,579,561</u>                           | <u>3,058,104</u>    | <u>5,741,364</u>          | <u>78,396,143</u>      | <u>8,212,972</u>        |
| <u>\$ 43,147,157</u>                        | <u>\$ 2,889,024</u> | <u>\$ 5,581,368</u>       | <u>\$ 95,942,938</u>   | <u>\$ 8,119,154</u>     |

(Continued)

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



**CITY OF LEESBURG, FLORIDA**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**  
*(Concluded)*

|  | <u>Business-type Activities - Enterprise Funds</u> |                                 |                                   |
|--|--|---------------------------------|-----------------------------------|
|  | <u>Major Funds</u>                                 |                                 |                                   |
|  | <u>Electric<br/>Utility<br/>Fund</u>               | <u>Gas<br/>Utility<br/>Fund</u> | <u>Water<br/>Utility<br/>Fund</u> |
| <b><u>Reconciliation of Cash and Cash Equivalents to Balance Sheet</u></b>                                     |  |                                 |                                   |
| Total Unrestricted Equity in Pooled Cash and Cash Equivalents  | \$ 20,873,568                                      | \$ 4,187,297                    | \$ 8,767,214                      |
| Total Restricted Equity in Pooled Cash and Cash Equivalents & Cash with Fiscal Agent                           | 6,820,971  | 1,249,278                       | 2,427,061                         |
| <b>Total Cash and Cash Equivalents, End of Year</b>  | <b><u>\$ 27,694,539</u></b>                        | <b><u>\$ 5,436,575</u></b>      | <b><u>\$ 11,194,275</u></b>       |
| <b><u>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities</u></b> |  |                                 |                                   |
| Operating Income (Loss)  | \$ 7,092,476                                       | \$ 1,755,924                    | \$ 2,980,746                      |
| Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:       |  |                                 |                                   |
| Depreciation and Amortization  | 4,417,501  | 597,085                         | 1,649,642                         |
| Decrease (Increase) in Assets:   |  |                                 |                                   |
| Customer Accounts (Net of Allowances)  | 361,194  | (45,570)                        | (933)                             |
| Miscellaneous Receivables  | -  | -                               | -                                 |
| Prepaid Items  | -  | (11,579)                        | -                                 |
| Inventory  | (1,048,295)  | (25,374)                        | (51,191)                          |
| Decrease (Increase) in Deferred Outflows: Pension  | (165,210)  | (57,672)                        | (19,158)                          |
| Decrease (Increase) in Deferred Outflows: OPEB   | 16,584   | 4,508                           | 13,359                            |
| Increase (Decrease) in Liabilities:  |  |                                 |                                   |
| Accounts Payable   | 907,208  | (239,634)                       | 51,750                            |
| Unearned Revenue   | -  | -                               | -                                 |
| Due to Other Governments   | 18,422   | (2,369)                         | -                                 |
| Accrued Expenses   | 50,267   | 10,578                          | 11,012                            |
| Claims Payable   | -  | -                               | -                                 |
| Rate Stabilization Credit  | (894,989)  | -                               | -                                 |
| Other Postemployment Benefits Liability  | (530,928)  | (177,409)                       | (393,125)                         |
| Net Pension Liability  | (160,384)  | (40,087)                        | (80,113)                          |
| Other Liabilities  | 72,292   | (28,460)                        | 516                               |
| Increase (Decrease) in Deferred Inflows: Pension   | 145,471  | 49,066                          | 23,886                            |
| Increase (Decrease) in Deferred Inflows: OPEB  | 427,807  | 231,062                         | 224,710                           |
| <b>Net Cash Provided by (Used in) Operating Activities</b>   | <b><u>\$ 10,709,416</u></b>                        | <b><u>\$ 2,020,069</u></b>      | <b><u>\$ 4,411,101</u></b>        |
| <b><u>Noncash Investing, Capital, or Financing Transactions:</u></b>   |  |                                 |                                   |
| Capital Contribution   | -  | -                               | \$ 840,639                        |

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

| Business-type Activities - Enterprise Funds |                     |                                 |                              | Governmental                 |
|---|---------------------|---------------------------------|------------------------------|------------------------------|
| Major Funds                                 |                     |                                 |                              | Activities                   |
| Wastewater<br>Utility<br>Fund               | Airport<br>Fund     | Nonmajor<br>Enterprise<br>Funds | Total<br>Enterprise<br>Funds | Internal<br>Service<br>Funds |
| \$ 24,122,673                               | \$ 2,889,024        | \$ 5,578,208                    | \$ 66,417,984                | \$ 8,119,154                 |
| 19,024,484                                  | -                   | 3,160                           | 29,524,954                   | -                            |
| <u>\$ 43,147,157</u>                        | <u>\$ 2,889,024</u> | <u>\$ 5,581,368</u>             | <u>\$ 95,942,938</u>         | <u>\$ 8,119,154</u>          |
| <br>  |                     |                                 |                              |                              |
| \$ 3,727,912                                | \$ (973,131)        | \$ 1,326,241                    | \$ 15,910,168                | \$ (219,245)                 |
| <br>  |                     |                                 |                              |                              |
| 1,708,685                                   | 1,526,239           | 291,749                         | 10,190,901                   | 1,432,298                    |
| (1,145,561)                                 | 6,081               | (18,042)                        | (842,831)                    | -                            |
| -   | -                   | -                               | -                            | (56,176)                     |
| -   | -                   | -                               | (11,579)                     | -                            |
| -   | -                   | -                               | (1,124,860)                  | 67,987                       |
| (63,759)                                    | (648)               | (27,076)                        | (333,523)                    | (12,160)                     |
| 16,255                                      | 856                 | 11,221                          | 62,783                       | 3,422                        |
| <br>  |                     |                                 |                              |                              |
| 377,022                                     | 91,136              | (40,402)                        | 1,147,080                    | 795,892                      |
| -   | (15,000)            | -                               | (15,000)                     | -                            |
| -   | -                   | (16)                            | 16,037                       | -                            |
| 16,568                                      | 789                 | 5,110                           | 94,324                       | 5,132                        |
| -   | -                   | -                               | -                            | 157,658                      |
| -   | -                   | -                               | (894,989)                    | -                            |
| (501,629)                                   | (26,402)            | (327,119)                       | (1,956,612)                  | (105,606)                    |
| (82,227)                                    | (6)                 | (49,143)                        | (411,960)                    | (11,638)                     |
| 13,194                                      | 15,766              | (23)                            | 73,285                       | 3,342                        |
| 58,548                                      | 766                 | 26,480                          | 304,217                      | 10,707                       |
| 354,223                                     | 18,643              | 178,101                         | 1,434,546                    | 74,574                       |
| <u>\$ 4,479,231</u>                         | <u>\$ 645,089</u>   | <u>\$ 1,377,081</u>             | <u>\$ 23,641,987</u>         | <u>\$ 2,146,187</u>          |
| <br>  |                     |                                 |                              |                              |
| \$ 638,022                                  | -                   | -                               | \$ 1,478,661                 | \$ 107,825                   |

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



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## **FIDUCIARY FUNDS**

**Pension Trust Funds** account for the activities of the firefighters' and police officers' and the general employees' pension funds, which accumulate resources for pension benefits and disability payments to qualified retirees.

**CITY OF LEESBURG, FLORIDA  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
SEPTEMBER 30, 2020**

|   | <u>Employee<br/>Retirement<br/>Funds</u> |
|---|--|
| <b>Assets</b>                                     |  |
| Cash  | \$ <u>718,567</u>                        |
| Investments, at Fair Value:                       |  |
| U.S. Government, Agency, and Municipal Securities | 9,423,803                                |
| Foreign Bonds                                     | 325,280                                  |
| Corporate Bonds                                   | 6,203,384                                |
| Corporate Stocks                                  | 22,097,804                               |
| Collateralized Mortgage Obligations               | 380,355                                  |
| Alternative Investments                           | 11,678,630                               |
| Money Market                                      | 1,020,816                                |
| Mutual Funds                                      | <u>32,595,092</u>                        |
| Total Investments                                 | <u>83,725,164</u>                        |
| Interest Receivable                               | <u>237,102</u>                           |
| <b>Total Assets</b>                               | <u>84,680,833</u>                        |
| <b>Net Position</b>                               |  |
| Restricted for:                                   |  |
| Employees' Pension Benefits                       | <u>\$ <u>84,680,833</u></u>              |

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

**CITY OF LEESBURG, FLORIDA  
STATEMENT OF CHANGES IN FUND NET POSITION  
FIDUCIARY FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

|  | <u><b>Employee<br/>Retirement<br/>Funds</b></u> |
|--|---|
| <b>Additions</b>                                     |   |
| Contributions:                                       |   |
| Employer   | \$ 2,331,644                                    |
| State  | 379,739   |
| Employee   | <u>491,379</u>                                  |
| Total Contributions                                  | <u>3,202,762</u>                                |
| Investment Income:                                   |   |
| Net Increase (Decrease) in Fair Value of Investments | 4,340,296                                       |
| Interest and Dividend Income                         | 1,767,913                                       |
| Other Income   | 200,192   |
| Less: Investment Expenses                            | <u>(323,873)</u>                                |
| Total Investment Income                              | <u>5,984,528</u>                                |
| <b>Total Additions</b>                               | <u>9,187,290</u>                                |
| <b>Deductions</b>                                    |   |
| Benefit Payments                                     | 4,830,023                                       |
| Refund of Contributions                              | 162,782   |
| Administrative Expense                               | <u>240,353</u>                                  |
| <b>Total Deductions</b>                              | <u>5,233,158</u>                                |
| <b>Change in Plan Net Position</b>                   | 3,954,132                                       |
| <b>Net Position Restricted for Employees'</b>        |   |
| <b>Pension Benefits:</b>                             |   |
| <b>Beginning of Year</b>                             | <u>80,726,701</u>                               |
| <b>End of Year</b>                                   | <u>\$ 84,680,833</u>                            |

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



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## **NOTES TO THE FINANCIAL STATEMENTS**



**CITY OF LEESBURG, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting and reporting of the City of Leesburg, Florida (the City) conform to accounting principles generally accepted in the United States (GAAP) as applied to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles, which are primarily set forth in GASB's *Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification)*. The more significant of these accounting policies are summarized below.

**A. Financial Reporting Entity**

The City is a Florida municipality governed by an elected five-member City Commission. The City was established by the adoption of its Charter in the Laws of Florida, Chapter 9820, 1923. The City provides a traditional mix of governmental services, including police and fire protection, the construction and maintenance of streets and infrastructure, library, recreational activities, cultural events, planning, zoning, housing, and administrative services. The City also provides a full range of utility services, including electric, natural gas, solid waste, water, reuse water, wastewater treatment, airport, and stormwater. In addition, the City has three Community Redevelopment Agencies (CRAs), which are Greater Leesburg, Carver Heights/Montclair Area, and U.S. Highway 441 & 27.

The City Commission is governed by the City Charter and by state and local laws and regulations. The City Commission is responsible for the establishment and adoption of policy for the City. The execution of such policy is the responsibility of the Commission-appointed City Manager.

This report includes all funds, departments, agencies, boards and commissions, and other organizational units that are administered by the City Manager and/or controlled by or dependent upon the City Commission as set forth in the City Charter. In GASB Statement No. 61, *The Financial Reporting Entity: Omnibus - an amendment of GASB Statements No. 14 and No. 34*, the GASB has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body and: (1) the ability of the City to impose its will on that organization; or (2) the potential for the organization to provide specific financial benefits to or impose specific financial burdens on the City.

As required by GAAP, these financial statements present the City of Leesburg (the primary government) and its component units. In evaluating the City as a reporting entity, management has addressed all potential component units for which the City may or may not be financially accountable and, if applicable, has included them in the City's financial statements. Additionally, the primary government is required to consider other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The City has identified and included within the financial reporting entity, as its component units, legally separate organizations for which the City is financially accountable for which a significant relationship with the City exists such that exclusion would cause the City's financial statement to be misleading or incomplete.

**CITY OF LEESBURG, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

There is one component unit which is legally separate from the City, but is so intertwined with the City that it is, in substance, the same as the City. It is reported as part of the City as a blended component unit and blended into an appropriate fund as listed below:

Community Redevelopment Agency (CRA): The City established the Greater Leesburg, Carver Heights/Montclair Area, and U.S. Highway 441 & 27 Community Redevelopment Agencies as component units of the City pursuant to Section 163.512, Florida Statutes.

The CRA's sole purpose is to administer funds distributed via state law for blighted areas within the City. The Governing Boards are composed of the City Commission plus two members appointed by the City Commission; therefore the City Commission has absolute influence over the CRA board. Additionally, the City provides financial support to the CRA, so a financial benefit/burden relationship exists. In accordance with 163.387, Florida Statutes, the supplemental schedule details the following: the amount and source of revenues, the amount and purpose of expenditures, including the amount of debt principal and interest paid during the current year. The CRA is reported as a major special revenue fund. The remaining amounts of indebtedness to which revenues of the fund are pledged are detailed in Note 8.

**B. Recent Governmental Accounting Standards Board (GASB) Statements**

The GASB statements implemented by the City this fiscal year had little or no impact on the City's financial statements.

**C. Basic Financial Statements**

The basic financial statements include both City-wide and fund level statements. The City-wide financial statements report on all activities of the City and its blended component unit except those that are fiduciary in nature.

Statements for fiduciary activities, such as employee pension plans, are presented in a separate section of this report. Both the City-wide and fund level statements classify primary activities of the City as either governmental activities, which are primarily supported by taxes and intergovernmental revenues, or business-type activities, which are primarily supported by user fees and charges.

City-wide financial statements include a Statement of Net Position and a Statement of Activities. These statements report on the government as a whole, both the primary government and its component units, and provide a consolidated financial picture of the government. As part of the consolidation process, interfund activities are eliminated to avoid distorted financial results. Fiduciary funds of the government are not included in the presentation since these resources are not available for general government funding purposes. The Statement of Net Position reports all financial and capital resources of the City's governmental and business-type activities. It is presented in a net position format and shown with three components: (1) net investment in capital assets; (2) restricted net position; and (3) unrestricted net position.

The Statement of Activities reports the functional categories of programs provided by the City and demonstrates how and to what degree those programs are supported by specific revenues.

**CITY OF LEESBURG, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

Program revenues are classified into three categories: (1) charges for services; (2) operating grants and contributions; and (3) capital grants and contributions. Charges for services refer to direct recovery from customers for services rendered. Grants and contributions refer to revenues restricted for specific programs whose use may be restricted further to operational or capital items. The general revenues sections display revenues collected that help support all functions of the government.

The fund financial statements follow and report additional and detailed information about the City's operations for major funds individually, and nonmajor funds in the aggregate, for governmental, proprietary and fiduciary funds. Reconciliations are provided that converts the results of governmental fund accounting to the City-wide presentation.

**D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

City-wide financial statements, as well as the fund financial statements for proprietary funds and fiduciary funds, are reported using the economic resources measurement focus, and the accrual basis of accounting. Revenues are recognized in the period for which they are levied. When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as needed.

Operating revenues shown for proprietary operations generally result from producing or providing goods and services such as electric, gas, water, wastewater, stormwater, solid waste and aviation. Operating expenses include all costs related to providing the service or product. These costs include salaries and benefits, supplies, travel, contract services, depreciation, administrative expenses, and/or other expenses directly related to the cost of services. All other revenue and expenses not meeting these definitions are reported as non-operating revenues and expenses.

All governmental fund financial statements are reported using a current financial resources measurement focus and a modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Available means collectible within the current period, or soon enough thereafter, to be used to pay liabilities of the current period. This period is within 180 days of the end of the fiscal year, and jointly assessed taxes collected through other governments are within 60 days.

Property taxes, franchise taxes, investment earnings, and most charges for services are recorded as earned since they are measurable and available. Licenses, permits and assessments, fines and forfeitures, and miscellaneous revenues are recorded as revenues when received in cash because they are generally not measurable until received.

A significant portion of the City's grants and contracts are exchange transactions. Funds from these transactions are deemed to be earned and reported as revenue when such funds have been expended towards the designated purpose and eligibility requirements have been met.

Expenditures are recorded when the related fund liability is incurred. Exceptions to this general rule include: (1) accumulated paid time off, which is not reported until they have been paid; (2) prepaid

**CITY OF LEESBURG, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

insurance and similar items, which are reported only on the balance sheet and do not affect expenditures; and (3) principal and interest on long-term debt, which are recognized when due. Budgets for governmental funds are also prepared on the modified accrual basis.

The City charges centralized services through the General Fund and Internal Service Funds to functional activities through various charge methods. Expenses reported for functional activities include these indirect expenses, including an administrative component.

The accounting policies and the presentation of the financial report of the City have been designed to conform to GAAP as applicable to government units, in accordance with the GASB.

**E. Major Governmental Funds**

1. The **General Fund** is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
2. The **Community Redevelopment Agency Fund** includes the **Greater Leesburg Community Redevelopment Agency, Carver Heights/Montclair Area Community Redevelopment Agency, and U.S. Highway 441 & 27 Community Redevelopment Agency**. These are incremental tax districts established pursuant to Florida Statutes and accounted for in a special revenue fund. The fund accounts for the incremental increase in ad valorem tax revenue collected within the designated community redevelopment areas. Revenues must be utilized and expended in accordance with the respective community redevelopment plans.
3. The **Capital Projects Fund** accounts for financial resources used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

**F. Major Enterprise Funds**

1. The **Electric Utility Fund** accounts for the purchase and distribution of electric services.
2. The **Gas Utility Fund** accounts for the purchase and distribution of gas services.
3. The **Water Utility Fund** accounts for costs for collection, treatment, and distribution of water services.
4. The **Wastewater Utility Fund** accounts for costs to provide wastewater and sanitary sewer services.
5. The **Airport Fund** accounts for the costs associated with the management, construction, maintenance, protection, control, regulation, use, and enhancement of the City's International Airport.

**CITY OF LEESBURG, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

**G. Internal Service Funds**

**Internal Service Funds** account for the financing of goods and services provided by one department to other departments of the governmental unit on a cost-reimbursement basis. The City maintains four internal service funds:

1. The **General Employees' Health Insurance Fund** accounts for maintaining the City's self-insured employee health insurance.
2. The **Workers' Compensation Insurance Fund** accounts for maintaining the City's workers compensation self-insurance fund.
3. The **Fleet Maintenance Fund** accounts for maintaining the purchases and services of the City's vehicles.
4. The **Risk Management Fund** accounts for maintaining the City's self-insured property and casualty policies.

**H. Fiduciary Funds**

**Pension Trust Funds** account for the activities of the firefighters' and police officers' pension funds, and the general employees' retirement fund, which accumulate resources for pension benefits and disability payments to qualified retirees.

**I. Encumbrances**

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve a portion of the applicable budget appropriation, is utilized by the governmental funds of the City. Encumbrances lapse at fiscal year-end.

**J. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance**

1. **Cash and Investments** - The City's cash and cash equivalents include cash on hand, demand deposits, and equity in pooled cash and investments. The equity in pooled cash and investments represents a fund's share of a cash and investment pool maintained by the City for use by all funds, except the pension funds and funds with agreements that require separate bank accounts. State statutes require all deposits of the City, including demand deposit accounts, time deposit accounts and money market accounts be held in institutions designated by the Treasurer of the State of Florida as "qualified public depositories" and are covered by a collateral pool as required by the statute.

All investments are reported at fair value. For the purpose of the statement of cash flows, the City considers cash equivalents to be highly liquid investments (including restricted assets) with an original maturity of three months or less when purchased. Interest earned from investments purchased with pooled cash is allocated to each participating fund based on the fund's average

**CITY OF LEESBURG, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

equity balance, except as required by City charter. Funds that incur negative equity in pooled cash and investments during the year incur a charge for interest. Funds used to account for federal and state grants may have negative equity in pooled cash and investments throughout the year due to the reimbursement basis of the grant programs.

2. **Receivables and Payables** - Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans).

Accounts receivable balances are shown net of the allowance for uncollectible accounts. The allowance amounts in the enterprise funds are based on historical experience. In the governmental funds, the allowance varies based on management estimates. Electric, gas, water and related wastewater charges to customers are based on actual consumption. Consumption is determined on a monthly cycle basis. The City recognizes as revenue the estimated unbilled consumption at fiscal year-end.

3. **Inventories and Prepaid Items** - Inventories of expendable supplies held for consumption are priced at the "first-in-first-out" method of accounting. Governmental fund type inventories are recorded using the consumption method. Reported inventories in governmental funds are included with nonspendable fund balance because they are not in spendable form. In proprietary fund types, inventories are expensed when consumed. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The costs of prepaid items are recorded as expenditures when consumed rather than when purchased.
4. **Capital Assets** - Capital assets, which include land, property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) are reported in the applicable governmental or business-type activities columns in the City-wide financial statements.

Capital asset purchases are recorded as capital outlay expenditures in the fund level governmental funds in the year of acquisition. Property, plant, and equipment with initial, individual costs that equal or exceed \$5,000 with estimated useful lives of over one year are recorded as capital assets. Roads, bridges, and sidewalks are capitalized when their initial costs equal or exceed \$25,000 as long as they possess estimated useful lives of more than one year. For intangible assets, the City maintains a \$100,000 threshold for related assets. Capital assets are recorded at historical cost or estimated historical cost. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the fair value of the assets or materially extend the assets' lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of major business-type activities is included as part of the capitalized value of the assets constructed. During 2018, there was no capitalized interest.

**CITY OF LEESBURG, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

Infrastructure, buildings, improvements other than buildings, utility plant, and vehicles and equipment are depreciated using the straight-line method over the following estimated useful lives:

|                                   |               |
|-----------------------------------|---------------|
| Buildings                         | 10 - 50 Years |
| Improvements Other than Buildings | 5 - 50 Years  |
| Utility Plant                     | 10 - 50 Years |
| Vehicles and Equipment            | 5 - 50 Years  |
| Infrastructure                    | 15 - 60 Years |

Expenditures for repairs and maintenance are expensed when incurred. Additions, major renewals, and replacements that increase the useful lives of the assets are capitalized.

5. **Deferred Outflows/Inflows of Resources** - In addition to assets and liabilities, the Statements of Net Position report a separate section for deferred outflows/inflows of resources. This separate financial statement element, deferred outflow of resources, represents a consumption of net position that applies to future period(s) and so will not be recognized as an outflow of resources until then. The City has three items that qualify for reporting in this category: 1) the deferred amounts on refunding reported in the City-wide and proprietary statements of net position. A deferred amount on refunding results from the difference in the carrying value of refunded debt and its reacquisition price, and is recognized as a component of interest expense in a systematic manner over the shorter of the life of the refunded or refunding debt; 2) the deferred amounts on pension obligations reported in the City-wide and proprietary statements of net position; and 3) the deferred amounts on other postemployment benefits reported in the City-wide and proprietary statements of net position. The deferred amounts on pension obligations and other postemployment benefits result from expenses recognized over defined future periods.

The City's Statement of Net Position includes 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 until then. The City's deferred inflows are related to pensions and other postemployment benefits and can be found in the City-wide and proprietary statements of net position. Deferred inflows related to the City's pensions and other postemployment benefits result from resources that will be available to reduce the City's pension expense but not until future periods.

- 6. **Contributions** - Contributions in the form of cash and capital assets to the governmental activities of the City are recognized on the Statement of Activities as revenues in the period they are received. Contributions of capital assets and primarily completed infrastructure from developers are recognized at the fair value at the date of donation. All contributions are reported on the Statement of Activities as program revenues, with operating contributions reported separately from capital contributions.
- 7. **Interfund Activity** - Interfund activity within and among the City's three fund categories (governmental, proprietary, and fiduciary) are classified as reciprocal interfund activity and non-reciprocal interfund activity.

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Reciprocal interfund activity flows between funds with an expectation of repayment and is reported as interfund receivables and payables.

Reciprocal interfund activity flows between funds without an expectation of repayment within a reasonable time and is reported as transfers between funds. Interfund services provided and used are sales and purchases of goods and services between funds for a price approximating their external value, and are reported as revenues and expenditures (or expenses) in the funds.

Non-reciprocal interfund activity is the flow of assets between funds without an equivalent flow of assets in return, or without a requirement for repayment. This is reported as transfers in governmental funds and non-operating revenues and expenses in proprietary funds.

As a rule, the effect of interfund activity has been eliminated from City-wide financial statements. Exceptions to this general rule are payments in lieu of taxes and other charges between the City's Water, Wastewater, Solid Waste, and General Fund, as well as cost reimbursement transactions between the enterprise funds and various other functions of the government. Exclusion of these charges would distort the direct costs and program revenues reported for the various functions concerned.

8. **Restricted Assets** - Assets are reported as restricted in the City-wide Statement of Net Position and the enterprise fund level statements when constraints are placed on asset use. The constraints are either: (1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (2) imposed by law or through constitutional provisions or enabling legislation.
9. **Unearned Revenues** - Inflows that do not yet meet the criteria for revenue recognition, such as occupational licenses collected in advance, are recorded as unearned revenue in the City-wide and in the fund financial statements.
10. **Self-Insurance Claims** - Liabilities for reported claims and incurred but not reported claims are estimated based on an actuarial review of claims pending and historical experience.
11. **Compensated Absences** - Employees earn paid time off (PTO) that is commensurate with their years of service with the City. A maximum of 560 hours can be accumulated and used for vacation, sick, personal business, etc. Upon termination or retirement, employees are paid for a maximum of 360 hours of PTO time. This PTO program replaced separate vacation and sick time programs under which some employees still have time available.

In governmental and proprietary fund financial statements, the amount of compensated absences associated with employee vacations that are recorded as expenditures (expenses) represent the amounts paid during the year, plus the amount accrued at year-end that would normally be liquidated with available spendable resources. Only the amount of the compensated absence liability that has matured is reported in the governmental fund financial statements and the General Fund is typically used to liquidate this liability. In the City-wide financial statements, all governmental fund compensated absences are recorded and split between the current and noncurrent portions. For proprietary funds, the entire liability for



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compensated absences of these funds is reflected in the respective financial statements, split between the current and noncurrent portions.

12. **Long-Term Obligations** - In the City-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 Statements of Net Position. Bond premiums and discounts are amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

13. **Fund Balances** - Fund balance is divided into five classifications based primarily on the extent to which the City is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

**a. Nonspendable** - The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or are legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of interfund loans.

**b. Restricted** - Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or are imposed by law through constitutional provisions or enabling legislation (City ordinances). Enabling legislation authorizes the City to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means the City can be compelled by an external party such as citizens, public interest groups, or the judiciary to use resources created by enabling legislation only for the purposes specified by the legislation.

**c. Committed** - The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action (ordinance) of City Commission. Those committed amounts cannot be used for any other purpose unless City Commission removes or changes the specified use by taking the same type of action (ordinance) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, committed fund balance classification may be redeployed for other purposes with appropriate due process.

Constraints imposed on the use of committed amounts are imposed by City Commission, and

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anything separate from these constraints is not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

- d. Assigned** - Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes, but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. The City, for planning purposes, may assign fund balances for a specific purpose, such as setting aside funds for capital equipment replacement, emergency preparedness, and accrued benefit payouts to retired/terminated employees. Unlike commitments, assignments generally exist temporarily. Decisions with regard to these purposes and amounts will be determined by the City Commission by resolution and additional action by the City is essential to either remove or revise them.
- e. Unassigned** - Fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in the other classifications. In the other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The City applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, or unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first, followed by assigned, and then by unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

- 14. Use of Estimates** - The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.
- 15. Minimum Fund Balance Policy** - The General Fund reserve target is 20% of the fund's current year budgeted appropriations. For the purpose of determining if the target has been met, the unassigned fund balance of the General Fund is then compared with the annual appropriations budget.

For other major funds designated as major funds within the City's CAFR, the City has established a range of 15-25% of operating expenditures, which are utilized for the purposes allowed by these various fund types. Fiduciary funds do not have fund balance targets.

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16. **Electric Rate Stabilization** - The City purchases bulk power from the Florida Municipal Power

Agency (FMPA) and resells it to the electric utility customers. The Bulk Power Cost Adjustment can vary significantly from month to month. The Electric Rate Stabilization is designed to smooth out the electric utility rates paid by the electric utility customers. This stabilization process serves to minimize variances in the purchased power component of the City's electric utility service charge by passing along a more stable cost over time, even though the actual costs incurred by the City can vary. When bulk power costs are higher than usual, previously collected funds are used to stabilize the cost passed along to electric utility consumers. The converse occurs when actual costs are less than the amount charged since the difference between the actual cost and that charged consumers is reserved for future application.

17. **Reclassifications** - Certain 2019 amounts have been reclassified to conform to the 2020 presentation.

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NOTES TO THE FINANCIAL STATEMENTS  
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**NOTE 2 - BUDGET AND BUDGETARY DATA**

**A. Budget Policy**

The City, in accordance with its City code and state law, applies the following procedures in establishing the budgetary data reflected in the accompanying financial statements.

An annual operating budget is prepared by the departments for the General, Special Revenue, Enterprise, Capital Projects and Debt Service Funds. This is then reviewed by the City Manager, Finance Director, and Budget Manager. In July, the City Manager submits to the City Commission the proposed budget for the ensuing fiscal year.

The operating budget includes proposed expenditures and the means to fund them, as well as a proposed ad valorem millage rate. Public hearings are conducted to obtain taxpayer comments on the proposed budget and ad valorem millage rate. Prior to October 1, the City Commission legally enacts the operating budget and sets the ad valorem millage rate by passage of resolutions.

The City Manager is authorized to transfer budgeted amounts within any fund, but may not revise total fund expenditures without the approval of the City Commission. The budgetary data presented is in agreement with the originally adopted budget as amended by the City Commission.

Formal budgetary integration is employed as a management control device during the year for substantially all funds. Budgets are adopted on a basis consistent with GAAP. Total budgeted appropriations within a governmental fund-type may not be exceeded legally. Appropriations lapse at fiscal year-end. Budget data, when presented in the basic financial statements, is prepared on the same basis of accounting as that prescribed for the fund.

**B. Excess of Expenditures Over Appropriations**

The Housing Assistance Fund contained excesses of expenditures over appropriations during the fiscal year ended September 30, 2020.

No other individual fund contained an excess of total expenditures over total appropriations during the fiscal year ended September 30, 2020, except for insignificant variances. However, within various funds, there may be an excess of expenditures over appropriations at the line item level.

**C. Deficit Fund Balance/Net Position**

The Carver Heights/Montclair Area Community Redevelopment Agency Fund shows a deficit fund balance at September 30, 2020. This deficit will be corrected as the loan from the Electric Fund is paid down.

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**NOTE 3 - PROPERTY TAXES**

The City is permitted under its charter to levy up to \$10 per \$1,000 of assessed valuation for general government services other than the payment of principal and interest on general long-term debt and in unlimited amounts for the payment of principal and interest on long-term debt. Additional taxes assessed for the payment of general long-term debt issues of the City must be approved by the public. The tax rate assessed by the City for the year ended September 30, 2020 was \$4.2678 per \$1,000 of assessed property value. Current tax collections (inclusive of legally available early payment discounts) for the City were 96.75% of the total tax levy. The property calendar provides for the tax revenue to be billed and collected within the applicable fiscal year.

**Calendar of Property Tax Events**

**Tax Collection**

|                       |  |
|-----------------------|--|
| January 1             | Property taxes are based on assessed property value at this date as determined by the Lake County Property Appraiser |
| July 1                | Assessment roll approved by the state  |
| By September 30       | Millage resolution approved by the City Commission   |
| October 1             | Beginning of fiscal year for which taxes have been levied  |
| November 1            | Property tax bills rendered  |
| November 30           | Last day for 4% maximum discount   |
| April 1               | Unpaid property taxes become delinquent  |
| On or Prior to June 1 | Tax certificates are sold by the Lake County Tax Collector. This is the first lien date on delinquent properties.    |

Property tax collections are governed by Chapter 197, Florida Statutes. The Lake County Tax Collector bills and collects all property taxes levied within the County. Discounts are allowed for early payment of 4% in November, 3% in December, 2% in January, and 1% in February. If property taxes are not paid by April 1, the County adds a 3% penalty on real estate, and 1.5% on personal property.

The Tax Collector advertises and sells tax certificates on all real property for delinquent taxes. Certificates not sold revert back to the County. The Tax Collector must receive payment before the certificates are issued. Any person owning land on which a tax certificate has been sold may redeem the certificate by paying the Tax Collector the face amount of the tax certificate plus interest and other costs. The owner of a tax certificate may, at any time after taxes have been delinquent for two years, file an application for tax deed sale. The County, as a certificate owner, may exercise similar procedures two years after taxes have been delinquent. Tax deeds are issued to the highest bidder for the property which is sold at public auction.

The Tax Collector remits current taxes collected through four distributions to the City in the first two months of the tax year and at least one distribution each month thereafter. The City recognizes property tax revenue in the period in which they are levied.

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**NOTE 4 - DEPOSITS AND INVESTMENTS**

**A. Pooling of Cash and Investments**

The City maintains a cash and investment pool that is available for use by all funds except for monies legally restricted to separate administration (i.e., pension plans). The “Cash and Investments” on the City-wide financial statements consist of cash and investments owned by each fund and defined as resources that can be liquidated without delay or penalty. Cash and Investments held separately where contractual arrangements and bond covenants require such arrangements are classified as “restricted assets”. Investment earnings are allocated to the individual funds monthly based on the fund’s weighted average monthly cash balance.

As of September 30, 2020, deposits and investments are classified in the accompanying financial statements as follows:

**City-wide Cash and Investments**

**Statement of Net Position**

|                                  |    |             |
|----------------------------------|----|-------------|
| Pooled Cash and Cash Equivalents | \$ | 102,721,304 |
| Restricted:                      |    |             |
| Pooled Cash and Cash Equivalents |    | 31,754,919  |

**Statement of Fiduciary Net Position**

|                  |  |            |
|------------------|--|------------|
| Cash Equivalents |  | 718,567    |
| Investments      |  | 83,725,164 |

|                                   |           |                    |
|-----------------------------------|-----------|--------------------|
| <b>Total Cash and Investments</b> | <b>\$</b> | <b>218,919,954</b> |
|-----------------------------------|-----------|--------------------|

Deposits and investments consist of the following:

**Governmental and Business-Type Activities**

|                                      |    |            |
|--------------------------------------|----|------------|
| Cash Deposits                        | \$ | 56,121,255 |
| Investments                          |    | 72,111,005 |
| Investments with Fiscal Agent:       |    |            |
| Community Redevelopment Agency Funds |    | 92,268     |
| Debt Service Fund                    |    | 1,209,579  |
| Utilities Debt Service Account       |    | 4,753,792  |
| Utilities Gas Deposit Account        |    | 188,324    |

**Fiduciary Fund Assets**

|  |  |            |
|--|--|------------|
| Cash                                     |  | 718,567    |
| Defined Benefit Pension Plan Investments |  | 83,725,164 |

|                                   |           |                    |
|-----------------------------------|-----------|--------------------|
| <b>Total Cash and Investments</b> | <b>\$</b> | <b>218,919,954</b> |
|-----------------------------------|-----------|--------------------|

**CITY OF LEESBURG, FLORIDA**  
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**Primary Government Activities**

**1. Investments and Investment Practices**

The City’s investment guidelines are defined by City Ordinance and a written investment policy that is approved by the City Commission. The investment policies authorize the investment of funds in time deposits or savings accounts of financial institutions approved by the State Treasurer, and obligations of the U.S. Government and its agencies and mutual funds. Investments may also include repurchase agreements and investments in local government investment pools, either state-administered or developed through joint powers statutes and other intergovernmental agreement legislation. Revenue bond covenants also restrict the type and maturities of investments in bond-related funds.

As of September 30, 2020, the City had the following investments and maturities:

| Investment Type                   | Fair Value           | Investment Maturities (In Years) |                      |                     |
|-----------------------------------|----------------------|----------------------------------|----------------------|---------------------|
|                                   |                      | Less Than<br>1 Year              | 1- 2 Years           | 2 -3 Years          |
| Local Government Investment Pools | \$ 18,570,077        | \$ 18,570,077                    | \$ -                 | \$ -                |
| Bank Certificates of Deposit      | 6,264,510            | 4,177,445                        | 2,087,065            | -                   |
| U.S. Government and Agencies      | 38,847,859           | 19,128,167                       | 11,747,543           | 7,972,149           |
| Corporate Fixed Income            | 8,428,559            | 6,094,919                        | 1,031,324            | 1,302,316           |
| <b>Total</b>                      | <u>\$ 72,111,005</u> | <u>\$ 47,970,608</u>             | <u>\$ 14,865,932</u> | <u>\$ 9,274,465</u> |

**2. Custodial Credit Risk**

As of September 30, 2020, the carrying amount of the City’s deposits was \$56,121,255. Monies on deposit with financial institutions in the form of demand deposit accounts and time deposit accounts are defined as public deposits. The entire City’s public deposits are held in "qualified public depositories" as required by Chapter 280, Florida Statutes, "Security for Public Deposits" (the "Act"), and covered by federal depository insurance. In addition, all qualified public depositories must deposit with the State Chief Financial Officer eligible collateral in such amounts as required by the Act. Qualified public depositories are required under the Act to assume mutual responsibility against loss caused by the default or insolvency of other qualified public depositories of the same type. Should a default or insolvency occur, the State Chief Financial Officer would implement procedures for payment of losses according to the validated claims of the City.

**3. Interest Rate Risk**

Interest rate risk is the risk that as market rates change, the fair value of an investment will vary. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in the market interest rates. The City’s formal investment policy ensures that securities mature to meet operating cash requirements to avoid the need to sell on the open market prior to maturity. In addition, the policy calls for investing operating funds primarily in shorter-term securities, mutual funds or investment pools from which funds can be readily withdrawn without penalty and which limit the average maturity of the portfolio from 90 days to three years. Reserve funds and other funds with longer-term investment horizons may be

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invested in securities not exceeding five years. As of September 30, 2020 the weighted average maturity of the City's investments was 1.09 years.

**4. Credit Risk**

Credit risk is the risk that a security or a portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt. The risk is generally measured by the assignment of a rating by a nationally recognized statistical rating agency. Authorized investments are outlined in Section 218.415, Florida Statutes, and are generally limited to: (a) the State of Florida Local Government Surplus Funds Trust Fund or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act of 1969, as provided in Section 163.01, Florida Statutes; (b) Securities and Exchange Commission registered money market funds with the highest credit quality rating; (c) interest-bearing time deposits or savings accounts in qualified public depositories as defined in Section 280.02, Florida Statutes; and (d) direct obligations of the U.S. Treasury.

**5. Concentration of Credit Risk**

The City's investments are guaranteed by the U.S. Government, or are highly-rated agency, State or corporate debt instruments, or held in FLSAFE, FLCLASS and FP local government investment pools as described below.

**6. Local Government Investment Pools**

For the fiscal year ended September 30, 2020, the City invested in the Florida Surplus Asset Fund Trust (FLSAFE), Florida Cooperative Liquid Assets Securities System (FLCLASS) and Florida Prime (FP) local government investment pools. The investment pools operate under investment guidelines established by Sections 215.47 and 218.415, Florida Statutes. None of the investment pools are registrants with the Securities and Exchange Commission; however, they have adopted operating procedures consistent with the requirements for a 2a-7-like fund and the fair value of the positions in the pools are equal to the value of the pool shares. The City's investments in FLSAFE, FLCLASS and FP were rated AAAM by Standard & Poor's.

All three investment pools in which the City is a participant have elected to measure their investments at amortized cost. In accordance with GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, the City is required to disclose the presence of any limitations or restrictions on withdrawals.

FLCLASS and FLSAFE allow for daily redemptions from their funds. The investment pools may temporarily suspend or postpone the right of redemption under extraordinary circumstances such as (a) war, emergency or act of God; (b) suspension of trading on major stock exchanges or a general banking moratorium; or (c) when an emergency exists such that the investment pools may not dispose of their investments because of substantial losses or it is not reasonably practical for the pools to value their net assets. As of September 30, 2020, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit the City's daily access to 100% of the account values.



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FP's rules regarding redemption and penalties and redemption fees are governed by Section 218.409, Florida Statutes, which notes that the Executive Director of the FP may, in good faith, on the occurrence of an event that has a material impact on liquidity or operations, limit contributions or withdrawals. The Trustees of the pool may extend this for an additional 15 days. Section 218.409(4), Florida Statutes, provides for the FP to impose penalties for early withdrawal, subject to disclosure in the enrollment materials; at present, no such disclosure has been made. As of September 30, 2020, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit the City's daily access to 100% of the account value.

**7. Fair Value**

The City has adopted GASB Statement No. 72, *Fair Value Measurement and Application* (GASB 72). The City categorizes its fair value measurements within the fair value hierarchy established by generally 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 City's investments in government and agencies and corporate fixed income are high-quality bonds that are valued using a matrix pricing model (Level 2). Investments in local government investment pools and non-negotiable certificates of deposit are exempt from the GASB 72 fair value hierarchy disclosures per paragraph 69 of GASB 72, and are valued at the City's cost and any accrued interest on these investments.

**B. Fiduciary Activities**

The City reports three pension funds in the accompanying financial statements. Each of the plans has a separate governing board of trustees, a separate investment policy, and differing investment restrictions/risks. Consequently, each is disclosed separately below. All three plans are defined benefit plans. All investments at year-end were in compliance with the respective plan investment policies.

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**1. Credit Rating – All Fiduciary Funds**

As of September 30, 2020, ratings for the fiduciary funds' corporate and agency obligations by Standard & Poor's is as follows:

| Rating    | General Employees'  | Municipal Police Officers' | Municipal Firemen's | Total                |
|-----------|---------------------|----------------------------|---------------------|----------------------|
| AAA       | \$ -                | \$ 5,381                   | \$ 116,634          | \$ 122,015           |
| AA+       | 4,290,532           | 3,126,922                  | 2,118,527           | 9,535,981            |
| AA        | 198,835             | 91,041                     | 179,768             | 469,644              |
| AA-       | -                   | 56,363                     | 73,636              | 129,999              |
| A+        | -                   | 148,259                    | -                   | 148,259              |
| A         | -                   | 236,791                    | 377,501             | 614,292              |
| A-        | 595,606             | 351,211                    | 464,325             | 1,411,142            |
| BBB+      | 403,472             | 591,410                    | 666,488             | 1,661,370            |
| BBB       | 405,800             | 467,420                    | 488,657             | 1,361,877            |
| BBB-      | -                   | 42,248                     | 280,124             | 322,372              |
| BB+       | -                   | -                          | 53,811              | 53,811               |
| B+        | -                   | -                          | 44,588              | 44,588               |
| Not rated | -                   | 249,903                    | 207,569             | 457,472              |
|           | <u>\$ 5,894,245</u> | <u>\$ 5,366,949</u>        | <u>\$ 5,071,628</u> | <u>\$ 16,332,822</u> |

All of the Plan's investments in debt securities, other than the above described corporate and agency obligations, are backed by the U.S. government.

**2. General Employees' Retirement Plan**

City of Leesburg General Employees' Retirement Plan  
Distribution by Asset Type  
September 30, 2020

| Investment Type              | Investment Maturities (In Years) |                     |                     |                     |
|------------------------------|----------------------------------|---------------------|---------------------|---------------------|
|                              | Fair Value                       | Less Than 1 Year    | 1-5 Years           | 6-10 Years          |
| Money Market                 | \$ 3,604                         | \$ 3,604            | \$ -                | \$ -                |
| Mutual Funds, UITs and ETFs  | 5,406,111                        | 5,406,111           | -                   | -                   |
| U.S. Government and Agencies | 4,290,532                        | -                   | 2,827,219           | 1,463,313           |
| Corporate Obligations        | 1,603,713                        | -                   | 1,603,713           | -                   |
| Total                        | <u>11,303,960</u>                | <u>\$ 5,409,715</u> | <u>\$ 4,430,932</u> | <u>\$ 1,463,313</u> |
| Corporate Stock              | 18,408,558                       |                     |                     |                     |
| Alternative Investments*     | 7,392,175                        |                     |                     |                     |
| Total                        | <u>\$ 37,104,693</u>             |                     |                     |                     |

\*Alternative Investments include partnerships and hedge fund.

**a. Custodial Credit Risk**

This is the risk that in the event of the failure of the counterparty, the Plan will not be able to recover the value of its investments that are in the possession of an outside party. Consistent with the Plan's investment policy, the investments are held by the Plan's custodial bank and registered in the Plan's name.

**CITY OF LEESBURG, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**b. Interest Rate Risk**

Interest rate risk is the risk that as market rates change, the fair value of an investment will vary. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in the market interest rates. The Plan does not have a policy related to limiting its exposure to fair value losses arising from rising interest rates. As of September 30, 2020, the Plan's investments weighted average maturity was 4.09 years.

**c. Credit Risk**

Credit risk is the risk that a security or a portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt. The risk is generally measured by the assignment of a rating by a nationally recognized statistical rating agency. Purchases of bonds or debt obligations are limited to one of the four highest ratings issued by Nationally Recognized Statistical Rating Organizations (NRSRO). The Plan's investment policy utilizes portfolio diversification in order to control this risk.

**d. Concentration of Credit Risk**

The investment policy of the Plan contains limitations on the amount that can be invested in any one issuer as well as maximum portfolio allocation percentages. Investments in corporate common stock and convertible bonds are limited to 60% of Plan assets. No more than 10% of Plan assets shall be invested in one company. Except for U.S. Government and agency obligations, no more than 10% of Plan assets can be invested in one issuer. No investments exceeded these thresholds at September 30, 2020.

**e. Foreign Currency**

The Plan has nominal exposure to foreign currencies due to investments in non-U.S. markets implemented through the money managers' portfolios. Foreign currencies will fluctuate relative to the U.S. dollar, but it is believed that the diversification benefits outweigh potential risks. Given the limited exposure, foreign currency risk is considered minor.

**f. Fair Value**

The Plan categorizes its fair value measurements within the fair value hierarchy established by generally 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 Plan's investments in government and agencies and corporate obligations are primarily bonds that are valued using a matrix pricing model (Level 2). Investments in corporate stock, mutual funds, unit investment trusts (UITs) and exchange traded funds (ETFs), which are deemed actively traded, are valued using quoted market prices (Level 1). Investments in

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money market funds are exempt from the GASB 72 fair value hierarchy disclosures per paragraph 69 of GASB 72, and are valued at the Plan's cost of these investments.

The Plan's alternative investments are two partnerships and a hedge fund and are valued at net asset value (NAV):

| Alternative Investments Redemption           |                            |                       |                     |                     |                                   |                          |
|--|----------------------------|-----------------------|---------------------|---------------------|-----------------------------------|--------------------------|
| Style  | Fund Name                  | Deposit or Commitment | Fair Value          | Unfunded Commitment | Frequency (if currently eligible) | Redemption Notice Period |
| <b>Global equity/directional hedge funds</b> |                            |                       |                     |                     |                                   |                          |
|  | Pine Grove Partners        | \$ 6,063              | \$ 8,581            | \$ -                | - Quarterly                       | 95 Days Notice           |
|  | Weatherlow Off I Ltd CI NI | 1,425,000             | 2,468,897           | -                   | - Quarterly                       | 65 Days Notice           |
|  | UBS Trumbull Property      | 3,069,184             | 4,914,697           | -                   | - Quarterly *                     | 60 Days Notice           |
|  | Total                      | <u>\$ 4,500,247</u>   | <u>\$ 7,392,175</u> | <u>\$ -</u>         |                                   |                          |

\*UBS has quarterly redemptions subject to available liquidity.

### 3. Municipal Police Officers' Retirement Plan

City of Leesburg Municipal Police Officers' Retirement Plan  
Distribution by Asset Type  
September 30, 2020

| Investment Type              | Investment Maturities (In Years) |                      |                     |                     |                     |
|------------------------------|----------------------------------|----------------------|---------------------|---------------------|---------------------|
|                              | Fair Value                       | Less Than 1 Year     | 1-5 Years           | 6-10 Years          | More Than 10 Years  |
| Money Market                 | \$ 506,992                       | \$ 506,992           | \$ -                | \$ -                | -                   |
| Mutual Funds                 | 16,162,370                       | 16,162,370           | -                   | -                   | -                   |
| U.S. Government and Agencies | 3,126,922                        | 82,334               | 122,418             | 1,158,922           | 1,763,248           |
| Corporate Obligations        | 2,240,027                        | 336,061              | 877,856             | 785,311             | 240,799             |
| Total                        | <u>22,036,311</u>                | <u>\$ 17,087,757</u> | <u>\$ 1,000,274</u> | <u>\$ 1,944,233</u> | <u>\$ 2,004,047</u> |
| Alternative Investment*      | 2,276,585                        |                      |                     |                     |                     |
| Total                        | <u>\$ 24,312,896</u>             |                      |                     |                     |                     |

\*Alternative Investment is a real estate partnership.

#### a. Custodial Credit Risk

This is the risk that in the event of the failure of the counterparty, the Plan will not be able to recover the value of its investments that are in the possession of an outside party. Consistent with the Plan's investment policy, the investments are held by the Plan's custodial bank and registered in the Plan's name.

#### b. Interest Rate Risk

Interest rate risk is the risk that as market rates change, the fair value of an investment will vary. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in the market interest rates. The Plan does not have a policy related to limiting its exposure to fair value losses arising from rising interest rates. As of September 30, 2020, the Plan's investments weighted average maturity was 12.04 years.

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**c. Credit Risk**

Credit risk is the risk that a security or a portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt. The risk is generally measured by the assignment of a rating by a nationally recognized statistical rating agency. Purchases of bonds or debt obligations are limited to one of the three highest ratings issued by Standard & Poor's or Moody's. The Plan's investment policy utilizes portfolio diversification in order to control this risk.

**d. Concentration of Credit Risk**

The investment policy of the Plan contains limitations on the amount that can be invested in any one issuer as well as maximum portfolio allocation percentages. Investments in corporate common stock may not exceed 70% of Plan assets. No more than 5% of Plan assets may be invested in the common stock of any one company. Foreign investments are limited to 10% of Plan assets. Investments in domestic fixed income obligations are limited to 45% of Plan assets. No investments exceeded these thresholds at September 30, 2020.

**e. Foreign Currency**

The Plan has nominal exposure to foreign currencies due to investments in non-U.S. markets implemented through the money managers' portfolios. Foreign currencies will fluctuate relative to the U.S. dollar, but it is believed that the diversification benefits outweigh potential risks. Given the limited exposure, foreign currency risk is considered minor.

**f. Fair Value**

The Plan categorizes its fair value measurements within the fair value hierarchy established by generally 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 Plan's investments in government and agencies and corporate obligations are primarily bonds that are valued using a matrix pricing model (Level 2). Investments in corporate stock, mutual funds, unit investment trusts (UITs) and exchange traded funds (ETFs), which are deemed actively traded, are valued using quoted market prices (Level 1). Investments in money market funds are exempt from the GASB 72 fair value hierarchy disclosures per paragraph 69 of GASB 72, and are valued at the Plan's cost of these investments.

The Plan's alternative investment is a real estate investment trust limited partnership and is valued at net asset value (NAV). The Plan has no unfunded commitments in regards to this investment, and it is open for contributions and distributions on a quarterly basis.

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**4. Municipal Firemen’s Retirement Plan**

City of Leesburg Municipal Firemen’s Retirement Plan  
Distribution by Asset Type  
September 30, 2020

| Investment Type                     | Investment Maturities (In Years) |                  |              |              |                    |
|-------------------------------------|----------------------------------|------------------|--------------|--------------|--------------------|
|                                     | Fair Value                       | Less Than 1 Year | 1-5 Years    | 6-10 Years   | More Than 10 Years |
| Money Market                        | \$ 510,220                       | \$ 510,220       | \$ -         | \$ -         | \$ -               |
| Mutual Funds, UITs and ETFs         | 11,026,611                       | 11,026,611       | -            | -            | -                  |
| U.S. Government and Agencies        | 2,006,349                        | -                | 165,346      | 667,964      | 1,173,039          |
| Collateralized Mortgage Obligations | 380,355                          | -                | -            | 167,924      | 212,431            |
| Corporate Obligations               | 2,359,644                        | 294,331          | 1,099,521    | 419,395      | 546,397            |
| Foreign Bonds                       | 325,280                          | 20,269           | 62,955       | 187,536      | 54,520             |
| Total                               | 16,608,459                       | \$ 11,851,431    | \$ 1,327,822 | \$ 1,442,819 | \$ 1,986,387       |
| Corporate Stock                     | 3,689,246                        |                  |              |              |                    |
| Alternative Investment *            | 2,009,870                        |                  |              |              |                    |
| Total                               | <u>\$ 22,307,575</u>             |                  |              |              |                    |

\*Alternative Investment is an investment limited partnership.

**a. Custodial Credit Risk**

This is the risk that in the event of the failure of the counterparty, the Plan will not be able to recover the value of its investments that are in the possession of an outside party. Consistent with the Plan’s investment policy, the investments are held by the Plan’s custodial bank and registered in the Plans’ name.

**b. Interest Rate Risk**

Interest rate risk is the risk that as market rates change, the fair value of an investment will vary. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in the market interest rates. The Plan does not have a policy related to limiting its exposure to fair value losses arising from rising interest rates. As of September 30, 2020, the Plan's investments weighted average maturity was 12.33 years.

**c. Credit Risk**

Credit risk is the risk that a security or a portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt. The risk is generally measured by the assignment of a rating by a nationally recognized statistical rating agency. The Plan’s investment policy requires that all bonds or other evidence of indebtedness acquired be listed on one or more of the recognized national exchanges and have a rating issued by a nationally recognized statistical rating organization (NRSRO) in one of the top four classifications, except that only 25% of the bond portfolio may be invested below the three highest classifications. The Plans’ investment policy utilizes portfolio diversification in order to control this risk.

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**d. Concentration of Credit Risk**

The investment policy of the Plan contains limitations on the amount that can be invested in any one issuer as well as maximum portfolio allocation percentages. Investments in corporate common stock and convertible bonds are limited to 60% of Plan assets. No more than 5% of Plan assets may be invested in one company. Foreign investments are limited to 10% of Plan assets. No investments exceeded these thresholds at September 30, 2020.

**e. Foreign Currency**

The Plan has nominal exposure to foreign currencies due to investments in non-U.S. markets implemented through the money managers' portfolios. Foreign currencies will fluctuate relative to the U.S. dollar, but it is believed that the diversification benefits outweigh potential risks. Given the limited exposure, foreign currency risk is considered minor.

**f. Fair Value**

The Plan categorizes its fair value measurements within the fair value hierarchy established by generally 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 Plan's investments in government and agencies and corporate obligations are primarily bonds that are valued using a matrix pricing model (Level 2). Investments in corporate stock, mutual funds, unit investment trusts (UITs) and exchange traded funds (ETFs), which are deemed actively traded, are valued using quoted market prices (Level 1). Investments in money market funds are exempt from the GASB 72 fair value hierarchy disclosures per paragraph 69 of GASB 72, and are valued at the Plan's cost of these investments.

The Plan's alternative investment is an investment trust limited partnership and is valued at net asset value (NAV). The Plan has no unfunded commitments in regards to this investment, and it is open for contributions and distributions on a quarterly basis.

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**NOTE 5 - INTERFUND ADVANCES, RECEIVABLES AND PAYABLES, AND TRANSFERS**

As of September 30, 2020, the composition of interfund balances is as follows:

**a. Interfund Advances**

On September 10, 2018, the City Commission approved an interfund loan from the Electric Utility Fund to the Community Redevelopment Agency Fund (CRA Fund) to finance the construction of the Leesburg Resource Center by the CRA Fund. The interfund loan in the amount of \$1,200,000 will be repaid over fifteen years with annual repayments at 2.50% interest. The balance of the interfund loan as of September 30, 2020 is \$1,033,661.

**b. Interfund Receivables and Payables**

| <b>Receivable Fund</b> | <b>Payable Fund</b> | <b>Amount</b> |
|------------------------|---------------------|---------------|
| General Fund           | Debt Service Fund   | \$ 25,924     |

The purpose of the above interfund balance was to eliminate a negative cash balance in the Debt Service fund. The Debt Service Fund will reimburse the General Fund when funds are received from other funds to finance debt payments.

**c. Interfund Transfers**

|                                  | <b>Transfers In</b> | <b>Transfers Out</b> |
|----------------------------------|---------------------|----------------------|
| <b>Major Funds:</b>              |                     |                      |
| <b>Governmental:</b>             |                     |                      |
| General Fund                     | \$ 10,593,887       | \$ 5,561,199         |
| Community Redevelopment Agencies | 78,120              | 141,958              |
| Capital Projects                 | 5,630,222           | 796,097              |
| <b>Enterprise:</b>               |                     |                      |
| Electric Utility                 | -                   | 5,392,360            |
| Gas Utility                      | -                   | 748,552              |
| Water Utility                    | -                   | 1,011,461            |
| Wastewater Utility               | -                   | 970,515              |
| Airport                          | -                   | 41,302               |
| <b>Internal Service</b>          | 1,611,848           | 1,504,023            |
| <b>Nonmajor Funds:</b>           |                     |                      |
| <b>Governmental</b>              | 2,287,276           | 3,451,587            |
| <b>Enterprise</b>                | -                   | 582,299              |
|                                  | \$ 20,201,353       | \$ 20,201,353        |

Interfund transfers represent a major source of funding in the General Fund. The amount of utility contribution to the General Fund may not exceed 10% of the enterprise fund's estimated operating revenues and is determined by applying an established percentage against each enterprise fund's charges for services excluding surcharge revenue, gross receipts tax, and franchise fees. In addition to the Annual Operating Transfer, surcharge revenue, which is collected from customers outside the corporate limits at the same rate as Public Service Tax, is collected in the Electric, Gas, and Water Funds and transferred to the General Fund. Transfers into the Capital Projects Fund were associated with the following projects: park improvements, median improvements, facility/building additions and improvements, and road resurfacing. Transfers made into the nonmajor governmental funds were primarily associated with debt service payments.



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**NOTE 6 - CAPITAL ASSETS**

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

**A. Governmental Activities**

| <b>Governmental Activities</b>                     | Beginning<br>Balances | Increases            | Decreases            | Ending<br>Balances   |
|--|-----------------------|----------------------|----------------------|----------------------|
| Capital Assets Not being Depreciated:              |                       |                      |                      |                      |
| Land   | \$ 4,670,713          | \$ 784,699           | \$ -                 | \$ 5,455,412         |
| Construction in Progress                           | 9,068,311             | 7,675,839            | 13,914,719           | 2,829,431            |
| Total Capital Assets Not Being Depreciated         | <u>13,739,024</u>     | <u>8,460,538</u>     | <u>13,914,719</u>    | <u>8,284,843</u>     |
| Capital Assets Being Depreciated:                  |                       |                      |                      |                      |
| Buildings  | 39,703,678            | 9,913,584            | 9,505                | 49,607,757           |
| Improvements Other than Buildings                  | 10,245,212            | 344,918              | -                    | 10,590,130           |
| Equipment  | 33,612,966            | 3,001,395            | 4,374,892            | 32,239,469           |
| Infrastructure (Roads and Streets)                 | 42,529,042            | 950,930              | -                    | 43,479,972           |
| Total Capital Assets Being Depreciated             | <u>126,090,898</u>    | <u>14,210,827</u>    | <u>4,384,397</u>     | <u>135,917,328</u>   |
| Less Accumulated Depreciation for:                 |                       |                      |                      |                      |
| Buildings  | 13,049,430            | 874,332              | 2,243                | 13,921,519           |
| Improvements Other than Buildings                  | 6,056,566             | 488,190              | -                    | 6,544,756            |
| Equipment  | 25,893,190            | 1,911,733            | 4,374,466            | 23,430,457           |
| Infrastructure (Roads and Streets)                 | 30,017,127            | 1,124,466            | -                    | 31,141,593           |
| Total Accumulated Depreciation                     | <u>75,016,313</u>     | <u>4,398,721</u>     | <u>4,376,709</u>     | <u>75,038,325</u>    |
| Total Capital Assets Being Depreciated, Net        | <u>51,074,585</u>     | <u>9,812,106</u>     | <u>7,688</u>         | <u>60,879,003</u>    |
| <b>Governmental Activities Capital Assets, Net</b> | <u>\$ 64,813,609</u>  | <u>\$ 18,272,644</u> | <u>\$ 13,922,407</u> | <u>\$ 69,163,846</u> |

**B. Business-type Activities**

| <b>Business-type Activities</b>                     | Beginning<br>Balances | Increases            | Decreases            | Ending<br>Balances    |
|---|-----------------------|----------------------|----------------------|-----------------------|
| Capital Assets Not being Depreciated:               |                       |                      |                      |                       |
| Land  | \$ 15,713,564         | \$ 67,338            | \$ 184,113           | \$ 15,596,789         |
| Construction in Progress                            | 23,788,881            | 13,628,731           | 20,362,476           | 17,055,136            |
| Total Capital Assets Not Being Depreciated          | <u>39,502,445</u>     | <u>13,696,069</u>    | <u>20,546,589</u>    | <u>32,651,925</u>     |
| Capital Assets Being Depreciated:                   |                       |                      |                      |                       |
| Buildings   | 45,181,058            | 729,893              | 249,541              | 45,661,410            |
| Improvements Other than Buildings                   | 260,167,064           | 15,202,351           | 4,335,062            | 271,034,353           |
| Intangible Assets                                   | 879,076               | -                    | -                    | 879,076               |
| Equipment   | 40,606,570            | 7,270,041            | 1,430,705            | 46,445,906            |
| Total Capital Assets Being Depreciated              | <u>346,833,768</u>    | <u>23,202,285</u>    | <u>6,015,308</u>     | <u>364,020,745</u>    |
| Less Accumulated Depreciation for:                  |                       |                      |                      |                       |
| Buildings   | 14,305,389            | 1,019,249            | 249,542              | 15,075,096            |
| Improvements Other than Buildings                   | 106,676,034           | 7,583,209            | 3,709,676            | 110,549,567           |
| Intangible Assets                                   | 449,357               | 39,884               | -                    | 489,241               |
| Equipment   | 27,932,523            | 1,548,559            | 1,207,252            | 28,273,830            |
| Total Accumulated Depreciation                      | <u>149,363,303</u>    | <u>10,190,901</u>    | <u>5,166,470</u>     | <u>154,387,734</u>    |
| Total Capital Assets Being Depreciated, Net         | <u>197,470,465</u>    | <u>13,011,384</u>    | <u>848,838</u>       | <u>209,633,011</u>    |
| <b>Business-type Activities Capital Assets, Net</b> | <u>\$ 236,972,910</u> | <u>\$ 26,707,453</u> | <u>\$ 21,395,427</u> | <u>\$ 242,284,936</u> |

**CITY OF LEESBURG, FLORIDA  
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**C. Depreciation Expense**

|  |                             |
|--|-----------------------------|
| <b>Depreciation Expense - Governmental Activities</b>        |                             |
| General Government and Administration                        | \$ 838,172                  |
| Public Safety  | 436,162                     |
| Physical Environment   | 2,553                       |
| Transportation   | 786,972                     |
| Economic Environment   | 229,533                     |
| Culture and Recreation                                       | 651,294                     |
| Fleet Services   | <u>1,454,035</u>            |
| <b>Total Depreciation Expense -Governmental Activities</b>   | <b><u>\$ 4,398,721</u></b>  |
| <br>   |                             |
| <b>Depreciation Expense - Business-type Activities</b>       |                             |
| Electric Utility   | \$ 4,417,501                |
| Gas Utility  | 597,085                     |
| Water Utility  | 1,649,642                   |
| Wastewater Utility   | 1,708,685                   |
| Airport Utility  | 1,526,239                   |
| Stormwater   | 278,486                     |
| Solid Waste Utility  | <u>13,263</u>               |
| <b>Total Depreciation Expense - Business-type Activities</b> | <b><u>\$ 10,190,901</u></b> |

**CITY OF LEESBURG, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
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**NOTE 7 - PURCHASED POWER AGREEMENTS**

**A. Florida Municipal Power Agency**

The City is a member of the Florida Municipal Power Agency (FMPA). FMPA was created pursuant to Chapter 163, Part I and Chapter 361, Part II (the Florida Interlocal Cooperation Act of 1969 and the Joint Power Act), Florida Statutes, to, among other things, provide a means for the Florida municipal corporations to cooperate with each other to provide for their present and projected energy needs. The City has limited oversight authority over the operation of FMPA. This oversight is manifested through the appointment of one voting member to the 31-member Board of Directors of FMPA and one voting member to the FMPA All-Requirements Project 13-member Executive Committee. Furthermore, the City, by the terms of FMPA's project agreements, has no equity interest in any of the assets owned by FMPA. The City participates in the following FMPA projects:

**1. St. Lucie No. 2 Power Purchase Agreement**

The City, through FMPA's joint ownership agreement with Florida Power and Light Corporation has an entitlement share to a small portion of the output of the St. Lucie No. 2 nuclear power plant. The City's entitlement share totaled 2.1 megawatts of generating capacity from the St. Lucie No. 2 nuclear power plant. The annual entitlement shares amount is based on the City's percent participation in the St. Lucie FMPA Project applied to the output of the plant over the same period. The operating license for Unit No. 2 is due to expire in 2043.

**2. All-Requirement Power Supply Project Agreement**

The City has an agreement with FMPA whereby the City purchases all of its electric power from FMPA on an all-requirement basis over and above the City's entitlement share of the St. Lucie No. 2 output. The agreement remains in effect on an evergreen 30 year basis. FMPA's power supply rates are subject to a super majority vote of the Executive Committee of FMPA.

**B. Florida Gas Utility**

Florida Gas Utility (FGU) was established between and among several Florida municipal entities for the purpose of achieving savings through joint services. There are currently 23 members. Among the services utilized by the City are coordination and management of firm and interruptible transportation entitlements, the purchase of gas, the performance of gas flow balancing between FGU members and customers receipt and delivery points, large customer bill reviews, and project consultation and management. FGU is governed by its Board of Directors, which consists of one representative from each member organization.

The City purchases firm transportation services from Florida Gas Transmission (FGT) pursuant to two contracts. FTS-1 provides for a maximum annual quantity of 1,614,435 Dth. FTS-2 provides for a maximum annual quantity of 182,500 Dth. These contracts have been assigned to FGU to facilitate day-to-day scheduling and management of the City's gas needs.

Sabal Trail is a transportation organization similar to FGT. The City will eventually enter into an agreement for either interruptible or firm transportation services with Sabal Trail. FGU will manage these contracts and gas purchases in a similar manner to their current agreement with the City.

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**NOTE 8 – LONG-TERM LIABILITIES**

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

|  | Beginning<br>Balance | Increases            | Decreases            | Ending<br>Balance     | Amounts<br>Due Within<br>One Year |
|--|----------------------|----------------------|----------------------|-----------------------|-----------------------------------|
| <b>Governmental Activities:</b>                            |                      |                      |                      |                       |                                   |
| <u>Revenue Bonds:</u>                                      |                      |                      |                      |                       |                                   |
| Capital Improve Refunding Rev Bonds - 2013                 | \$ 12,235,000        | \$ -                 | \$ 565,000           | \$ 11,670,000         | \$ 580,000                        |
| Total Revenue Bonds  | <u>12,235,000</u>    | <u>-</u>             | <u>565,000</u>       | <u>11,670,000</u>     | <u>580,000</u>                    |
| <u>Notes From Direct Borrowings and Direct Placements:</u> |                      |                      |                      |                       |                                   |
| Note Payable - 2009 Capital Improve Rev                    | 4,087,400            | -                    | 295,000              | 3,792,400             | 305,000                           |
| Note Payable - 2015 Greater Leesburg CRA                   | 718,000              | -                    | 81,000               | 637,000               | 83,000                            |
| Note Payable - 2016 441/27 CRA                             | 11,353,000           | -                    | 195,000              | 11,158,000            | 210,000                           |
| Total Revenue Notes  | <u>16,158,400</u>    | <u>-</u>             | <u>571,000</u>       | <u>15,587,400</u>     | <u>598,000</u>                    |
| Total Revenue Bonds and Notes                              | <u>28,393,400</u>    | <u>-</u>             | <u>1,136,000</u>     | <u>27,257,400</u>     | <u>1,178,000</u>                  |
| <u>Other Liabilities:</u>                                  |                      |                      |                      |                       |                                   |
| Compensated Absences                                       | 1,494,543            | 1,685,223            | 1,508,284            | 1,671,482             | 919,315                           |
| Capital Lease Payable                                      | 873,393              | -                    | 98,648               | 774,745               | 98,911                            |
| Net Pension Liability                                      | 10,271,752           | 1,568,490            | 4,630,786            | 7,209,456             | -                                 |
| Other Postemployment Benefits                              | 19,751,678           | 75,406               | 3,758,111            | 16,068,973            | 75,406                            |
| Total Other Liabilities                                    | <u>32,391,366</u>    | <u>3,329,119</u>     | <u>9,995,829</u>     | <u>25,724,656</u>     | <u>1,093,632</u>                  |
| <b>Total Governmental Activities</b>                       | <u>\$ 60,784,766</u> | <u>\$ 3,329,119</u>  | <u>\$ 11,131,829</u> | <u>\$ 52,982,056</u>  | <u>\$ 2,271,632</u>               |
| <br>   |                      |                      |                      |                       |                                   |
| <u>Business-type Activities:</u>                           |                      |                      |                      |                       |                                   |
| <u>Revenue Bonds:</u>                                      |                      |                      |                      |                       |                                   |
| Taxable Utility System Rev Bond - 2007B                    | \$ 820,000           | \$ -                 | \$ 35,000            | \$ 785,000            | \$ 40,000                         |
| Taxable Electric System Rev Bond - 2007B                   | 8,110,000            | -                    | 485,000              | 7,625,000             | 510,000                           |
| Utility System Refund Rev Bonds - 2013                     | 16,790,000           | -                    | 770,000              | 16,020,000            | 800,000                           |
| Electric System Refund Rev Bonds - 2016                    | 18,530,000           | -                    | 390,000              | 18,140,000            | 405,000                           |
| Utility System Refund Rev Bonds - 2016                     | 17,665,000           | -                    | 465,000              | 17,200,000            | 475,000                           |
| Add: Premium, Less: Discount                               | 4,237,389            | -                    | 242,397              | 3,994,992             | -                                 |
| Total Revenue Bonds  | <u>66,152,389</u>    | <u>-</u>             | <u>2,387,397</u>     | <u>63,764,992</u>     | <u>2,230,000</u>                  |
| <u>Notes From Direct Borrowings and Direct Placements:</u> |                      |                      |                      |                       |                                   |
| Utility System Rev Refunding Note - 2010                   | 4,995,000            | -                    | 635,000              | 4,360,000             | 660,000                           |
| Electric System Refunding Rev Note - 2016                  | 7,093,000            | -                    | 434,000              | 6,659,000             | 444,000                           |
| Utility System Revenue Note- 2020                          | -                    | 15,000,000           | -                    | 15,000,000            | -                                 |
| Electric System Revenue Note - 2020                        | -                    | 100,000              | -                    | 100,000               | -                                 |
| Total Revenue Notes  | <u>12,088,000</u>    | <u>15,100,000</u>    | <u>1,069,000</u>     | <u>26,119,000</u>     | <u>1,104,000</u>                  |
| Total Revenue Bonds and Notes Payable                      | <u>78,240,389</u>    | <u>15,100,000</u>    | <u>3,456,397</u>     | <u>89,883,992</u>     | <u>3,334,000</u>                  |
| <u>Other Liabilities:</u>                                  |                      |                      |                      |                       |                                   |
| Compensated Absences                                       | 1,029,015            | 901,732              | 820,214              | 1,110,533             | 610,793                           |
| Net Pension Liability                                      | 2,082,242            | 46,829               | 458,789              | 1,670,282             | -                                 |
| Other Postemployment Benefits                              | 9,591,869            | 35,830               | 1,992,442            | 7,635,257             | 35,830                            |
| Total Other Liabilities                                    | <u>12,703,126</u>    | <u>984,391</u>       | <u>3,271,445</u>     | <u>10,416,072</u>     | <u>646,623</u>                    |
| <b>Total Business-type Activities</b>                      | <u>\$ 90,943,515</u> | <u>\$ 16,084,391</u> | <u>\$ 6,727,842</u>  | <u>\$ 100,300,064</u> | <u>\$ 3,980,623</u>               |

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**B. The following is a schedule of bonds and notes outstanding at September 30, 2020:**

| <u>Description of Bonds/Notes</u>                  | <u>Purpose of Issue</u> | <u>Issued</u>         | <u>Outstanding</u>   | <u>Rates</u>  |
|--|-------------------------|-----------------------|----------------------|---------------|
| <b>Governmental Activities:</b>                    |                         |                       |                      |               |
| Revenue Bonds and Revenue Notes:                   |                         |                       |                      |               |
| Capital Improvement Revenue Note - 2009            | Capital Improvement     | \$ 6,227,400          | \$ 3,792,400         | 4.73%         |
| Capital Improvement Refunding Revenue Bonds - 2013 | Capital Improvement     | 15,345,000            | 11,670,000           | .4%-3.78%     |
| Note Payable - Greater Leesburg CRA - 2015         | Capital Improvement     | 1,000,000             | 637,000              | 2.91%         |
| Note Payable - 441/27 CRA - 2016                   | Capital Improvement     | 11,563,000            | 11,158,000           | 2.59%         |
| <b>Total Governmental Activities</b>               |                         | <u>\$ 34,135,400</u>  | <u>\$ 27,257,400</u> |               |
| <b>Business-type Activities:</b>                   |                         |                       |                      |               |
| Taxable Electric System Revenue Bond - 2007B       | Electric                | \$ 11,710,000         | \$ 7,625,000         | 5.64% - 5.90% |
| Electric System Refunding Revenue Note - 2016      | Electric                | 8,318,000             | 6,659,000            | 2.35%         |
| Electric System Refunding Revenue Bonds - 2016     | Electric                | 19,290,000            | 18,140,000           | 2.00% - 5.00% |
| Electric System Revenue Note - 2020                | Electric                | 100,000               | 100,000              | 2.13%         |
| Taxable Utility System Revenue Bond - 2007B        | Wastewater              | 1,070,000             | 785,000              | 5.90%         |
| Utility System Revenue Refunding Note - 2010       | Water/Wastewater        | 8,000,000             | 4,360,000            | 4.68%         |
| Utility System Refunding Revenue Bonds - 2013      | Gas/Water/Wastewater    | 21,010,000            | 16,020,000           | 2.00% - 5.00% |
| Utility System Refunding Revenue Bonds - 2016      | Gas/Water/Wastewater    | 18,115,000            | 17,200,000           | 2.00% - 5.00% |
| Utility System Revenue Note - 2020                 | Wastewater              | 15,000,000            | 15,000,000           | 1.70%         |
| <b>Total Business-type Activities</b>              |                         | <u>\$ 102,613,000</u> | <u>\$ 85,889,000</u> |               |

**C. Debt service to maturity on the City's bonded indebtedness and notes payable are as follows:**

| Fiscal Year  | <u>Bonds Payable</u>           |                     |                                 |                      |
|--------------|--------------------------------|---------------------|---------------------------------|----------------------|
|              | <u>Governmental Activities</u> |                     | <u>Business-type Activities</u> |                      |
|              | <u>Principal</u>               | <u>Interest</u>     | <u>Principal</u>                | <u>Interest</u>      |
| 2021         | \$ 580,000                     | \$ 430,263          | \$ 2,230,000                    | \$ 2,451,309         |
| 2022         | 605,000                        | 403,538             | 2,335,000                       | 2,349,927            |
| 2023         | 630,000                        | 372,663             | 2,435,000                       | 2,248,102            |
| 2024         | 665,000                        | 340,288             | 2,535,000                       | 2,141,360            |
| 2025         | 700,000                        | 309,663             | 2,655,000                       | 2,020,030            |
| 2026-2030    | 3,885,000                      | 1,154,466           | 15,095,000                      | 8,237,714            |
| 2031-2035    | 4,605,000                      | 426,541             | 18,760,000                      | 4,586,510            |
| 2036-2039    | -                              | -                   | 13,725,000                      | 718,725              |
| <b>Total</b> | <u>\$ 11,670,000</u>           | <u>\$ 3,437,422</u> | <u>\$ 59,770,000</u>            | <u>\$ 24,753,677</u> |

| Fiscal Year  | <u>Notes From Direct Borrowings and Direct Placements Payable</u> |                     |                                 |                     |
|--------------|---|---------------------|---------------------------------|---------------------|
|              | <u>Governmental Activities</u>                                    |                     | <u>Business-type Activities</u> |                     |
|              | <u>Principal</u>  | <u>Interest</u>     | <u>Principal</u>                | <u>Interest</u>     |
| 2021         | \$ 598,000  | \$ 478,488          | \$ 1,104,000                    | \$ 810,530          |
| 2022         | 1,013,000   | 455,809             | 2,124,000                       | 864,800             |
| 2023         | 1,045,000   | 422,065             | 2,075,000                       | 791,335             |
| 2024         | 1,079,000   | 387,151             | 2,131,000                       | 710,798             |
| 2025         | 1,119,000   | 350,907             | 2,188,000                       | 627,981             |
| 2026-2030    | 5,844,400   | 1,177,099           | 8,322,000                       | 2,132,827           |
| 2031-2035    | 4,021,000   | 430,147             | 7,055,000                       | 797,704             |
| 2036-2037    | 868,000   | 22,481              | 1,120,000                       | 16,070              |
| <b>Total</b> | <u>\$ 15,587,400</u>  | <u>\$ 3,724,147</u> | <u>\$ 26,119,000</u>            | <u>\$ 6,752,045</u> |

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**D. The future minimum lease obligations and the net present value of these minimum lease payments as of September 30, 2020, were as follows:**

| <u>Fiscal Year</u>                             | <u>Capital Leases</u><br><u>Governmental Activities</u> |
|--|---|
| 2021   | \$ 122,281  |
| 2022   | 122,282   |
| 2023   | 122,282   |
| 2024   | 122,282   |
| 2025   | 122,282   |
| 2026-2028                                      | 261,895   |
| Total minimum lease payments                   | 873,304   |
| Less: Amount representing interest costs       | (98,559)  |
| <b>Present value of minimum lease payments</b> | <b>\$ 774,745</b>                                       |

**E. Governmental Activities Liabilities**

A summary of all governmental activities long-term debt as of September 30, 2020, except for Net Pension Liability (Note 12) and Other Postemployment Benefits (Note 14), is as follows:

**1. Capital Improvement Revenue Refunding Note – 2009**

On December 4, 2009, the City signed a promissory note in the amount of \$6,227,400 which was used to refund its Capital Improvement Revenue Bonds, Series 1999. Although the debt was refunded, the Debt Service Delivery Agreement for the Capital Improvement Bonds, 1999 continues in force until the Series 2009 is paid. The note is secured by a pledge of the proceeds of the local government half-cent sales tax, the guaranteed entitlement portion of state revenue sharing funds and a covenant to budget and appropriate from legally available non-ad valorem revenues. The note contains a provision that in the event of default of any payment due to the lender, written admission of inability to pay or filing a petition of bankruptcy, judgment of insolvency, or other similar events by the City, the lender may declare all obligations under this note immediately due and payable.

**2. Capital Improvement Revenue Refunding Bonds, Series 2013**

On May 2, 2013, the City issued bonds in the amount of \$15,345,000 pursuant to Resolution No. 9182. The 2013 Bonds are a refunding of the Capital Improvement Bonds, 2004, are fully registered bonds and are collateralized by a pledge of the proceeds of the local government half-cent sales tax, the guaranteed entitlement portion of state revenue sharing funds, the public service tax and investment income earned on trust funds held for the bondholder.

**3. Greater Leesburg Community Redevelopment Agency Note – 2015**

On January 12, 2015, the Greater Leesburg Community Redevelopment Agency (the "Agency") authorized the issuance of its Redevelopment Revenue Note, Series 2015, pursuant to Resolution No. 31. Also on January 12, 2015, the City signed a loan agreement with Citizens First Bank in the amount of \$1,000,000 pursuant to Resolution No. 9533. The proceeds were

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used to finance the acquisition, construction and improvements of streets and street improvements, undergrounding and replacement of all electric, water, wastewater, stormwater and fiber optic cable on Main Street from U.S. 27 to 9th Street, all within the Community Redevelopment Area of the Agency. The note is secured by pledged revenues of the Agency. The note contains a provision that in the event of default of any payment due to the lender, act of bankruptcy being filed by the City, or material event related to the performance of obligations of the City within the note, the lender may take whatever legal actions necessary to collect amounts due on the note.

**4. 441/27 Community Redevelopment Agency Note - 2016**

On December 8, 2016, the City issued a note in the amount of \$11,563,000 pursuant to Resolution No. 9922. Proceeds from the note were used to refund the Tax Increment Revenue Bonds, Series 2009, and to pay costs of issuing the bonds. The note carries an interest rate of 2.59% and matures on May 1, 2036. The note is secured by tax increment revenues and a covenant to budget and appropriate from legally available non-ad valorem revenues of the City. The note contains a provision that in the event of default of any payment due to the lender, written admission of inability to pay or filing a petition of bankruptcy, judgment of insolvency, or other similar events by the City, the lender may pursue legal action to enforce its rights under the note, and interest will be at the Default Rate, which is 5.59%.

**5. Fire Capital Lease - 2018**

On May 29, 2018, the City executed a Capital Lease dated April 24, 2018 with Community First National Bank to acquire breathing apparatuses and various equipment for the Fire Department at a total acquisition cost of \$255,163. The City paid \$45,920 at the beginning of the lease, and the remaining amount of \$209,243 is due over 7 years at 4.094% interest. Annual payments are \$34,983.

**6. Emergency Network Radios Capital Lease - 2018**

On June 25, 2018, the City approved an Interlocal Agreement with Lake County, Florida to obtain radio equipment compatible with the County-wide Communications System for the City's Police and Fire Departments at a total acquisition cost of \$780,683. The City paid \$90,116 at the beginning of the lease in October 2018, and the remaining amount of \$690,567 is due over 9 years at 3.374% interest. Annual payments are \$90,116.

**7. Compensated Absences**

Compensated absences reported as governmental activities in the Statement of Net Position are liquidated by the General Fund, the Building Permits Fund special revenue fund, and the Fleet Maintenance internal service fund.

**F. Business-type Activities Liabilities**

A summary of all business-type activities long-term debt as of September 30, 2020, except for Net Pension Liability (Note 12) and Other Postemployment Benefits (Note 14), is as follows:

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**1. Taxable Electric System Revenue Bonds, Series 2007B**

The City has issued \$11,710,000 in Taxable Electric System Revenue Bonds, Series 2007B. The issue is fully registered. The bonds are payable solely from the net revenues of the Electric System on parity with the City's outstanding Electric System Revenue Note, Series 2013. The Series 2007B bonds are subject to early redemption prior to maturity. The bond resolutions provide for a sinking fund.

**2. Electric System Refunding Revenue Note – 2016**

On June 16, 2016, the City issued a note in the amount of \$8,318,000 pursuant to Resolution No. 9816. Proceeds from the note were used to refund the Electric System Refunding Revenue Note —2013 and to pay costs of issuing the note. The note is payable from and secured solely by net revenues of the City's electric system on parity with the City's outstanding Electric System Revenue Bonds, Taxable Series 2007B as well as the Electric System Refunding Revenue Bonds, Series 2016. The note bears interest at 2.35%, with the final payment due October 1, 2032. The note contains a provision that in the event of default of any payment due to the lender, filing a petition of bankruptcy, appointment of a receiver, failure to meet performance covenants, or other similar events by the City, the lender may appoint a trustee to enforce and protect the lender's rights, which may include legal remedies, and to collect of costs and expenses related to such.

**3. Electric System Refunding Revenue Bonds – 2016**

On June 23, 2016, the City issued bonds in the amount of \$19,290,000 pursuant to Resolution Nos. 9792 and 9793. Proceeds from the bonds were used to refund the Electric System Revenue Bonds, Series 2007A and the Electric System Refunding Revenue Note—2014, and to pay costs of issuing the bonds. City funds of approximately \$4,990,000 were also used in connection with the refunding of the aforementioned debt. The bonds were issued at a premium, with an effective interest rate of 2.56%. The bonds are payable from and secured solely by net revenues of the City's electric system on parity with the City's outstanding Electric System Revenue Bonds, Series 2007B as well as the Electric System Refunding Revenue Note, Series 2016.

**4. Taxable Utility System Revenue Bonds, Series 2007B**

The City has issued \$1,070,000 Taxable Utility System Revenue Bonds, Series 2007B. Bonds are payable solely from the net revenues of the gas, water, and wastewater systems on parity with the City's outstanding Utility System Revenue Refunding Note – 2010, Utility System Refunding Revenue Bonds, Series 2013 and Utility System Refunding Revenue Bonds, Series 2016. The bonds are subject to early redemption prior to maturity. The bond resolutions provide for a sinking fund.

**5. Utility System Revenue Refunding Note – 2010**

On July 8, 2010, the City issued an \$8,000,000 note to be used solely to refinance the City's Bond Anticipation Note (BAN), 2006. The original BAN was used to acquire a water and wastewater utility system from the Plantation of Leesburg Limited Partnership. The note is payable solely from the net revenues of the gas, water, and wastewater systems on parity with the City's outstanding Taxable Utility System Revenue Bonds, 2007B, Utility System Refunding Revenue Bonds, Series 2013 and Utility System Refunding Revenue Bonds, Series 2016. The note contains a provision that in the event of default of any payment due to the lender, filing a



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petition of bankruptcy, appointment of a receiver, failure to meet performance covenants, or other similar events by the City, the lender may appoint a trustee to enforce and protect the lender's rights, which may include legal remedies, and to collect of costs and expenses related to such.

**6. Utility System Refunding Revenue Bonds, Series 2013**

On April 30, 2013, the City issued bonds in the amount of \$21,010,000 pursuant to Resolution No. 9184. Proceeds from the bonds were used to refund the Utility System Revenue Bonds – 2004. The Bonds are fully registered bonds and are collateralized by a pledge of the net gas, water, and wastewater system revenues on parity with the City's outstanding Taxable Utility System Revenue Bonds, 2007B, Utility System Revenue Refunding Note – 2010, and Utility System Refunding Revenue Bonds, Series 2016. Bond ordinances provide for a current sinking fund and the bonds are callable at various dates at 100% of face value.

**7. Utility System Refunding Revenue Bonds, Series 2016**

On June 22, 2016, the City issued bonds in the amount of \$18,115,000 pursuant to Resolution Nos. 9794 and 9795. Proceeds from the bonds were used to refund the Utility System Revenue Bonds, Series 2007A maturing on or after October 1, 2018, and to pay the costs of issuing the bonds. The bonds were issued at a premium, with an effective interest rate of 2.38%. Bonds are payable solely from the net revenues of the gas, water, and wastewater systems on parity with the City's outstanding Taxable Utility System Revenue Bonds, Series 2007B, Utility System Revenue Refunding Note – 2010, and Utility System Refunding Revenue Bonds, Series 2013.

**8. Utility System Revenue Note – 2020**

On April 16, 2020, the City issued a note in the amount of \$15,000,000 pursuant to Resolution No. 10,625. Proceeds from the note were used for the expansion of the Turnpike Wastewater Plant and other improvements to the City's Water and Wastewater System. The note is payable from and secured solely by net revenues of the City's Gas, Sewer, and Water Systems on parity with the City's outstanding Taxable Utility System Revenue Bonds, 2007B, Utility System Revenue Refunding Note, Series 2010, and Utility Systems Refunding Revenue Bonds, Series 2016. The note bears interest at 1.70%, with a final payment due October 1, 2035. The note contains a provision that in the event of default of any payment due to the lender, filing a petition of bankruptcy, appointment of a receiver, failure to meet performance covenants, or other similar events by the City, the lender may appoint a trustee to enforce and protect the lender's right, which may include legal remedies and to collect costs of expenses related to such, and interest will be at the Default Rate, which is 18%.

**9. Electric System Revenue Note – 2020**

On July 16, 2020, the City issued a note for up to \$15,000,000 pursuant to Resolution No. 10,683. Proceeds from the note were used for the construction and installation of a feeder backbone line, underground residential distribution facilities and individual services and meters, reconductoring lines, and purchase of 3 substation transformers and other improvements to the City's Electric System. The note is payable from and secured solely by net revenues of the City's Electric System on parity with the City's outstanding Taxable Electric System Revenue Bonds, 2007B, outstanding Electric System Refunding Revenue Note, Series 2016, and the City's outstanding Electric Systems Refunding Revenue Bonds, Series 2016. The note bears interest at 2.13%, with a final payment due October 1, 2035. The note contains a

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provision that in the event of default of any payment due to the lender, filing a petition of bankruptcy, appointment of a receiver, failure to meet performance covenants, or other similar events by the City, the lender may appoint a trustee to enforce and protect the lender's right, which may include legal remedies and to collect costs of expenses related to such, and interest will be at the Default Rate, which is 12%. Draws of \$100,000 have been made on the note as of September 30, 2020.

**10. Compensated Absences**

Compensated absences reported as business-type activities in the Statement of Net Position and the various enterprise funds are liquidated by the funds reporting such liabilities.

**G. Pledged Revenues**

The City pledged certain revenues to repay certain bonds and notes outstanding as of September 30, 2020. The following tables report the revenues pledged for each debt issue, the amounts of such revenues received in the current year, the current year principal and interest paid on the debt, the approximate percentage of each revenue which is pledged to meet the debt obligation, the date through which the revenue is pledged under the debt agreement, and the total pledged future revenues for each debt, which is the amount of the remaining principal and interest on the bonds and notes at September 30, 2020:

| Debt Description   | Governmental Activities          |                                     |                                 |                                    |                   | Debt Service Payments Until Debt Maturity | Pledged Through |
|--|----------------------------------|-------------------------------------|---------------------------------|------------------------------------|-------------------|---|-----------------|
|  | Half Cent Sales Tax <sup>1</sup> | Guaranteed Entitlement <sup>2</sup> | Public Service Tax <sup>3</sup> | Tax Increment Revenue <sup>4</sup> |                   |   |                 |
|  |                                  |                                     |                                 | GLCRA                              | 441/27CRA         |   |                 |
| 2009 Capital Improvement Refunding Promissory Note                           | \$ 484,381                       | -                                   | -                               | -                                  | -                 | \$ 4,756,979                              | 2030            |
| 2013 Capital Improvement Bonds   | 918,022                          | \$ 103,841                          | -                               | -                                  | -                 | 15,107,422                                | 2035            |
| 2015 Greater Leesburg (GL) CRA Note  | -                                | -                                   | -                               | \$ 101,537                         | -                 | 704,031                                   | 2027            |
| 2016 441/27 CRA Note   | -                                | -                                   | -                               | -                                  | \$ 486,517        | 13,850,537                                | 2036            |
| <b>Total Debt Service</b>  | <b>\$ 1,402,403</b>              | <b>\$ 103,841</b>                   | <b>\$ -</b>                     | <b>\$ 101,537</b>                  | <b>\$ 486,517</b> | <b>\$ 34,418,969</b>                      |                 |
| Total pledged revenues available for fiscal year 2020 debt service           | \$ 1,402,403                     | \$ 309,234                          | \$ 3,807,987                    | \$ 429,388                         | \$ 772,145        |   |                 |
| Total pledged revenues used for fiscal year 2020 debt service                | 1,402,403                        | 103,841                             | -                               | 101,537                            | 486,517           |   |                 |
| Fiscal year 2020 pledged revenues used as a percentage of revenues available | 100.00%                          | 33.58%                              | -%                              | 23.65%                             | 63.01%            |   |                 |

<sup>1</sup>**Gross Sales Tax Revenues** - are defined pursuant to Resolution 5725 adopted August 12, 1999, as the proceeds of the local government half-cent sales tax as described in Title XIV, Chapter 218, Part VI Florida Statutes.

<sup>2</sup>**Guaranteed Entitlement** - is the portion of State Revenue Sharing funds available to the City that are assigned, pledged, or set aside as a trust for the payment of principal and/or interest on the bonds pursuant to Title XIV, Chapter 218, Part II, Florida Statutes.

<sup>3</sup>**Public Service Tax** - is levied and collected pursuant to Section 166.231, Florida Statutes. A municipality may levy a tax on the purchase of electricity, metered natural gas, liquefied petroleum gas and water service not to exceed ten percent (10%) of the payments received by the seller.

<sup>4</sup>**Tax Increment Revenues of the Community Redevelopment Agencies for the Greater Leesburg CRA and the U.S. Highway 441 & 27 CRA** are the generally applicable taxes attributable to increases in assessed values within the redevelopment areas of the respective Agencies.

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| Debt Description   | Business-type Activities          |                              |                                |                                     |                        | Total Gas,<br>Water,<br>Wastewater<br>Revenues | Debt Service<br>Payments Until<br>Debt Maturity | Pledged<br>Through |
|--|-----------------------------------|------------------------------|--------------------------------|-------------------------------------|------------------------|--|---|--------------------|
|  | Electric<br>Revenues <sup>1</sup> | Gas<br>Revenues <sup>2</sup> | Water<br>Revenues <sup>2</sup> | Wastewater<br>Revenues <sup>2</sup> | Wastewater<br>Revenues |  |   |                    |
| 2007 B Utility System Revenue Bonds  | -                                 | -                            | -                              | \$ 86,315                           | \$ 86,315              | \$ 1,151,834                                   | 2034  |                    |
| 2007 B Electric System Revenue Bonds   | \$ 959,875                        | -                            | -                              | -                                   | -                      | 10,355,670                                     | 2032  |                    |
| 2013 Utility System Refunding Revenue Bonds                                  | -                                 | \$ 233,840                   | \$ 486,406                     | 673,948                             | 1,394,194              | 20,645,998                                     | 2035  |                    |
| 2016 Electric System Refunding Revenue Bonds <sup>3</sup>                    | 1,132,450                         | -                            | -                              | -                                   | -                      | 26,997,825                                     | 2038  |                    |
| 2016 Utility System Refunding Revenue Bonds <sup>4</sup>                     | -                                 | 131,074                      | 751,014                        | 275,812                             | 1,157,900              | 25,372,350                                     | 2038  |                    |
| 2010 Utility System Revenue Note   | -                                 | -                            | 392,327                        | 471,687                             | 864,014                | 4,994,735                                      | 2026  |                    |
| 2016 Electric System Refunding Revenue Note <sup>5</sup>                     | 600,487                           | -                            | -                              | -                                   | -                      | 7,727,018                                      | 2033  |                    |
| 2020 Utility System Revenue Note   | -                                 | -                            | -                              | 116,875                             | 116,875                | 17,236,945                                     | 2035  |                    |
| 2020 Electric System Revenue Note  | -                                 | -                            | -                              | -                                   | -                      | 17,812,346                                     | 2035  |                    |
| <b>Total Debt Service</b>  | <b>\$ 2,692,812</b>               | <b>\$ 364,914</b>            | <b>\$ 1,629,747</b>            | <b>\$ 1,624,637</b>                 | <b>\$ 3,619,298</b>    | <b>\$ 132,294,721</b>                          |   |                    |
| Total pledged revenues available for fiscal year 2020 debt service           | \$ 12,051,439                     | \$ 2,442,976                 | \$ 4,821,665                   | \$ 6,163,304                        | \$ 13,427,945          |  |   |                    |
| Total pledged revenues used for fiscal year 2020 debt service                | 2,692,812                         | 364,914                      | 1,629,747                      | 1,624,637                           | 3,619,298              |  |   |                    |
| Fiscal year 2020 pledged revenues used as a percentage of revenues available | 22.34%                            | 14.94%                       | 33.80%                         | 26.36%                              | 26.95%                 |  |   |                    |

**Definitions:**

**Operation and Maintenance Expenses** - defined as the cost of operation and maintenance as current expenses, paid or accrued, less depreciation and amortization expense.

**Pledged Revenues and Net Revenues** - defined as gross revenues less operation and maintenance expenses, plus capacity charges when applicable.

<sup>1</sup>**Gross Revenues** - defined pursuant to Resolution 7141 adopted June 14, 2004, as all income and earnings derived by the City from the ownership, operation, leasing, or use of the Electric System, and investment income excluding capital expansion and system improvement grants.

<sup>2</sup>**Gross Revenues** - defined pursuant to Resolution 7143 adopted June 14, 2004, as all income and earnings derived by the City from the ownership, operation, leasing, or use of the Utility System, and investment income excluding capital expansion and system improvement grants.

<sup>3</sup>**2016 Electric System Refunding Revenue Bonds** - a refunding of the 2007A Electric System Revenue Bond and the 2014 Electric System Refunding Revenue Note.

<sup>4</sup>**2016 Utility System Refunding Revenue Bonds** - a refunding of the 2007A Utility System Revenue Bonds maturing on or after October 1, 2018.

<sup>5</sup>**2016 Electric System Refunding Revenue Note** - a refunding of the 2013 Electric System Refunding Revenue Note.

**H. Defeased Debt**

Defeased debt of the City that remains publicly traded is as follows:

Utility System Refunding Revenue Bonds, Series 1999 A/B      \$            13,175,000

**CITY OF LEESBURG, FLORIDA  
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FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

**NOTE 9 – CONDUIT DEBT**

The City issues conduit debt to provide financial assistance to private-sector entities for the acquisition and construction of hospital and other healthcare facilities deemed to be in the public interest. Conduit debt refers to certain limited-obligation revenue bonds or similar debt instruments issued by the City for the express purpose of providing capital financing for a specific nongovernmental third party. Although conduit debt bears the name of the City as issuer, it is collateralized by the resources provided by the loan with the third party on whose behalf they are issued. The City acts solely as a conduit issuer with respect to the debt.

Conduit debt is collateralized by the property financed and is payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity servicing the bond issue. None of the assets or revenues of the City are pledged to the payment of the bonds and under the constitution and laws of the State of Florida, the City may not legally pledge any of its revenues or assets to the payment thereof. Neither the City, the state, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of September 30, 2020, the City had an aggregate principal amount of hospital and not-for-profit revenue refunding bonds of approximately \$90,082,996. The amount of bonds outstanding for The Villages Tri-County Medical Center was \$27,910,000. The amount of bonds outstanding for Leesburg Regional Medical Center and The Villages Tri-County Medical Center as a combined entity was \$52,855,000. The amount of bonds outstanding for LifeStream Behavioral Center, Inc. was \$9,317,996.

**NOTE 10 – ARBITRAGE REBATE**

In accordance with the Tax Reform Act of 1986, any interest earnings on borrowed construction funds in excess of the interest costs are required to be rebated to the federal government.

There is no arbitrage rebate liability as of September 30, 2020.

**NOTE 11 – OPERATING LEASE REVENUES**

The City is lessor on various leases of facilities located at the Leesburg Regional Airport and other leases for property owned by the City. Estimated amounts for leased assets are: cost \$10,743,920 and accumulated depreciation \$2,671,743. The following is a schedule of minimum future lease income on non-cancelable operating leases:

| Fiscal Year                                 | Amount              |
|---|---------------------|
| 2021  | \$ 818,935          |
| 2022  | 805,716             |
| 2023  | 791,537             |
| 2024  | 723,315             |
| 2025  | 536,598             |
| 2026-2030                                   | 1,400,154           |
| 2031-2035                                   | 1,134,173           |
| 2036-2040                                   | 1,063,933           |
| 2041-2045                                   | 978,372             |
| 2046-2048                                   | 31,356              |
| <b>Total Minimum Lease Payment Revenues</b> | <b>\$ 8,284,089</b> |

**CITY OF LEESBURG, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**NOTE 12 – DEFINED BENEFIT PENSION PLANS (PLANS)**

**A. Plan Descriptions and Contribution Information**

The City maintains three separate single-employer pension plans: a supplemental one for police officers; one for firemen; and a general employees' retirement plan that covers other full-time City employees, including police officers. These plans are maintained as pension trust funds and included as part of the City's reporting entity. City ordinance and state law requires contributions to be determined by actuarial studies. The City Commission has the authority to establish and amend the benefit provisions of the plans. Administrative costs are financed through contributions and investment earnings. Typically, the General Fund has been used in prior years to liquidate pension liabilities.

**B. Basis of Accounting**

The Plans' financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are recorded with the custodian. Benefits and refunds are recognized when due and payable in accordance with the terms of each Plan.

**C. Methods Used to Value Investments**

Investments are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Investments that do not have an established market are reported at estimated fair value.

For financial statement purposes, the plans' assets are valued at market value for the General Employees', Municipal Police Officers', and Municipal Firemen's plans, as reported within the annual trustee statements. Because the plans do not issue stand-alone GAAP financial reports, the following individual financial schedules are presented for each of the plans:

**SCHEDULE OF FIDUCIARY NET POSITION AS OF SEPTEMBER 30, 2020**

|  | <b>General<br/>Employees'<br/>Retirement<br/>Plan</b> | <b>Municipal<br/>Police Officers'<br/>Retirement<br/>Plan</b> | <b>Municipal<br/>Firemen's<br/>Retirement<br/>Plan</b> | <b>Total</b>         |
|--|---|---|--|----------------------|
| <b>Assets</b>  |   |   |  |                      |
| Cash   | \$ 718,566  | \$ 1  | \$ -   | \$ 718,567           |
| Investments, at Fair Value:  |   |   |  |                      |
| U.S. Government Securities   | 4,290,532   | 3,126,922   | 2,006,349  | 9,423,803            |
| Foreign Bonds  | -   | -   | 325,280  | 325,280              |
| Corporate Bonds  | 1,603,713   | 2,240,027   | 2,359,644  | 6,203,384            |
| Corporate Stocks   | 18,408,558  | -   | 3,689,246  | 22,097,804           |
| Collateralized Mortgage Obligations                                | -   | -   | 380,355  | 380,355              |
| Alternative Investments  | 7,392,175   | 2,276,585   | 2,009,870  | 11,678,630           |
| Money Market   | 3,604   | 506,992   | 510,220  | 1,020,816            |
| Mutual Funds   | 5,406,111   | 16,162,370  | 11,026,611   | 32,595,092           |
| Total Investments  | <u>37,104,693</u>                                     | <u>24,312,896</u>   | <u>22,307,575</u>                                      | <u>83,725,164</u>    |
| Interest Receivable  | 189,233   | -   | 47,869   | 237,102              |
| <b>Total Assets</b>  | <u>\$ 38,012,492</u>                                  | <u>\$ 24,312,897</u>  | <u>\$ 22,355,444</u>                                   | <u>\$ 84,680,833</u> |
| <b>Net Position Restricted for Employees'<br/>Pension Benefits</b> | <u>\$ 38,012,492</u>                                  | <u>\$ 24,312,897</u>  | <u>\$ 22,355,444</u>                                   | <u>\$ 84,680,833</u> |

**CITY OF LEESBURG, FLORIDA**  
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**SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION AS OF SEPTEMBER 30, 2020**

|   | <b>General<br/>Employees'<br/>Retirement<br/>Plan</b> | <b>Municipal<br/>Police Officers'<br/>Retirement<br/>Plan</b> | <b>Municipal<br/>Firemen's<br/>Retirement<br/>Plan</b> | <b>Total</b>         |
|---|---|---|--|----------------------|
| <b>Additions</b>                              |   |   |  |                      |
| Contributions:                                |   |   |  |                      |
| Employer                                      | \$ 1,028,808  | \$ 542,732  | \$ 760,104   | \$ 2,331,644         |
| State   | -   | 227,475   | 152,264  | 379,739              |
| Employee                                      | -   | 314,104   | 177,275  | 491,379              |
| <b>Total Contributions</b>                    | <b>1,028,808</b>                                      | <b>1,084,311</b>  | <b>1,089,643</b>                                       | <b>3,202,762</b>     |
| Investment Income:                            |   |   |  |                      |
| Net Increase (Decrease) in                    |   |   |  |                      |
| Fair Value of Investments                     | 1,079,132   | 1,268,567   | 1,992,597  | 4,340,296            |
| Interest and Dividend Income                  | 599,646   | 719,829   | 448,438  | 1,767,913            |
| Other Income                                  | 925   | 98,845  | 100,422  | 200,192              |
| Less: Investment Expenses                     | (200,055)   | (41,565)  | (82,253)   | (323,873)            |
| <b>Total Investment Income</b>                | <b>1,479,648</b>                                      | <b>2,045,676</b>  | <b>2,459,204</b>                                       | <b>5,984,528</b>     |
| <b>Total Additions</b>                        | <b>2,508,456</b>                                      | <b>3,129,987</b>  | <b>3,548,847</b>                                       | <b>9,187,290</b>     |
| <b>Deductions</b>                             |   |   |  |                      |
| Benefit Payments                              | 2,666,556   | 924,307   | 1,239,160  | 4,830,023            |
| Refund of Contributions                       | 47,151  | 74,932  | 40,699   | 162,782              |
| Administrative Expense                        | 79,702  | 82,109  | 78,542   | 240,353              |
| <b>Total Deductions</b>                       | <b>2,793,409</b>                                      | <b>1,081,348</b>  | <b>1,358,401</b>                                       | <b>5,233,158</b>     |
| <b>Change in Plan Net Position</b>            | <b>(284,953)</b>                                      | <b>2,048,639</b>  | <b>2,190,446</b>                                       | <b>3,954,132</b>     |
| <b>Net Position Restricted for Employees'</b> |   |   |  |                      |
| <b>Pension Benefits:</b>                      |   |   |  |                      |
| <b>Beginning of Year</b>                      | <b>38,297,445</b>                                     | <b>22,264,258</b>   | <b>20,164,998</b>                                      | <b>80,726,701</b>    |
| <b>End of Year</b>                            | <b>\$ 38,012,492</b>                                  | <b>\$ 24,312,897</b>  | <b>\$ 22,355,444</b>                                   | <b>\$ 84,680,833</b> |

All three plans provide retirement, disability, and death benefits to plan members and their beneficiaries as described below:

**1. General Employees' Retirement Plan (GERP)**

The General Employees' Retirement Plan was frozen as of September 30, 2008. City contributions to the plan will continue until such time as the pension obligation is fully funded. Effective October 1, 2008, active plan members no longer accrue benefits under this plan. The plan is a 100% employer contributory defined benefit plan and covers all full time employees except firemen who began employment with the City prior to October 1, 2008. Participants who have completed five years of credited service are fully vested in the plan.

Plan Administration – The plan is administered by a Board of Trustees comprised of: (1) City of Leesburg resident appointed by Commission, City Manager (or designee), Human Resources Director, one other department head appointed by the City Manager, (2) members of the plan who are not certified police officers and one member of the plan who is a certified police officer.

Benefits Provided – The plan provides retirement, termination, disability, and death benefits.

Normal Retirement – The attainment of age 65 with 5 years of credited service.

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Normal Retirement Benefit – 2% of average compensation times credited service prior to October 1, 2008, with a maximum of 45 years of credited service.

Early Retirement – Attainment of age 50 with 15 years of credited service.

Early Retirement Benefit – Accrued benefit on early retirement date, reduced 3.33% for each year that early retirement precedes age 65.

Pre-Retirement Death Benefit – Monthly benefit provided by the greater of (i) or (ii), where (i) is the single sum value of the deferred monthly retirement income commencing at normal retirement date which has accrued to the date of death, and (ii) is the smaller of (a) 18 times average final compensation at the date of death and (b) 100 times the anticipated monthly retirement income at normal retirement.

Disability – Eligibility at 10 years of credited service. Prior to normal retirement date, the benefit payable is the lesser of 50% of the average final compensation or \$1,500. At normal retirement date, the benefit payable is 2% times average final compensation times years and months of credited service (to a maximum of 45 years) as if employment had continued from date of disability to normal retirement date.

Disabled Death Benefit – The greater of (i) or (ii), where (i) is equal to the single-sum value, as of the date of the participant's death, of the deferred monthly retirement income commencing at normal retirement date that the disabled participant would have accrued to the date of termination of service due to disability, and (ii) is the smaller of (a) 18 times average final compensation at the date of termination due to disability and (b) 100 times the participant's anticipated monthly retirement income at normal retirement.

Contributions – Remaining amount required in order to pay current costs and amortize unfunded past service cost, if any, as provided in Chapter 112, Florida Statutes.

Termination of Employment – Vesting Schedule: Less than 5 years zero percent vested; five or more years 100% vested.

Cost of Living Adjustment – Retirees (other than vested terminated members) and their beneficiaries receive a 2% increase in benefits each year October 1st commencing 3 years after their otherwise normal retirement date.

Deferred Retirement Option Program (DROP) - Eligibility: Satisfaction of normal retirement requirements.

DROP Participation: Not to exceed 60 months.

DROP Rate of Return: At member's election: (1) actual net rate of investment return (total return net of brokerage commissions, transaction costs, and management fees) credited each fiscal quarter, or (2) 6.50% per annum compounded quarterly.

BAC-DROP - Eligibility: Satisfaction of normal retirement requirements.

BAC-DROP Period: Not to exceed 60 months.

BAC-DROP Rate of Return: 2.5% per annum compounded quarterly.

The DROP balance as of September 30, 2020 is \$72,695.

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**2. Municipal Police Officers' Retirement Plan (MPRP)**

The plan covers full-time sworn police officers (other Police Department employees are covered in the GERP). Employees contribute 7.65% of their reportable W-2 compensation, less Christmas bonuses, but including lump sum payment of accrued sick leave, accrued annual leave, or accrued compensatory leave, plus all tax deferred (IRC Section 414(h)(2) and IRC Section 457 contributions) and tax exempt (IRC Section 125) items of income. Effective January 22, 2013, salary shall not include more than 300 hours of overtime per year. Additionally, salary will include the lesser of the amount of unused sick and annual leave time accrued as of January 22, 2013, or the actual amount of sick and vacation leave time for which the retiree receives payment at the time of retirement. The State of Florida collects and remits a 0.85% excise tax on gross premiums from casualty insurance policies covering property within the corporate limits to the fund pursuant to the provisions of Section 185.08, Florida Statutes.

Plan Administration – The plan is administered by a Board of Trustees comprised of: two City residents appointed by the City Commission, two full-time police officers elected by a majority of the members of the plan and a fifth Trustee chosen by a majority of the first four Trustees.

Benefits Provided – The plan provides retirement, termination, disability, and death benefits.

Normal Retirement – Earlier of (1) age 52 (age 50 for members eligible for normal retirement as of October 1, 2015 under prior provisions) and the completion of 25 years of credited service, or (2) age 55 and the completion of 10 years of credited service.

Normal Retirement Benefit – 3% of average final compensation times credited service prior to May 27, 2003; 2% for each year between May 27, 2003 and September 30, 2009; and 2.5% for each year of credited service between October 1, 2009 and September 30, 2015; and 3% for each year of credited service thereafter.

Early Retirement– Age 50 (age 45 for members who will be eligible for early retirement as of October 1, 2015 under prior provisions) and completion of 10 years of credited service.

Early Retirement Benefit – Accrued benefit, reduced 3% per year from what would have been the normal retirement date had the member remained employed.

Disability – Total and permanent; medical proof required. Ten years of credited service required for non-service incurred disability benefit.

Disability Benefit – Service connected: greater of accrued benefit or 50% of average final compensation. Non-service connected: greater of accrued benefit or 25% of average final compensation.

Pre-Retirement Death Benefit – Service connected: beneficiary receives a monthly benefit which can be provided by the greater of: (1) present value of member's accrued benefit, or (2) lesser of 24 times the member's average final compensation, or 100 times the member's anticipated normal retirement benefit. Non-service connected: if less than 10 years of service, beneficiary receives a refund of member contributions; otherwise, same as service connected benefits.

Contributions – Employee: 7.65% of salary; City: amount required after State premium tax refunds in order to pay current costs and amortize unfunded past service cost, as provided in Part VII, Chapter 112, Florida Statutes.



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Deferred Retirement Option Program (DROP) – Eligibility: Satisfaction of normal retirement requirements.

DROP Participation: Not to exceed 60 months.

DROP Rate of Return: Actual net rate of investment return (total return net of brokerage commissions, transaction costs, and management fees) credited each fiscal quarter.

The DROP balance as of September 30, 2020 is \$292,538.

**3. Municipal Firemen's Retirement Plan (MFRP)**

The plan covers firefighters who have completed one year of employment. Firefighters contribute 6.5% of their annual compensation to the plan. The State of Florida collects and remits a 1.85% excise tax on gross premiums from fire insurance covering property within the corporate limits to the fund pursuant to the provisions of Section 175.101, Florida Statutes.

Plan Administration – The plan is administered by a Board of Trustees comprised of: two City appointees, two members of the department elected by the membership, and a member elected by the other four and appointed by the City Commission.

Benefits Provided – The plan provides retirement, termination, disability, and death benefits.

Normal Retirement – Earlier of (1) age 52 and the completion of 25 years of credited service, or (2) age 55 and the completion of ten years of credited service.

Normal Retirement Benefit – 3% of average monthly earnings times credited service.

Early Retirement – Age 50 and 10 years of credited service.

Early Retirement Benefit – Accrued benefit is reduced for commencement earlier than the normal retirement date at a rate of 0.25% per month. Participants who terminate employment 100% vested prior to reaching the early retirement date requirements may elect to receive an early retirement benefit once the age requirements are met, provided employee contributions remain in the plan.

Disability – Eligibility - Total and permanent as determined by Board of Trustees, this benefit is payable from the first day of the month following the last day the participant was paid basic compensation. The benefit is payable in the form of a 10-year certain and continuous annuity. The last payment is that due next preceding the earlier of (1) the date of recovery prior to the normal retirement date and (2) the later of the date of death or the 120th payment.

Non-line-of-duty benefit amount: Less than 10 years: The monthly income which can be provided by the greater of (i) the single-sum value of the accrued benefit and (ii) 2 x basic compensation paid in the calendar year immediately preceding disability. The monthly retirement income which may be provided by (ii) is limited to 60% x anticipated monthly retirement income at the normal retirement date. More than 10 years: The monthly income which is the greater of (i) the monthly retirement income which can be provided by the single-sum value of the accrued benefit and (ii) 30% x basic compensation paid in the calendar year immediately preceding disability. Note the single-sum value of (ii) is limited to 100 x the anticipated monthly retirement income at the normal retirement date. The minimum amount payable is 25% of the participant's average monthly compensation at the time of disability. Line-of-Duty benefit amount: A monthly income equal to 50% x basic compensation paid in

**CITY OF LEESBURG, FLORIDA**  
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the calendar year immediately preceding disability where the single-sum value of the monthly amount does not exceed the 100 x the anticipated monthly retirement income at the normal retirement date. The minimum amount payable is the greater of 42% of the participant's average monthly compensation at the time of disability and the accrued benefit at disability.

Pre-Retirement Death Benefit – The monthly income, payable to designated beneficiary in the form of a 10 year certain and continuous annuity payable commencing on the first of the month coincident with or next following the participant's death which can be provided by the greater of (i) the single-sum value of the accrued benefit as of the date of death, not less than the single-sum value of the early retirement benefit which would have been payable if the participant had retired early on the date of death and (ii) 2 x basic compensation paid in the calendar year immediately preceding death limited to 100 x the anticipated monthly retirement income at normal retirement date.

Contributions – Employee: 6.5% of basic compensation; Premium Tax: 1.85% tax on fire insurance premiums; City: remaining amount necessary for payment of normal (current year's) cost and amortization of the accrued past service liability, as provided in Part VII, Chapter 112, Florida Statutes.

**D. Membership**

Membership of each Plan consisted of the following:

| Membership as of:  | 10/1/2019<br>GERP | 10/1/2019<br>MPRP | 10/1/2019<br>MFRP |
|--|-------------------|-------------------|-------------------|
| Retirees and Beneficiaries Receiving Benefits                      | 250               | 35                | 32                |
| Terminated Plan Members Entitled to But Not Yet Receiving Benefits | 249               | 10                | 7                 |
| Active Plan Members  | 144               | 66                | 42                |
| <b>Total</b>   | <b>643</b>        | <b>111</b>        | <b>81</b>         |

**E. Investment Policy**

The following were the Boards' adopted asset allocation policies as of September 30, 2020:

| Asset Class               | GERP<br>Target Allocation | MPRP<br>Target Allocation | MFRP<br>Target Allocation |
|---------------------------|---------------------------|---------------------------|---------------------------|
| Domestic Equity           | 50%                       | 45%                       | 35%                       |
| International Equity      | 10%                       | 15%                       | 15%                       |
| Broad Market Fixed Income | 17.5%                     | 20%                       | 28%                       |
| Global Fixed Income       | 0%                        | 5%                        | 0%                        |
| TIPS                      | 0%                        | 5%                        | 0%                        |
| Convertibles              | 0%                        | 0%                        | 10%                       |
| Real Estate               | 12.5%                     | 10%                       | 7%                        |
| Hedge Funds               | 5%                        | 0%                        | 0%                        |
| Infrastructure            | 5%                        | 0%                        | 5%                        |
| <b>Total</b>              | <b>100%</b>               | <b>100%</b>               | <b>100%</b>               |

**F. Concentrations**

The three pension plans did not hold investments in any one organization that represent five percent or more of the pension plans' fiduciary net position.

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**G. Rate of Return**

GERP— For the year ended September 30, 2020 the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 3.95 percent.

MPRP – For the year ended September 30, 2020 the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 9.10 percent.

MFRP – For the year ended September 30, 2020 the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 12.48 percent.

The money-weighted rate of return expresses investment performance net of investment expense, adjusted for the changing amounts actually invested.

**H. Net Pension Liability of Sponsor**

The components of the net pension liability of the sponsor as of September 30, 2020 were as follows:

|   | <u>GERP</u>         | <u>MPRP</u>         | <u>MFRP</u>         |
|---|---------------------|---------------------|---------------------|
| Total Pension Liability   | \$ 41,439,631       | \$ 26,538,305       | \$ 25,583,111       |
| Plan Fiduciary Net Position   | <u>(38,012,493)</u> | <u>(24,313,376)</u> | <u>(22,355,440)</u> |
| Sponsor's Net Pension Liability   | <u>\$ 3,427,138</u> | <u>\$ 2,224,929</u> | <u>\$ 3,227,671</u> |
| Plan Fiduciary Net Position as a<br>Percentage of Total Pension Liability | <u>91.73%</u>       | <u>91.62%</u>       | <u>87.38%</u>       |

Actuarial Assumptions:

The measurement date is September 30, 2020 for all three pension plans. The measurement period for the pension expense is October 1, 2019 to September 30, 2020. The reporting period is October 1, 2019 through September 30, 2020.

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

|                           | <u>GERP</u>   | <u>MPRP</u>   | <u>MFRP</u> |
|---------------------------|---------------|---------------|-------------|
| Inflation                 | 2%            | 2.5%          | 2.42%       |
| Salary Increases          | None (frozen) | Service based | 4%-6%       |
| Discount Rate             | 7.25%         | 7.00%         | 7.5%        |
| Investment Rate of Return | 7.25%         | 7.00%         | 7.4%        |

Mortality rates (healthy lives) for all three plans were based on the RP2000 Generational Table, Scale BB, with collar and annuitant adjustments. Mortality rates (disabled lives) for all three plans were based on RP2000 Disabled Male Table and RP2000 Disabled Female Table, with male set back four years and female set forward two years; MPRP and MFRP were at 60% with collar adjustments and no projection scale, and GERP was at 100%.

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For the General Employees' Fund, actuarial assumptions used were based on the results of an actuarial experience study dated September 3, 2007. The actuarial assumptions used for Police Officers' Fund were based on the results of an actuarial experience study dated September 13, 2016. The actuarial assumptions used for Firemen's Fund were based on the results of an actuarial experience study dated March 7, 2014 and updated at a January 8, 2017 meeting of the Retirement Committee.

**I. Long Term Expected Rate of Return—All Plans**

The long-term expected rate of return on all pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return for each major asset class included in the Pension Plan's target asset allocation as of September 30, 2020 are summarized in the following table:

| Asset Class               | GERP                                   | MPRP                                   | MFRP                                   |
|---------------------------|--|--|--|
|                           | Long Term Expected Real Rate of Return | Long Term Expected Real Rate of Return | Long Term Expected Real Rate of Return |
| Domestic Equity           | 5.62%                                  | 7.50%                                  | 7.31%                                  |
| International Equity      | 4.56%                                  | 8.50%                                  | 2.71%                                  |
| Broad Market Fixed Income | 1.45%                                  | 2.50%                                  | 3.61%                                  |
| Global Fixed Income       | -                                      | 3.50%                                  | -                                      |
| TIPS                      | -                                      | 2.50%                                  | -                                      |
| Convertibles              | -                                      | -                                      | 5.72%                                  |
| Real Estate               | 4.94%                                  | 4.50%                                  | 4.91%                                  |
| Hedge Funds               | 3.10%                                  | -                                      | -                                      |
| Infrastructure            | 5.20%                                  | -                                      | 8.07%                                  |

**J. Discount Rate**

The discount rates used to measure the General Employees' pension liability was 7.25%, the Police Officers' pension liability was 7.00%, and the Firemen's pension liability was 7.50%.

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 the Sponsor 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 Plans' 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 payment to determine the Total Pension Liability.

**CITY OF LEESBURG, FLORIDA**  
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**K. Net Pension Liability**

**General Employees' Plan**

**CHANGES IN NET PENSION LIABILITY**

|  | Increase (Decrease)        |                                |                          |
|--|----------------------------|--------------------------------|--------------------------|
|  | Total Pension<br>Liability | Plan Fiduciary<br>Net Position | Net Pension<br>Liability |
| Balances at September 30, 2019                                   | \$ 42,606,337              | \$ 38,297,445                  | \$ 4,308,892             |
| Changes for the year:  |                            |                                |                          |
| Service cost   | 90,827                     | -                              | 90,827                   |
| Interest   | 2,997,173                  | -                              | 2,997,173                |
| Differences between Expected<br>and Actual Experience            | (818,934)                  | -                              | (818,934)                |
| Changes of assumptions   | (722,065)                  | -                              | (722,065)                |
| Contributions - Employer   | -                          | 1,028,808                      | (1,028,808)              |
| Net Investment Income  | -                          | 1,479,649                      | (1,479,649)              |
| Benefit Payments, including Refunds<br>of Employee Contributions | (2,713,707)                | (2,713,707)                    | -                        |
| Administrative Expense   | -                          | (79,702)                       | 79,702                   |
| Net Changes  | <u>(1,166,706)</u>         | <u>(284,952)</u>               | <u>(881,754)</u>         |
| Balances at September 30, 2020                                   | <u>\$ 41,439,631</u>       | <u>\$ 38,012,493</u>           | <u>\$ 3,427,138</u>      |

**Police Officers' Plan**

**CHANGES IN NET PENSION LIABILITY**

|  | Increase (Decrease)        |                                |                          |
|--|----------------------------|--------------------------------|--------------------------|
|  | Total Pension<br>Liability | Plan Fiduciary<br>Net Position | Net Pension<br>Liability |
| Balances at September 30, 2019                                   | \$ 25,417,240              | \$ 22,264,413                  | \$ 3,152,827             |
| Changes for the year:  |                            |                                |                          |
| Service cost   | 664,416                    | -                              | 664,416                  |
| Interest   | 1,893,071                  | -                              | 1,893,071                |
| Differences between Expected<br>and Actual Experience            | (1,008,318)                | -                              | (1,008,318)              |
| Changes of assumptions   | 571,135                    | -                              | 571,135                  |
| Contributions - Employer   | -                          | 542,982                        | (542,982)                |
| Contributions - State  | -                          | 227,475                        | (227,475)                |
| Contributions - Employee   | -                          | 314,179                        | (314,179)                |
| Net Investment Income  | -                          | 2,022,845                      | (2,022,845)              |
| Benefit Payments, including Refunds<br>of Employee Contributions | (999,239)                  | (999,239)                      | -                        |
| Administrative Expense   | -                          | (59,279)                       | 59,279                   |
| Net Changes  | <u>1,121,065</u>           | <u>2,048,963</u>               | <u>(927,898)</u>         |
| Balances at September 30, 2020                                   | <u>\$ 26,538,305</u>       | <u>\$ 24,313,376</u>           | <u>\$ 2,224,929</u>      |

**CITY OF LEESBURG, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

**Firemen's Plan**

|  | <b>NET PENSION LIABILITY</b> |   |                          |
|--|------------------------------|---|--------------------------|
|  | Total Pension<br>Liability   | Increase (Decrease)<br>Plan Fiduciary<br>Net Position | Net Pension<br>Liability |
| Balances at September 30, 2019                                   | \$ 25,033,422                | \$ 20,141,147   | \$ 4,892,275             |
| Changes for the year:  |                              |   |                          |
| Service cost   | 490,171                      | -   | 490,171                  |
| Interest   | 1,825,455                    | -   | 1,825,455                |
| Differences between Expected<br>and Actual Experience            | (503,745)                    | -   | (503,745)                |
| Contributions - Employer   | -                            | 760,104   | (760,104)                |
| Contributions - State  | -                            | 152,264   | (152,264)                |
| Contributions - Employee   | -                            | 177,275   | (177,275)                |
| Contributions - Buy Back   | 17,667                       | 17,667  | -                        |
| Net Investment Income  | -                            | 2,465,384   | (2,465,384)              |
| Benefit Payments, including Refunds<br>of Employee Contributions | (1,279,859)                  | (1,279,859)   | -                        |
| Administrative Expense   | -                            | (78,542)  | 78,542                   |
| Net changes  | 549,689                      | 2,214,293   | (1,664,604)              |
| Balances at September 30, 2020                                   | <u>\$ 25,583,111</u>         | <u>\$ 22,355,440</u>                                  | <u>\$ 3,227,671</u>      |

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

**General Employees' Plan**

|                              | 1%<br>Decrease<br>6.25% | Current<br>Discount Rate<br>7.25% | 1%<br>Increase<br>8.25% |
|------------------------------|-------------------------|-----------------------------------|-------------------------|
| Plan's Net Pension Liability | \$ 7,798,373            | \$ 3,427,138                      | \$ (261,141)            |

**Police Officers' Plan**

|                              | 1%<br>Decrease<br>6.00% | Current<br>Discount Rate<br>7.00% | 1%<br>Increase<br>8.00% |
|------------------------------|-------------------------|-----------------------------------|-------------------------|
| Plan's Net Pension liability | \$ 5,472,527            | \$ 2,224,929                      | \$ (477,275)            |

**Firemen's Plan**

|                              | 1%<br>Decrease<br>6.50% | Current<br>Discount Rate<br>7.50% | 1%<br>Increase<br>8.50% |
|------------------------------|-------------------------|-----------------------------------|-------------------------|
| Plan's Net Pension Liability | \$ 6,195,986            | \$ 3,227,671                      | \$ 745,300              |

**CITY OF LEESBURG, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

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

Pension expense for the fiscal year ended September 30, 2020 was: 1) General Employees' Plan \$92,638; 2) Police Officers' Plan \$919,833; and 3) Firemen's Plan \$602,848 (total \$1,615,319). On September 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

**General Employees' Plan**

|  | Deferred<br>Outflows of<br>Resources | Deferred<br>Inflows of<br>Resources |
|--|--------------------------------------|-------------------------------------|
| Differences between Expected and Actual Experience   | \$ -                                 | \$ 409,467                          |
| Changes of Assumptions                               | -                                    | 361,034                             |
| Net Difference between Projected and Actual Earnings | 1,502,598                            | -                                   |
| Total  | <u>\$ 1,502,598</u>                  | <u>\$ 770,501</u>                   |

**Police Officers' Plan**

|  | Deferred<br>Outflows of<br>Resources | Deferred<br>Inflows of<br>Resources |
|--|--------------------------------------|-------------------------------------|
| Differences between Expected and Actual Experience   | \$ 475,746                           | \$ 1,067,170                        |
| Changes of Assumptions                               | 869,117                              | -                                   |
| Net Difference between Projected and Actual Earnings | -                                    | 260,293                             |
| Total  | <u>\$ 1,344,863</u>                  | <u>\$ 1,327,463</u>                 |

**Firemen's Plan**

|  | Deferred<br>Outflows of<br>Resources | Deferred<br>Inflows of<br>Resources |
|--|--------------------------------------|-------------------------------------|
| Differences between Expected and Actual Experience   | \$ 228,126                           | \$ 508,287                          |
| Changes of Assumptions                               | 120,888                              | -                                   |
| Net Difference between Projected and Actual Earnings | -                                    | 222,508                             |
| Total  | <u>\$ 349,014</u>                    | <u>\$ 730,795</u>                   |

**Deferred Inflows/Outflows Schedule for Future Years:**

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

| <u>Total year ended September 30:</u> | <u>General Employees'</u> | <u>Police Officers'</u> | <u>Firemen's</u> |
|---------------------------------------|---------------------------|-------------------------|------------------|
| 2021                                  | \$ (576,377)              | \$ 196,393              | \$ (30,010)      |
| 2022                                  | 453,483                   | 9,887                   | 43,662           |
| 2023                                  | 608,401                   | (26,581)                | (128,597)        |
| 2024                                  | 246,590                   | (162,299)               | (266,836)        |

**CITY OF LEESBURG, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

**NOTE 13 - DEFINED CONTRIBUTION PENSION PLAN**

General employees of the City participate in the 401(a) Defined Contribution Pension Plan (401(a) Plan) administered by MassMutual Financial Group. The 401(a) Plan was authorized by City Commission Resolution. New employees become fully vested over a four-year period. For the year ended September 30, 2020, the City Commission approved a contribution rate of 5% of compensation. Total contributions amounted to \$779,116, or 100% of the amount authorized.

Employees may not contribute to the 401(a) Plan. Investments in 401(a) Plan assets are directed by individual employees.

**NOTE 14 - OTHER POSTEMPLOYMENT BENEFITS (OPEB)**

**A. Plan Description and Benefits Provided**

In accordance with Section 112.0801, Florida Statutes, the City allows retirees the option of continuing to participate in the City's group health insurance coverage at a premium cost of no more than the premium cost applicable to active employees. The City administers a single-employer defined other postemployment benefit (OPEB) plan which provides postretirement health care benefits, in accordance with City ordinance, to all employees who retire from the City with at least fifteen years of continuous service. Benefit provisions for the Plan are established by the City Commission and may be amended by the City Commission. Employees retiring before age fifty-five may remain in the City's plan and pay all premium costs. Employees who retire between the ages of fifty-five and fifty-eight and continue health coverage will become eligible for employer subsidized premiums at age fifty-eight. Employees retiring on or after attaining age fifty-eight with at least fifteen years of service remain in the plan with all employee premiums paid by the City up to a maximum of \$400 per month; if the cost to the City for health insurance coverage on the retired employee exceeds \$400 per month, the retiree will bear the cost over and above \$400; this \$400 per month stipend is no longer available to employees who were hired on or after October 1, 2008. This explicit City subsidy is available only for retiree coverage and is not available in whole or in part as an explicit subsidy for spouse or dependent coverage. A voluntary early retirement incentive program (VERIP) was implemented in 2014, allowing for retirees to retire as early as age 50 with 27 years of service, with varying amounts of service required from ages 51-57. The VERIP pays the maximum subsidy of \$400 per month. The City has implemented a \$400 per month subsidy cap in instances where the retiree is eligible to receive a subsidy. In instances where the premium exceeds the monthly cap, the excess premium becomes the responsibility of the retiree. In July 2018, the City began to offer a \$400 per month stipend as a cash benefit to retirees eligible for such who no longer remain in the City's health insurance plan. The plan does not issue a publicly available financial report. The OPEB payable from the governmental funds are typically liquidated in the General Fund.

**B. Funding Policy**

Currently, the City's OPEB benefits are unfunded. That is, there is no separate Trust Fund or equivalent arrangement into which the City would make contributions to advance-fund the obligation. Therefore, the ultimate subsidies which are provided over time are financed directly by general assets of the City. For the fiscal year ended September 30, 2020, retiree contributions for amounts not covered by the \$400 per month described in "Plan Description" above totaled \$326,912.



**CITY OF LEESBURG, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

**C. Employees Covered by Benefit Terms**

At September 30, 2019, the following employees were covered by the benefit terms:

|   |                   |
|---|-------------------|
| Inactive Plan Members or Beneficiaries Currently Receiving Benefits | 110               |
| Active Plan Members   | <u>409</u>        |
| <b>Total</b>  | <u><u>519</u></u> |

**D. Total OPEB Liability**

The City's total OPEB liability of \$23,704,230 was measured as of September 30, 2019, and was determined by an actuarial valuation as of September 30, 2019.

**E. Significant Actuarial Assumptions and Other Inputs**

The total OPEB liability was determined by an actuarial valuation as of September 30, 2019, using the following actuarial assumptions:

|                                |                   |
|--------------------------------|-------------------|
| Inflation Rate                 | 2.50%             |
| Salary Increase Rate(s)        | Varies by Service |
| Discount Rate                  | 3.58%             |
| Initial Healthcare Trend Rate  | 7.50%             |
| Ultimate Healthcare Trend Rate | 4.00%             |
| Years to Ultimate              | 55                |

Mortality - All mortality rates based on the RP-2000 mortality tables.

Active Lives - For female lives, 100% of the Combined Healthy White-Collar table was used. For male (non-special risk) lives, a 50% Combined Healthy White-Collar table, 50% Healthy Blue-Collar table blend was used. For male special risk lives, a 10% Combined Healthy White-Collar table, 90% Combined Healthy Blue-Collar table blend was used. All tables include fully generational adjustments for mortality improvements using improvement scale BB.

Inactive Healthy Lives - For female lives, 100% of the Annuitant White-Collar table was used. For male (non-special risk) lives, a 50% Annuitant White-Collar table, 50% Annuitant Blue-Collar table blend was used. For male special risk lives, a 10% Annuitant White-Collar table, 90% Annuitant Blue-Collar table blend was used. All tables include fully generational adjustments for mortality improvements using improvement scale BB.

Disabled Lives - For female (non-special risk) lives, 100% of the Disabled Female table was used, set forward two years. For female special risk lives, a 60% Disabled Female table, 40% Annuitant White-Collar table with no setback blend was used. For male (non-special risk) lives, 100% of the Disabled Male table was used, set back four years. For male special risk lives, a 60% Disabled Male table, 40% Annuitant White-Collar table with no setback blend was used. Disabled mortality has not been adjusted for mortality improvements.

**CITY OF LEESBURG, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

Discount Rate - Given the City's decision not to fund the OPEB plan, all future benefit payments were discounted using a high-quality municipal bond rate of 3.58%. The high-quality municipal bond rate was based on the measurement date of the S&P Municipal Bond 20 Year High Grade Rate Index as published by the S&P Dow Jones Indices. The S&P Municipal 20 Year High Grade Rate Index consists of bonds in the S&P Municipal Bond Index with a maturity of 20 years. Eligible bonds must be rated at least AA by Standard & Poor's Ratings Services, Aa2 by Moody's or AA by Fitch. If there are multiple ratings, the lowest rating is used.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment and termination, mortality, and the healthcare cost trends.

Projection of benefits for financial reporting purposes are based on the substantive plan provisions, as understood by the employer and participating members, and include the type of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and participating members. The actuarial methods and assumptions used include techniques that are designed to reduce the effect of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

**E. Changes in Total OPEB Liability**

|  | Total OPEB<br>Liability     |
|--|-----------------------------|
| Balance at September 30, 2019                      | \$ 29,343,547               |
| Changes for the Fiscal Year:                       |                             |
| Service Cost                                       | 632,158                     |
| Interest on the Total OPEB Liability               | 1,227,491                   |
| Differences Between Expected and Actual Experience | (584,258)                   |
| Changes of Assumptions                             | (5,682,261)                 |
| Benefit Payments                                   | <u>(1,232,447)</u>          |
| Net Changes  | <u>(5,639,317)</u>          |
| Balance at September 30, 2020                      | <u><u>\$ 23,704,230</u></u> |

Differences Between Expected and Actual Experience reflects the impact of changes to the census data from the prior valuation to the valuation as of September 30, 2019.

Changes in assumptions reflect a change in the discount rate from 4.18% for the fiscal year ended September 30, 2019, to 3.58% for the reporting period ended September 30, 2020. Also reflected as assumption changes are updated health care costs and premiums and updated health care cost trend rates.

**CITY OF LEESBURG, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

**E. Sensitivity of the Total OPEB Liability to Changes in the Discount Rate**

|                      | 1%<br>Decrease<br>2.58% | Current<br>Discount Rate<br>3.58% | 1%<br>Increase<br>4.58% |
|----------------------|-------------------------|-----------------------------------|-------------------------|
| Total OPEB Liability | \$ 26,674,941           | \$ 23,704,230                     | \$ 21,241,062           |

**F. Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates**

|                      | 1%<br>Decrease<br>3.00% - 6.50% | Healthcare Costs<br>Trend Rates<br>4.00% - 7.50% | 1%<br>Increase<br>5.00% - 8.50% |
|----------------------|---------------------------------|--|---------------------------------|
| Total OPEB Liability | \$ 22,228,180                   | \$ 23,704,230                                    | \$ 25,496,013                   |

**G. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources**

OPEB expense for the fiscal year ended September 30, 2020 was \$111,236. On September 30, 2020, the City reported Deferred Outflows of Resources and Deferred Inflows of Resources related to OPEB from the following sources:

|   | Deferred<br>Outflows of<br>Resources | Deferred<br>Inflows of<br>Resources |
|---|--------------------------------------|-------------------------------------|
| Differences Between Expected and Actual Experience        | \$ -                                 | \$ 486,882                          |
| Changes of Assumptions                                    | -                                    | 7,898,514                           |
| Employer Contributions Subsequent to the Measurement Date | 1,062,912                            | -                                   |
| <b>Total</b>  | <b>\$ 1,062,912</b>                  | <b>\$ 8,385,396</b>                 |

**H. Deferred Outflows/Inflows of Resources Schedule for Future Years**

\$1,062,912 reported as deferred outflows of resources related to OPEB resulting from benefit payments made subsequent to the measurement date will be recognized as a decrease of the total OPEB liability in fiscal year 2021. Other amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

| Year Ended September 30: |                |
|--------------------------|----------------|
| 2021                     | \$ (1,755,412) |
| 2022                     | (1,755,412)    |
| 2023                     | (1,755,412)    |
| 2024                     | (1,755,412)    |
| 2025                     | (1,363,748)    |

**CITY OF LEESBURG, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

**NOTE 15 - SELF-INSURANCE FUND**

**A. Employee Health Insurance Fund**

The City maintains a self-insurance program for the payment of employee health and medical claims. The program provides for the payment of City and employee contributions into a self-insurance fund, which is managed by the City. Individual claims up to \$165,000 per claimant are paid from the assets of the self-insurance fund. Individual claims above \$165,000 are paid by the reinsurance up to an unlimited lifetime maximum. This coverage includes all amount for claims, regardless of the condition or disease, for this claimant during the policy period. In addition, the total of all claims (less reimbursements for the specific claims) are paid after the aggregate excess attachment point has been reached. Claims above this amount are reimbursed up to \$1,000,000 per fiscal year by the reinsurance policy purchased by the City. The City employs a third party claims administrator to manage claims. Each year, an actuarial analysis of the Health Insurance Fund is conducted in order to assure the financial soundness of the fund.

**B. Workers' Compensation Insurance Fund**

The City maintains a self-insurance program for the payment of employee workers' compensation claims. The program provides for City contributions into a self-insurance fund which is managed by the City. Employee claims up to \$500,000 per occurrence are paid from the assets of the self-insurance fund with amounts in excess of \$500,000 per occurrence being paid from a reinsurance policy purchased by the City. The City employs a third party claims administrator to manage claims. Each year, an actuarial analysis of the Workers' Compensation Insurance Fund is conducted in order to assure the financial soundness of the fund.

Changes in claims liabilities for the last two years follow:

|                                      | <u>Balance<br/>October 1,<br/>2019</u> | <u>Current Year<br/>Claims and<br/>Changes in<br/>Estimates</u> | <u>(Claims<br/>Paid)</u> | <u>Balance<br/>September 30,<br/>2020</u> |
|--------------------------------------|--|---|--------------------------|---|
| Employee Health Insurance Fund       | \$ 313,021                             | \$ 4,672,209  | \$ (4,567,288)           | \$ 417,942                                |
| Workers' Compensation Insurance Fund | 1,616,324                              | 342,863   | (290,126)                | 1,669,061                                 |
|                                      | <u>\$ 1,929,345</u>                    | <u>\$ 5,015,072</u>   | <u>\$ (4,857,414)</u>    | <u>\$ 2,087,003</u>                       |

|                                      | <u>Balance<br/>October 1,<br/>2018</u> | <u>Current Year<br/>Claims and<br/>Changes in<br/>Estimates</u> | <u>(Claims<br/>Paid)</u> | <u>Balance<br/>September 30,<br/>2019</u> |
|--------------------------------------|--|---|--------------------------|---|
| Employee Health Insurance Fund       | \$ 295,544                             | \$ 4,877,595  | \$ (4,860,118)           | \$ 313,021                                |
| Workers' Compensation Insurance Fund | 1,512,449                              | 408,037   | (304,162)                | 1,616,324                                 |
|                                      | <u>\$ 1,807,993</u>                    | <u>\$ 5,285,632</u>   | <u>\$ (5,164,280)</u>    | <u>\$ 1,929,345</u>                       |

Claim liabilities are calculated based on actuarial valuations, which include consideration of non-incremental claims adjustment expenses. Management estimates that \$373,274 of Workers' Compensation and \$417,942 of Employee Health Insurance claim liabilities are payable within one year. The amount of settlements have not exceeded insurance coverage in each of the past three fiscal years.

**CITY OF LEESBURG, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

**NOTE 16 – CONTINGENCIES AND COMMITMENTS**

The City participates in a number of state and federal grant programs. These programs are subject to program compliance audits by the grantors or their representatives. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined, although the City expects such amounts, if any, to be immaterial.

The City is defending several claims and judgments arising from the normal course of business. The City expects to prevail in these matters; however, the final outcomes have not yet been determined.

**NOTE 17 – ENCUMBRANCES**

The City has outstanding encumbrances on various contracts for construction and other projects. These encumbrances, as of September 30, 2020, in the respective funds are as follows:

|                                      |           |                         |
|--------------------------------------|-----------|-------------------------|
| General Fund                         | \$        | 62,043                  |
| Community Redevelopment Agency Funds |           | 6,572                   |
| Capital Projects Fund                |           | 1,778,828               |
| Stormwater Utility Fund              |           | 22,348                  |
| Electric Utility Fund                |           | 1,560,174               |
| Gas Utility Fund                     |           | 5,813                   |
| Water Utility Fund                   |           | 357,840                 |
| Wastewater Utility Fund              |           | 4,255,716               |
| Airport Fund                         |           | 915,915                 |
| Non-Major Enterprise Funds           |           | 23,988                  |
| Internal Service Funds               |           | 409,603                 |
| <b>Total</b>                         | <b>\$</b> | <b><u>9,398,840</u></b> |

Long-term purchase contract obligations for the purchase of electric power are disclosed in Note 7. Long-term contracts are not included in the above outstanding encumbrance balances.

**NOTE 18 – RISK MANAGEMENT**

The City’s self-insurance programs are accounted for in separate nonmajor internal service funds. Additionally, the City maintains insurance coverages for the following exposures:

- General and Automotive Liability
- Property Damage, including Inland Marine and Auto Physical Damage insurance
- Crime
- Law Enforcement Liability
- Public Officials and Employment Practices Liability
- Pollution Liability
- Excess Workers’ Compensation Insurance
- Excess Health Insurance
- Unemployment Compensation
- Federal Flood Insurance
- Basic Life Insurance
- Airport Liability
- Marina Liability

**CITY OF LEESBURG, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

Exposures are limited by insurance coverage as noted. Settled general and automotive liability and workers' compensation claims have not exceeded the self-insured statutory limits in any of the past five years.

**NOTE 19 – TAX ABATEMENTS**

The City enters into property tax abatement agreements with local businesses under Article VII, Section 3(c) of the Florida Constitution and City Ordinance 12-42, which were approved by City voters on November 6, 2012, for the purpose of encouraging economic development and establishing new jobs in the City. City ad valorem taxes are abated for businesses that meet certain hiring, sales and/or productive output increases and file for such exemption with the Lake County Property Appraiser. The temporary exemption applies to new buildings and new equipment built or purchased by a qualifying business after the application for exemption is filed of up to 100% of ad valorem taxes on the new buildings and equipment for up to ten years; each exemption is granted on a case-by-case basis. A business which does not achieve the performance requirements specified in the individual authorizing ordinance could have the ad valorem tax exemption revoked in whole or in part. The City has elected to disclose all tax abatement agreements.

Currently, the City has an agreement with Coreslab to abate ad valorem property taxes on new buildings and equipment recently constructed and installed from tax years 2019-2021 (fiscal years 2019-2021). The amount of the abatement under the agreement was \$27,541 in fiscal year 2020, and estimated to be \$27,460 in fiscal year 2021. The City also sold additional property to Coreslab, and will have no tax abatements in relation to new buildings and equipment placed on the additional property until the property is developed.



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## **REQUIRED SUPPLEMENTARY INFORMATION**

The following supplementary schedules present the major fund budgetary comparison schedules; trend information regarding the retirement plans for the City's General Employees, Municipal Police and Municipal Firemen; and trend information regarding other postemployment benefits. This information is necessary for a fair presentation in conformity with generally accepted accounting principles.





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**CITY OF LEESBURG, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

|  | <u>Budgeted Amounts</u> |                     | <u>Actual</u><br><u>Amounts</u> | <u>Variance With</u><br><u>Final Budget</u><br><u>Positive</u><br><u>(Negative)</u> |
|--|-------------------------|---------------------|---------------------------------|---|
|  | <u>Original</u>         | <u>Final</u>        |                                 |   |
| <b>Revenues</b>  |                         |                     |                                 |   |
| Taxes  | \$ 10,115,363           | \$ 10,115,363       | \$ 10,104,335                   | \$ (11,028)   |
| Licenses, Permits, and Assessments                                   | 1,527,500               | 1,527,500           | 1,634,859                       | 107,359   |
| Intergovernmental  | 2,877,272               | 2,983,715           | 2,982,821                       | (894)   |
| Charges for Services   | 803,494                 | 803,494             | 885,765                         | 82,271  |
| Fines and Forfeitures  | 208,700                 | 208,700             | 146,227                         | (62,473)  |
| Miscellaneous:   |                         |                     |                                 |   |
| Interest   | 210,000                 | 210,000             | 271,683                         | 61,683  |
| Rental   | 623,150                 | 623,150             | 589,593                         | (33,557)  |
| Other  | 77,282                  | 78,932              | 167,194                         | 88,262  |
| <b>Total Revenues</b>  | <u>16,442,761</u>       | <u>16,550,854</u>   | <u>16,782,477</u>               | <u>231,623</u>  |
| <b>Expenditures</b>  |                         |                     |                                 |   |
| Current:   |                         |                     |                                 |   |
| General Government   | 3,714,884               | 3,947,226           | 3,678,770                       | 268,456   |
| Public Safety  | 15,764,933              | 15,852,459          | 15,230,727                      | 621,732   |
| Physical Environment   | 114,330                 | 114,330             | 99,049                          | 15,281  |
| Transportation   | 1,336,107               | 1,344,165           | 1,292,655                       | 51,510  |
| Economic Environment   | 167,404                 | 272,419             | 258,409                         | 14,010  |
| Human Services   | 399,673                 | 1,231,278           | 303,807                         | 927,471   |
| Culture and Recreation   | 3,648,064               | 3,649,664           | 3,380,029                       | 269,635   |
| Principal Payments   | -                       | 67,839              | 71,150                          | (3,311)   |
| Interest and Fees  | -                       | 22,278              | 18,965                          | 3,313   |
| Capital Outlay   | 362,529                 | 392,118             | 339,614                         | 52,504  |
| <b>Total Expenditures</b>  | <u>25,507,924</u>       | <u>26,893,776</u>   | <u>24,673,175</u>               | <u>2,220,601</u>  |
| <b>Excess (Deficiency) of Revenues Over<br/>(Under) Expenditures</b> | <u>(9,065,163)</u>      | <u>(10,342,922)</u> | <u>(7,890,698)</u>              | <u>2,452,224</u>  |
| <b>Other Financing Sources (Uses)</b>                                |                         |                     |                                 |   |
| Sale of Capital Assets   | -                       | -                   | 42,923                          | 42,923  |
| Transfers from Other Funds   | 10,600,362              | 11,272,567          | 10,593,887                      | (678,680)   |
| Transfers to Other Funds   | (5,035,199)             | (5,561,199)         | (5,561,199)                     | -   |
| Fund Balance Appropriated  | 3,500,000               | 4,631,554           | -                               | (4,631,554)   |
| <b>Total Other Financing Sources (Uses)</b>                          | <u>9,065,163</u>        | <u>10,342,922</u>   | <u>5,075,611</u>                | <u>(5,267,311)</u>  |
| <b>Net Change in Fund Balance</b>                                    | -                       | -                   | (2,815,087)                     | (2,815,087)   |
| <b>Fund Balance, Beginning of Year</b>                               | -                       | -                   | 15,720,135                      | 15,720,135  |
| <b>Fund Balance, End of Year</b>                                     | <u>\$ -</u>             | <u>\$ -</u>         | <u>\$ 12,905,048</u>            | <u>\$ 12,905,048</u>  |

This schedule is prepared on the basis of Generally Accepted Accounting Principles.



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**CITY OF LEESBURG, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**COMMUNITY REDEVELOPMENT AGENCY FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

|  | <u>Budgeted Amounts</u> |                  | <u>Actual<br/>Amounts</u> | <u>Variance With<br/>Final Budget<br/>Positive<br/>(Negative)</u> |
|--|-------------------------|------------------|---------------------------|---|
|  | <u>Original</u>         | <u>Final</u>     |                           |   |
| <b>Revenues</b>  |                         |                  |                           |   |
| Taxes  | \$ 1,548,187            | \$ 1,548,187     | \$ 1,522,700              | \$ (25,487)   |
| Miscellaneous:   |                         |                  |                           |   |
| Interest   | 18,000                  | 18,000           | 47,507                    | 29,507  |
| Rental   | -                       | -                | 1,830                     | 1,830   |
| <b>Total Revenues</b>  | <u>1,566,187</u>        | <u>1,566,187</u> | <u>1,572,037</u>          | <u>5,850</u>  |
| <b>Expenditures</b>  |                         |                  |                           |   |
| Current:   |                         |                  |                           |   |
| Economic Environment   | 830,113                 | 924,004          | 463,338                   | 460,666   |
| Debt Service:  |                         |                  |                           |   |
| Principal Payments   | 343,983                 | 343,983          | 276,000                   | 67,983  |
| Interest and Fees  | 297,794                 | 297,794          | 343,543                   | (45,749)  |
| Capital Outlay   | 30,000                  | 113,063          | 105,504                   | 7,559   |
| <b>Total Expenditures</b>  | <u>1,501,890</u>        | <u>1,678,844</u> | <u>1,188,385</u>          | <u>490,459</u>  |
| <b>Excess (Deficiency) of Revenues Over<br/>(Under) Expenditures</b> | <u>64,297</u>           | <u>(112,657)</u> | <u>383,652</u>            | <u>496,309</u>  |
| <b>Other Financing Sources (Uses)</b>                                |                         |                  |                           |   |
| Transfers from Other Funds   | -                       | 78,120           | 78,120                    | -   |
| Transfers to Other Funds   | -                       | (141,958)        | (141,958)                 | -   |
| Fund Balance Appropriated  | (64,297)                | 176,495          | -                         | (176,495)   |
| <b>Total Other Financing Sources (Uses)</b>                          | <u>(64,297)</u>         | <u>112,657</u>   | <u>(63,838)</u>           | <u>(176,495)</u>  |
| <b>Net Change in Fund Balance</b>                                    | -                       | -                | 319,814                   | 319,814   |
| <b>Fund Balance, Beginning of Year</b>                               | -                       | -                | 940,122                   | 940,122   |
| <b>Fund Balance, End of Year</b>                                     | <u>\$ -</u>             | <u>\$ -</u>      | <u>\$ 1,259,936</u>       | <u>\$ 1,259,936</u>   |

This schedule is prepared on the basis of Generally Accepted Accounting Principles.

**CITY OF LEESBURG, FLORIDA  
GENERAL EMPLOYEES' PENSION PLAN  
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS  
LAST EIGHT FISCAL YEARS**

|   | 2013                 | 2014                 | 2015                 | 2016                 | 2017                 |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|
| <b>Total Pension Liability</b>  |                      |                      |                      |                      |                      |
| Service Cost  | \$ 194,388           | \$ 208,967           | \$ 152,878           | \$ 141,911           | \$ 122,811           |
| Interest  | 2,883,831            | 2,926,654            | 2,944,455            | 2,831,625            | 2,976,831            |
| Differences Between Expected and Actual Experience                                | -                    | -                    | (1,744,070)          | (22,731)             | (367,628)            |
| Changes of Assumptions  | -                    | -                    | -                    | 1,913,430            | -                    |
| Benefit payments, Including Refunds of Member Contributions                       | (2,352,214)          | (2,691,425)          | (2,992,933)          | (2,700,483)          | (2,584,858)          |
| <b>Net Change in Total Pension Liability</b>                                      | 726,005              | 444,196              | (1,639,670)          | 2,163,752            | 147,156              |
| <b>Total Pension Liability - Beginning</b>  | 39,432,794           | 40,158,799           | 40,602,995           | 38,963,325           | 41,127,077           |
| <b>Total Pension Liability - Ending (a)</b>                                       | <u>\$ 40,158,799</u> | <u>\$ 40,602,995</u> | <u>\$ 38,963,325</u> | <u>\$ 41,127,077</u> | <u>\$ 41,274,233</u> |
| <b>Plan Fiduciary Net Position</b>  |                      |                      |                      |                      |                      |
| Contributions - Employer  | \$ 1,250,669         | \$ 1,456,725         | \$ 1,435,084         | \$ 1,166,446         | \$ 1,010,847         |
| Net Investment Income   | 3,036,199            | 3,281,074            | 502,864              | 2,751,242            | 3,840,395            |
| Benefit Payments, Including Refunds of Member Contributions                       | (2,352,214)          | (2,691,425)          | (2,992,933)          | (2,700,483)          | (2,584,858)          |
| Administrative Expense  | (63,599)             | (81,087)             | (73,823)             | (70,197)             | (74,124)             |
| <b>Net Change in Plan Fiduciary Net Position</b>                                  | 1,871,055            | 1,965,287            | (1,128,808)          | 1,147,008            | 2,192,260            |
| <b>Plan Fiduciary Net Position - Beginning</b>                                    | 31,112,567           | 32,983,622           | 34,948,909           | 33,820,101           | 34,967,109           |
| <b>Plan Fiduciary Net Position - Ending (b)</b>                                   | <u>\$ 32,983,622</u> | <u>\$ 34,948,909</u> | <u>\$ 33,820,101</u> | <u>\$ 34,967,109</u> | <u>\$ 37,159,369</u> |
| <b>City's Net Pension Liability - Ending (a) - (b)</b>                            | <u>\$ 7,175,177</u>  | <u>\$ 5,654,086</u>  | <u>\$ 5,143,224</u>  | <u>\$ 6,159,968</u>  | <u>\$ 4,114,864</u>  |
| <b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b> | 82.13%               | 86.07%               | 86.80%               | 85.02%               | 90.03%               |
| <b>Covered Payroll</b>  | N/A                  | N/A                  | \$ 11,184,611        | \$ 10,350,154        | \$ 9,771,298         |
| <b>City's Net Pension Liability as a Percentage of the Covered Payroll</b>        | N/A                  | N/A                  | 45.98%               | 59.52%               | 42.11%               |

**Notes to Schedule:**

Changes of assumptions:

For measurement date 09/30/2020, as mandated by Chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed to the rates used in the July 1, 2019 actuarial valuation for non-special-risk lives, with appropriate risk and collar adjustments made based on plan demographics.

For measurement date 09/30/2019, amounts reported as changes of assumptions resulted from lowering the investment rate of return from 7.45% to 7.25%, net of investment related expenses.

**NOTE:** This schedule is intended to show information for ten years; however, data was unavailable prior to 2013. Additional years' information will be presented as they become available.

**CITY OF LEESBURG, FLORIDA  
GENERAL EMPLOYEES' PENSION PLAN  
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS  
LAST EIGHT FISCAL YEARS**

|   | 2018                 | 2019                 | 2020                 |
|---|----------------------|----------------------|----------------------|
| <b>Total Pension Liability</b>  |                      |                      |                      |
| Service Cost  | \$ 112,163           | \$ 94,887            | \$ 90,827            |
| Interest  | 2,983,558            | 3,009,995            | 2,997,173            |
| Differences Between Expected and<br>Actual Experience                                 | (40,907)             | (295,102)            | (818,934)            |
| Changes of Assumptions  | -                    | 832,857              | (722,065)            |
| Benefit payments, Including Refunds of<br>Member Contributions                        | (2,677,281)          | (2,688,066)          | (2,713,707)          |
| <b>Net Change in Total Pension Liability</b>  | 377,533              | 954,571              | (1,166,706)          |
| <b>Total Pension Liability - Beginning</b>  | 41,274,233           | 41,651,766           | 42,606,337           |
| <b>Total Pension Liability - Ending (a)</b>   | <u>\$ 41,651,766</u> | <u>\$ 42,606,337</u> | <u>\$ 41,439,631</u> |
| <b>Plan Fiduciary Net Position</b>  |                      |                      |                      |
| Contributions - Employer  | \$ 1,090,938         | \$ 1,065,288         | \$ 1,028,808         |
| Net Investment Income   | 3,480,669            | 1,030,679            | 1,479,649            |
| Benefit Payments, Including Refunds of<br>Member Contributions                        | (2,677,281)          | (2,688,066)          | (2,713,707)          |
| Administrative Expense  | (85,994)             | (78,157)             | (79,702)             |
| <b>Net Change in Plan Fiduciary Net Position</b>                                      | 1,808,332            | (670,256)            | (284,952)            |
| <b>Plan Fiduciary Net Position - Beginning</b>  | 37,159,369           | 38,967,701           | 38,297,445           |
| <b>Plan Fiduciary Net Position - Ending (b)</b>                                       | <u>\$ 38,967,701</u> | <u>\$ 38,297,445</u> | <u>\$ 38,012,493</u> |
| <b>City's Net Pension Liability - Ending (a) - (b)</b>                                | <u>\$ 2,684,065</u>  | <u>\$ 4,308,892</u>  | <u>\$ 3,427,138</u>  |
| <b>Plan Fiduciary Net Position as a Percentage of the Total<br/>Pension Liability</b> | 93.56%               | 89.89%               | 91.73%               |
| <b>Covered Payroll</b>  | \$ 9,804,536         | \$ 9,150,481         | \$ 8,605,507         |
| <b>City's Net Pension Liability as a Percentage of the Covered<br/>Payroll</b>        | 27.38%               | 47.09%               | 39.82%               |

**CITY OF LEESBURG, FLORIDA**  
**MUNICIPAL POLICE OFFICERS' PENSION PLAN**  
**SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS**  
**LAST EIGHT FISCAL YEARS**

|   | 2013                 | 2014                 | 2015                 | 2016                 | 2017                 |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|
| <b>Total Pension Liability</b>  |                      |                      |                      |                      |                      |
| Service cost  | \$ 568,199           | \$ 612,234           | \$ 583,726           | \$ 531,469           | \$ 535,415           |
| Interest  | 1,219,007            | 1,299,397            | 1,401,184            | 1,386,584            | 1,517,690            |
| Changes of Benefit Terms  | -                    | -                    | 390,863              | -                    | -                    |
| Differences Between Expected and Actual Experience                                | -                    | -                    | (1,091,580)          | 615,885              | 1,644,031            |
| Changes of Assumptions  | -                    | -                    | -                    | 370,217              | -                    |
| Benefit Payments, Including Refunds of Member Contributions                       | (765,084)            | (822,819)            | (1,098,375)          | (960,560)            | (960,266)            |
| <b>Net Change in Total Pension Liability</b>                                      | <b>1,022,122</b>     | <b>1,088,812</b>     | <b>185,818</b>       | <b>1,943,595</b>     | <b>2,736,870</b>     |
| <b>Total Pension Liability - Beginning</b>  | <b>15,543,462</b>    | <b>16,565,584</b>    | <b>17,654,396</b>    | <b>17,840,214</b>    | <b>19,783,809</b>    |
| <b>Total Pension Liability - Ending (a)</b>                                       | <b>\$ 16,565,584</b> | <b>\$ 17,654,396</b> | <b>\$ 17,840,214</b> | <b>\$ 19,783,809</b> | <b>\$ 22,520,679</b> |
| <b>Plan Fiduciary Net Position</b>  |                      |                      |                      |                      |                      |
| Contributions - Employer  | \$ 406,147           | \$ 371,964           | \$ 248,486           | \$ 255,920           | \$ 335,142           |
| Contributions - State   | 155,997              | 160,225              | 168,105              | 183,761              | 182,473              |
| Contributions - Employee  | 276,198              | 258,985              | 250,545              | 277,064              | 298,174              |
| Net Investment Income   | 1,685,318            | 1,868,068            | (211,259)            | 1,042,752            | 2,068,871            |
| Benefit Payments, Including Refunds of Member Contributions                       | (765,084)            | (822,819)            | (1,098,375)          | (960,560)            | (960,266)            |
| Administrative Expense  | (31,140)             | (43,005)             | (46,291)             | (50,968)             | (49,199)             |
| <b>Net Change in Plan Fiduciary Net Position</b>                                  | <b>1,727,436</b>     | <b>1,793,418</b>     | <b>(688,789)</b>     | <b>747,969</b>       | <b>1,875,195</b>     |
| <b>Plan Fiduciary Net Position - Beginning</b>                                    | <b>14,260,248</b>    | <b>15,987,684</b>    | <b>17,781,102</b>    | <b>17,092,313</b>    | <b>17,840,282</b>    |
| <b>Plan Fiduciary Net Position - Ending (b)</b>                                   | <b>\$ 15,987,684</b> | <b>\$ 17,781,102</b> | <b>\$ 17,092,313</b> | <b>\$ 17,840,282</b> | <b>\$ 19,715,477</b> |
| <b>City's Net Pension Liability - Ending (a) - (b)</b>                            | <b>\$ 577,900</b>    | <b>\$ (126,706)</b>  | <b>\$ 747,901</b>    | <b>\$ 1,943,527</b>  | <b>\$ 2,805,202</b>  |
| <b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b> | 96.51%               | 100.72%              | 95.81%               | 90.18%               | 87.54%               |
| <b>Covered Payroll *</b>  | \$ 3,610,429         | \$ 3,385,424         | \$ 3,476,535         | \$ 3,621,754         | \$ 3,895,135         |
| <b>City's Net Pension Liability as a Percentage of the Covered Payroll</b>        | 16.01%               | (3.74)%              | 21.51%               | 53.66%               | 72.02%               |

**Notes to Schedule:**

Changes of assumptions:

For measurement date 09/30/2020, as mandated by Chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed to the rates used in the July 1, 2019 actuarial valuation for special risk lives, with appropriate risk and collar adjustments made based on plan demographics.

For measurement date 09/30/2019, amounts reported as changes of assumptions resulted from lowering the investment return from 7.65% to 7.40%, net of investment related expenses.

**NOTE:** This schedule is intended to show information for ten years; however, data was unavailable prior to 2013. Additional years' information will be presented as they become available.

**CITY OF LEESBURG, FLORIDA  
MUNICIPAL POLICE OFFICERS' PENSION PLAN  
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS  
LAST EIGHT FISCAL YEARS**

|   | 2018                 | 2019                 | 2020                 |
|---|----------------------|----------------------|----------------------|
| <b>Total Pension Liability</b>  |                      |                      |                      |
| Service cost  | \$ 562,191           | \$ 585,643           | \$ 664,416           |
| Interest  | 1,723,065            | 1,834,860            | 1,893,071            |
| Changes of Benefit Terms  | -                    | -                    | -                    |
| Differences Between Expected and<br>Actual Experience                                 | 367,350              | (434,190)            | (1,008,318)          |
| Changes of Assumptions  | -                    | 687,014              | 571,135              |
| Benefit Payments, Including Refunds of<br>Member Contributions                        | (1,118,288)          | (1,311,084)          | (999,239)            |
| <b>Net Change in Total Pension Liability</b>  | <b>1,534,318</b>     | <b>1,362,243</b>     | <b>1,121,065</b>     |
| <b>Total Pension Liability - Beginning</b>  | <b>22,520,679</b>    | <b>24,054,997</b>    | <b>25,417,240</b>    |
| <b>Total Pension Liability - Ending (a)</b>   | <b>\$ 24,054,997</b> | <b>\$ 25,417,240</b> | <b>\$ 26,538,305</b> |
| <b>Plan Fiduciary Net Position</b>  |                      |                      |                      |
| Contributions - Employer  | \$ 526,010           | \$ 626,706           | \$ 542,982           |
| Contributions - State   | 199,426              | 213,641              | 227,475              |
| Contributions - Employee  | 303,473              | 328,464              | 314,179              |
| Net Investment Income   | 1,687,710            | 1,193,339            | 2,022,845            |
| Benefit Payments, Including Refunds of<br>Member Contributions                        | (1,118,288)          | (1,311,084)          | (999,239)            |
| Administrative Expense  | (55,301)             | (45,160)             | (59,279)             |
| <b>Net Change in Plan Fiduciary Net Position</b>                                      | <b>1,543,030</b>     | <b>1,005,906</b>     | <b>2,048,963</b>     |
| <b>Plan Fiduciary Net Position - Beginning</b>  | <b>19,715,477</b>    | <b>21,258,507</b>    | <b>22,264,413</b>    |
| <b>Plan Fiduciary Net Position - Ending (b)</b>                                       | <b>\$ 21,258,507</b> | <b>\$ 22,264,413</b> | <b>\$ 24,313,376</b> |
| <b>City's Net Pension Liability - Ending (a) - (b)</b>                                | <b>\$ 2,796,490</b>  | <b>\$ 3,152,827</b>  | <b>\$ 2,224,929</b>  |
| <b>Plan Fiduciary Net Position as a Percentage of the Total<br/>Pension Liability</b> | <b>88.37%</b>        | <b>87.60%</b>        | <b>91.62%</b>        |
| <b>Covered Payroll *</b>  | <b>\$ 3,969,532</b>  | <b>\$ 4,293,645</b>  | <b>\$ 4,106,916</b>  |
| <b>City's Net Pension Liability as a Percentage of the Covered<br/>Payroll</b>        | <b>70.45%</b>        | <b>73.43%</b>        | <b>54.18%</b>        |



**CITY OF LEESBURG, FLORIDA**  
**MUNICIPAL FIREMEN'S PENSION PLAN**  
**SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS**  
**LAST EIGHT FISCAL YEARS**

|   | 2013                 | 2014                 | 2015                 | 2016                 | 2017                 |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|
| <b>Total Pension Liability</b>  |                      |                      |                      |                      |                      |
| Service Cost  | \$ 504,910           | \$ 542,778           | \$ 512,330           | \$ 409,225           | \$ 488,956           |
| Interest  | 1,339,445            | 1,419,978            | 1,483,143            | 1,509,178            | 1,594,814            |
| Share Plan Allocation   | -                    | 51,032               | 55,931               | 40,135               | 36,366               |
| Differences Between Expected and Actual Experience                                | -                    | -                    | (267,086)            | (428,003)            | 452,051              |
| Changes of Assumptions  | -                    | -                    | -                    | 725,327              | -                    |
| Contributions - Buy Back  | -                    | -                    | -                    | -                    | 46,909               |
| Benefit Payments, Including Refunds of Member Contributions                       | (780,467)            | (836,424)            | (1,445,857)          | (1,222,312)          | (1,165,231)          |
| <b>Net Change in Total Pension Liability</b>                                      | <b>1,063,888</b>     | <b>1,177,364</b>     | <b>338,461</b>       | <b>1,033,550</b>     | <b>1,453,865</b>     |
| <b>Total Pension Liability - Beginning</b>  | <b>17,744,588</b>    | <b>18,808,476</b>    | <b>19,985,840</b>    | <b>20,324,301</b>    | <b>21,357,851</b>    |
| <b>Total Pension Liability - Ending (a)</b>                                       | <b>\$ 18,808,476</b> | <b>\$ 19,985,840</b> | <b>\$ 20,324,301</b> | <b>\$ 21,357,851</b> | <b>\$ 22,811,716</b> |
| <b>Plan Fiduciary Net Position</b>  |                      |                      |                      |                      |                      |
| Contributions - Employer  | \$ 827,920           | \$ 866,635           | \$ 609,819           | \$ 540,916           | \$ 639,746           |
| Contributions - State   | 156,635              | 161,481              | 166,380              | 150,584              | 146,815              |
| Contributions - Employee  | 187,674              | 190,151              | 178,693              | 163,470              | 169,905              |
| Contributions - Buy Back  | -                    | -                    | -                    | -                    | 46,909               |
| Net Investment Income   | 1,792,048            | 1,362,537            | (244,332)            | 1,636,931            | 1,728,242            |
| Benefit Payments, Including Refunds of Member Contributions                       | (780,467)            | (836,424)            | (1,445,857)          | (1,222,312)          | (1,165,231)          |
| Administrative Expense  | (34,748)             | (46,621)             | (50,322)             | (36,378)             | (44,712)             |
| <b>Net Change in Plan Fiduciary Net Position</b>                                  | <b>2,149,062</b>     | <b>1,697,759</b>     | <b>(785,619)</b>     | <b>1,233,211</b>     | <b>1,521,674</b>     |
| <b>Plan Fiduciary Net Position - Beginning</b>                                    | <b>13,180,704</b>    | <b>15,329,766</b>    | <b>17,027,525</b>    | <b>16,241,906</b>    | <b>17,475,117</b>    |
| <b>Plan Fiduciary Net Position - Ending (b)</b>                                   | <b>\$ 15,329,766</b> | <b>\$ 17,027,525</b> | <b>\$ 16,241,906</b> | <b>\$ 17,475,117</b> | <b>\$ 18,996,791</b> |
| <b>City's Net Pension Liability - Ending (a) - (b)</b>                            | <b>\$ 3,478,710</b>  | <b>\$ 2,958,315</b>  | <b>\$ 4,082,395</b>  | <b>\$ 3,882,734</b>  | <b>\$ 3,814,925</b>  |
| <b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b> | <b>81.50%</b>        | <b>85.20%</b>        | <b>79.91%</b>        | <b>81.82%</b>        | <b>83.28%</b>        |
| <b>Covered Payroll*</b>   | <b>\$ 2,887,291</b>  | <b>\$ 2,925,402</b>  | <b>\$ 2,901,491</b>  | <b>\$ 2,514,924</b>  | <b>\$ 2,613,920</b>  |
| <b>City's Net Pension Liability as a Percentage of the Covered Payroll</b>        | <b>120.48%</b>       | <b>101.13%</b>       | <b>140.70%</b>       | <b>154.39%</b>       | <b>145.95%</b>       |

**Notes to Schedule:**

\* The Covered Payroll amounts shown are in compliance with GASB 82, except for the 09/30/2015 measurement period.

Actuarially determined contributions are calculated based on the valuation as of the beginning of the fiscal year two years prior to the fiscal year in which contributions are due.

**NOTE:** This schedule is intended to show information for ten years; however, data was unavailable prior to 2013. Additional years' information will be presented as they become available.

**CITY OF LEESBURG, FLORIDA**  
**MUNICIPAL FIREMEN'S PENSION PLAN**  
**SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS**  
**LAST EIGHT FISCAL YEARS**

|   | 2018                 | 2019                 | 2020                 |
|---|----------------------|----------------------|----------------------|
| <b>Total Pension Liability</b>  |                      |                      |                      |
| Service Cost  | \$ 503,047           | \$ 508,217           | \$ 490,171           |
| Interest  | 1,702,512            | 1,777,194            | 1,825,455            |
| Share Plan Allocation   | -                    | -                    | -                    |
| Differences Between Expected and Actual Experience                                | 23,441               | 105,551              | (503,745)            |
| Changes of Assumptions  | -                    | -                    | -                    |
| Contributions - Buy Back  | 40,613               | 58,654               | 17,667               |
| Benefit Payments, Including Refunds of Member Contributions                       | (1,229,206)          | (1,268,317)          | (1,279,859)          |
| <b>Net Change in Total Pension Liability</b>                                      | <u>1,040,407</u>     | <u>1,181,299</u>     | <u>549,689</u>       |
| <b>Total Pension Liability - Beginning</b>  | <u>22,811,716</u>    | <u>23,852,123</u>    | <u>25,033,422</u>    |
| <b>Total Pension Liability - Ending (a)</b>                                       | <u>\$ 23,852,123</u> | <u>\$ 25,033,422</u> | <u>\$ 25,583,111</u> |
| <b>Plan Fiduciary Net Position</b>  |                      |                      |                      |
| Contributions - Employer  | \$ 694,423           | \$ 665,627           | \$ 760,104           |
| Contributions - State   | 141,149              | 144,627              | 152,264              |
| Contributions - Employee  | 169,310              | 166,141              | 177,275              |
| Contributions - Buy Back  | 40,613               | 58,655               | 17,667               |
| Net Investment Income   | 931,592              | 721,628              | 2,465,384            |
| Benefit Payments, Including Refunds of Member Contributions                       | (1,229,206)          | (1,268,317)          | (1,279,859)          |
| Administrative Expense  | (44,950)             | (46,936)             | (78,542)             |
| <b>Net Change in Plan Fiduciary Net Position</b>                                  | <u>702,931</u>       | <u>441,425</u>       | <u>2,214,293</u>     |
| <b>Plan Fiduciary Net Position - Beginning</b>                                    | <u>18,996,791</u>    | <u>19,699,722</u>    | <u>20,141,147</u>    |
| <b>Plan Fiduciary Net Position - Ending (b)</b>                                   | <u>\$ 19,699,722</u> | <u>\$ 20,141,147</u> | <u>\$ 22,355,440</u> |
| <b>City's Net Pension Liability - Ending (a) - (b)</b>                            | <u>\$ 4,152,401</u>  | <u>\$ 4,892,275</u>  | <u>\$ 3,227,671</u>  |
| <b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b> | 82.59%               | 80.46%               | 87.38%               |
| <b>Covered Payroll*</b>   | \$ 2,604,765         | \$ 2,556,006         | \$ 2,727,308         |
| <b>City's Net Pension Liability as a Percentage of the Covered Payroll</b>        | 159.42%              | 191.40%              | 118.35%              |

**CITY OF LEESBURG, FLORIDA  
GENERAL EMPLOYEES' PENSION PLAN  
SCHEDULE OF CONTRIBUTIONS  
LAST EIGHT FISCAL YEARS**

|   | 2013         | 2014         | 2015          | 2016          | 2017         |
|---|--------------|--------------|---------------|---------------|--------------|
| Actuarially Determined Contribution                                   | \$ 1,435,084 | \$ 1,456,725 | \$ 1,435,084  | \$ 1,166,446  | \$ 1,010,847 |
| Contributions in Relation To The Actuarially Determined Contributions | 1,435,084    | 1,456,725    | 1,435,084     | 1,166,446     | 1,010,847    |
| Contribution Deficiency (Excess)                                      | \$ -         | \$ -         | \$ -          | \$ -          | \$ -         |
| <b>Covered Payroll</b>  | N/A          | N/A          | \$ 11,184,611 | \$ 10,350,154 | \$ 9,771,298 |
| <b>Contributions as a Percentage Of Covered payroll</b>               | N/A          | N/A          | 12.83%        | 11.27%        | 10.35%       |

**Notes to Schedule**

Valuation Date: 10/1/2018

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

Methods and assumptions used to determine contribution rates:

|                   |   |
|-------------------|---|
| Funding method    | Entry Age Normal Method   |
| Mortality         | RP 2000 Generational: Female- 100% White Collar, Scale BB. Male- set back one year, 50% White Collar/50% Blue Collar, Scale BB. Disabled lives: Disabled Retirees, set forward three years. Female- 100% RP2000 Disabled Female set forward two years. Male- 100% RP2000 Disabled Male set back four years. |
| Termination Rates | See Table below.  |
| Disability Rates  | See Table below.  |

| Retirement Rates: | Age   | Rate Per Year |
|-------------------|-------|---------------|
|                   | 50-54 | 2%            |
|                   | 55-58 | 20%           |
|                   | 59-61 | 20%           |
|                   | 62    | 50%           |
|                   | 63-64 | 25%           |
|                   | 65    | 100%          |

|                           |  |
|---------------------------|--|
| Interest Rate             | 7.25% per year, compounded annually, net of investment related expenses.   |
| Salary Increases          | None (frozen plan)   |
| Payroll Increases         | None (frozen plan)   |
| Cost-of-Living Adjustment | 2.0% per year after 3 years (none for VT's)  |
| Actuarial Asset Method    | All assets are valued at market value with an adjustment to uniformly spread actuarial investment gains and losses (as measured by actual market value investment return against expected market value investment return) over a five-year period. Previously, the prior actuarial value of assets were brought forward utilizing the historical geometric 4-year average market value return. |

Other Information

| Termination and Disability Rate Table |                                     |  |
|---------------------------------------|-------------------------------------|--|
| Age                                   | % Terminating<br>During the<br>Year | % Becoming<br>Disabled<br>During the<br>Year |
| 20                                    | 25.0%                               | 0.05%  |
| 30                                    | 12.4%                               | 0.06%  |
| 40                                    | 9.5%                                | 0.12%  |
| 50                                    | 7.5%                                | 0.43%  |
| 60                                    | 5.5%                                | 1.61%  |

**NOTE:** This schedule is intended to show information for ten years; however, data was unavailable prior to 2013. Additional years' information will be presented as they become available.

**CITY OF LEESBURG, FLORIDA  
GENERAL EMPLOYEES' PENSION PLAN  
SCHEDULE OF CONTRIBUTIONS  
LAST EIGHT FISCAL YEARS**

|   | 2018                | 2019                | 2020                |
|---|---------------------|---------------------|---------------------|
| Actuarially Determined Contribution                                   | \$ 1,090,938        | \$ 1,065,288        | \$ 1,028,808        |
| Contributions in Relation To The Actuarially Determined Contributions | <u>1,090,938</u>    | <u>1,065,288</u>    | <u>1,028,808</u>    |
| Contribution Deficiency (Excess)                                      | <u>\$ -</u>         | <u>\$ -</u>         | <u>\$ -</u>         |
| <b>Covered Payroll</b>  | <b>\$ 9,804,536</b> | <b>\$ 9,150,481</b> | <b>\$ 8,605,507</b> |
| <b>Contributions as a Percentage Of Covered payroll</b>               | <b>11.13%</b>       | <b>11.64%</b>       | <b>11.96%</b>       |

**CITY OF LEESBURG, FLORIDA  
MUNICIPAL POLICE OFFICERS' PENSION PLAN  
SCHEDULE OF CONTRIBUTIONS  
LAST EIGHT FISCAL YEARS**

|   | 2013                | 2014                | 2015                | 2016                | 2017                |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|
| Actuarially Determined Contribution                                   | \$ 562,144          | \$ 532,189          | \$ 416,591          | \$ 439,681          | \$ 517,274          |
| Contributions In Relation To The Actuarially Determined Contributions | 562,144             | 532,189             | 416,591             | 439,681             | 517,615             |
| Contribution Deficiency (Excess)                                      | <u>\$ -</u>         | <u>\$ -</u>         | <u>\$ -</u>         | <u>\$ -</u>         | <u>\$ (341)</u>     |
| <b>Covered Payroll*</b>   | <b>\$ 3,610,429</b> | <b>\$ 3,385,424</b> | <b>\$ 3,476,535</b> | <b>\$ 3,621,754</b> | <b>\$ 3,895,135</b> |
| <b>Contributions as a Percentage of Covered Payroll</b>               | <b>15.57%</b>       | <b>15.72%</b>       | <b>11.98%</b>       | <b>12.14%</b>       | <b>13.29%</b>       |

\*The Covered Payroll numbers shown are in compliance with GASB 82, except for the 09/30/2015 measurement period which includes DROP payroll.

**Notes to Schedule**

Valuation Date: 10/1/2018

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

Methods and assumptions used to determine contribution rates:

|                           |  |
|---------------------------|--|
| Funding Method            | Frozen Entry Age Actuarial Cost Method   |
| Mortality                 | RP 2000 Generational: Female- 100% Combined Healthy White Collar, Scale BB. Male- 10% Combined Healthy White Collar/90% Combined Healthy Blue Collar, Scale BB. Disabled lives: RP 2000 Disabled: Female- 60% set forward two years/40% Annuitant White Collar with no setback, no projection scale. Male- 60% setback four years/40% Annuitant White Collar with no setback, no projection scale. |
| Interest Rate             | 7.00% per year compounded annually, net of investment related expenses.  |
| Retirement Age            | See Table below.   |
| Early Retirement          | Commencing at eligibility for early retirement members are assumed to retire with an immediate benefit at the rate of 2% per year if they have 25+ years of credited service (10% if less than 25 years of credited service).  |
| Disability Rates          | See Table on next page. It is assumed that 75% of disablements are service related.  |
| Termination Rates         | See Table on next page. (This applies after 10 years of service. The assumption is 9.0% for each of the first 10 years)  |
| Salary Increases          | See Table on next page. (Projected salary at retirement is increased individually to account for non-regular compensation)   |
| Cost-of-Living Adjustment | None   |
| Payroll growth assumption | 0% annually for amortizing UAAL  |
| Asset Valuation           | All assets are valued at market value with an adjustment to uniformly spread actuarial investment gains and losses (as measured by actual market value investment return against expected market value investment return) over a five-year period. Previously, the prior actuarial value of assets were brought forward utilizing the historical geometric 4-year average market value return.     |

| Retirement Age: | Age/Service       | Probability |
|-----------------|-------------------|-------------|
|                 | 25 Yrs of Service | 100%        |
|                 | < 25 Yrs, Age 55  | 75%         |
|                 | < 25 Yrs, Age 56  | 25%         |
|                 | < 25 Yrs, Age 57  | 25%         |
|                 | < 25 Yrs, Age 58  | 25%         |
|                 | < 25 Yrs, Age 59  | 25%         |
|                 | < 25 Yrs, Age 60  | 100%        |

This is based on the results of the September 13, 2016 experience study.

**NOTE:** This schedule is intended to show information for ten years; however, data was unavailable prior to 2013. Additional years' information will be presented as they become available.

**CITY OF LEESBURG, FLORIDA  
MUNICIPAL POLICE OFFICERS' PENSION PLAN  
SCHEDULE OF CONTRIBUTIONS  
LAST EIGHT FISCAL YEARS**

|   | 2018         | 2019         | 2020         |
|---|--------------|--------------|--------------|
| Actuarially Determined Contribution                                   | \$ 722,852   | \$ 843,272   | \$ 770,457   |
| Contributions In Relation To The Actuarially Determined Contributions | 725,436      | 840,347      | 770,457      |
| Contribution Deficiency (Excess)                                      | \$ (2,584)   | \$ 2,925     | \$ -         |
| <b>Covered Payroll*</b>   | \$ 3,969,532 | \$ 4,293,645 | \$ 4,106,916 |
| <b>Contributions as a Percentage of Covered Payroll</b>               | 18.28%       | 19.57%       | 18.76%       |

**Notes to Schedule (continued)**

Other Information

| Termination and Disability Rate Table |                                     |  |
|---------------------------------------|-------------------------------------|--|
| Age                                   | % Terminating<br>During the<br>Year | % Becoming<br>Disabled<br>During the<br>Year |
| 20                                    | 9.00%                               | 0.07%  |
| 30                                    | 7.50%                               | 0.11%  |
| 40                                    | 3.90%                               | 0.19%  |
| 50                                    | 1.20%                               | 0.51%  |

Salary Increases:

| Credited Service    | Assumed Rate  |
|---------------------|---------------|
| <5 Yrs of Service   | 7.0% per year |
| 5-14 Yrs of Service | 5.0% per year |
| 15+ Yrs of Service  | 4.5% per year |

Projected salary at retirement is increased individually to account for non-regular compensation. This is based on the results of the September 13, 2016 experience study.

**CITY OF LEESBURG, FLORIDA  
MUNICIPAL FIREMEN'S PENSION PLAN  
SCHEDULE OF CONTRIBUTIONS  
LAST EIGHT FISCAL YEARS**

|   | 2013                | 2014                | 2015                | 2016                | 2017                |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|
| Actuarially Determined Contribution                                   | \$ 938,370          | \$ 977,084          | \$ 720,269          | \$ 651,365          | \$ 750,195          |
| Contributions In Relation To The Actuarially Determined Contributions | 938,370             | 977,084             | 720,269             | 651,365             | 750,195             |
| Contribution Deficiency (Excess)                                      | \$ -                | \$ -                | \$ -                | \$ -                | \$ -                |
| <b>Covered Payroll*</b>   | <b>\$ 2,887,291</b> | <b>\$ 2,925,402</b> | <b>\$ 2,901,491</b> | <b>\$ 2,514,924</b> | <b>\$ 2,613,920</b> |
| <b>Contributions as a Percentage of Covered Payroll</b>               | <b>32.50%</b>       | <b>33.40%</b>       | <b>24.82%</b>       | <b>25.90%</b>       | <b>28.70%</b>       |

**Notes to Schedule**

Valuation Date: 10/1/2018

Actuarially determined contributions are calculated based on the valuation as of the beginning of the fiscal year two years prior to the fiscal year in which contributions are due.

Methods and assumptions used to determine contribution rates:

|                        |   |
|------------------------|---|
| Funding Method         | Entry Age Normal Cost Method.   |
| Mortality              | Healthy mortality (post retirement): Female- 100% RP-00 Annuitant White Collar, Scale BB. Male- 10% RP-00 Annuitant White Collar/90% RP-00 Annuitant Blue Collar, Scale BB. Disabled lives: Female- 60% RP-00 Disabled Retiree set forward two years+/40% RP-00 Annuitant White Collar. Male- 60% RP-00 Disabled Retiree set back four years+/40% RP-00 Annuitant White Collar. |
| Termination Rates      | 25% in less than year one; 10% in years 1 through 4; 3% in years 5 through 9; and 2% in years 10 and up.  |
| Disability Rates       | See Table below. 75% of disabilities are assumed to occur in the line of duty.  |
| Retirement Age         | 100% at age 55+ with 10+ years of service.<br>100% at age 52 to 54 with 30+ years of service.<br>Otherwise,<br>50% at first eligibility for normal retirement.<br>50% in second year of eligibility.<br>100% in third year of eligibility.  |
| Interest Rate          | 7.50% net of investment expenses, including inflation   |
| Salary Increases       | 4% to 6%, including inflation   |
| Payroll Growth         | UAAL is amortized as a level dollar amount  |
| Asset Valuation Method | 5- year smoothed market   |

Other Information

| Disability Rate Table |                                     |
|-----------------------|-------------------------------------|
| Age                   | % Becoming Disabled During the Year |
| 20                    | 0.05%                               |
| 30                    | 0.06%                               |
| 40                    | 0.12%                               |
| 50                    | 0.43%                               |

**NOTE:** This schedule is intended to show information for ten years; however, data was unavailable prior to 2013. Additional years' information will be presented as they become available.

**CITY OF LEESBURG, FLORIDA  
MUNICIPAL FIREMEN'S PENSION PLAN  
SCHEDULE OF CONTRIBUTIONS  
LAST EIGHT FISCAL YEARS**

|   | <u>2018</u>        | <u>2019</u>     | <u>2020</u>       |
|---|--------------------|-----------------|-------------------|
| Actuarially Determined Contribution                                   | \$ 804,872         | \$ 810,254      | \$ 905,466        |
| Contributions In Relation To The Actuarially Determined Contributions | <u>835,572</u>     | <u>803,407</u>  | <u>912,368</u>    |
| Contribution Deficiency (Excess)                                      | <u>\$ (30,700)</u> | <u>\$ 6,847</u> | <u>\$ (6,902)</u> |
| <br>  |                    |                 |                   |
| <b>Covered Payroll*</b>   | \$ 2,604,765       | \$ 2,556,006    | \$ 2,727,308      |
| <b>Contributions as a Percentage of Covered Payroll</b>               | 32.08%             | 31.43%          | 33.45%            |



**CITY OF LEESBURG, FLORIDA  
SCHEDULE OF INVESTMENT RETURNS  
LAST EIGHT FISCAL YEARS**

GENERAL EMPLOYEES' PENSION PLAN

|   | 2013  | 2014   | 2015  | 2016  | 2017   |
|---|-------|--------|-------|-------|--------|
| Annual Money-Weighted Rate of Return,<br>Net of Investment Expenses | 9.94% | 10.13% | 1.47% | 8.31% | 11.22% |

MUNICIPAL POLICE OFFICERS' PENSION PLAN

|   | 2013   | 2014   | 2015   | 2016  | 2017   |
|---|--------|--------|--------|-------|--------|
| Annual Money-Weighted Rate of Return,<br>Net of Investment Expenses | 11.80% | 11.76% | -1.21% | 6.19% | 11.72% |

MUNICIPAL FIREMEN'S PENSION PLAN

|   | 2013   | 2014  | 2015   | 2016   | 2017   |
|---|--------|-------|--------|--------|--------|
| Annual Money-Weighted Rate of Return,<br>Net of Investment Expenses | 13.41% | 8.82% | -1.45% | 10.27% | 10.01% |

**NOTE:** This schedule is intended to show information for ten years; however, data was unavailable prior to 2013. Additional years' information will be presented as they become available.

**CITY OF LEESBURG, FLORIDA  
SCHEDULE OF INVESTMENT RETURNS  
LAST EIGHT FISCAL YEARS**

GENERAL EMPLOYEES' PENSION PLAN

|   | 2018  | 2019  | 2020  |
|---|-------|-------|-------|
| Annual Money-Weighted Rate of Return,<br>Net of Investment Expenses | 9.56% | 2.70% | 3.95% |

MUNICIPAL POLICE OFFICERS' PENSION PLAN

|   | 2018  | 2019  | 2020  |
|---|-------|-------|-------|
| Annual Money-Weighted Rate of Return,<br>Net of Investment Expenses | 8.60% | 5.68% | 9.10% |

MUNICIPAL FIREMEN'S PENSION PLAN

|   | 2018  | 2019  | 2020   |
|---|-------|-------|--------|
| Annual Money-Weighted Rate of Return,<br>Net of Investment Expenses | 4.95% | 4.40% | 12.48% |

**CITY OF LEESBURG, FLORIDA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF CHANGES IN THE TOTAL OTHER POSTEMPLOYMENT BENEFITS LIABILITY**  
**AND RELATED RATIOS**  
**LAST THREE FISCAL YEARS**

| Reporting Period Ending   | 1/30/2018                   | 9/30/2019                   | 9/30/2020                   |
|---|-----------------------------|-----------------------------|-----------------------------|
| Measurement Date  | <u>1/30/2017</u>            | <u>9/30/2018</u>            | <u>9/30/2019</u>            |
| <b>Total OPEB Liability</b>   |                             |                             |                             |
| Service Cost  | \$ 780,397                  | \$ 697,594                  | \$ 632,158                  |
| Interest  | 1,031,898                   | 1,150,040                   | 1,227,490                   |
| Changes of Benefit Terms  | -                           | (578,802)                   | -                           |
| Differences Between Expected and Actual Experience                      | -                           | -                           | (584,258)                   |
| Changes of Assumptions  | (2,741,648)                 | (2,235,297)                 | (5,682,261)                 |
| Benefit Payments  | <u>(1,069,840)</u>          | <u>(1,163,451)</u>          | <u>(1,232,447)</u>          |
| <b>Net Change in Total OPEB Liability</b>                               | <u>(1,999,193)</u>          | <u>(2,129,916)</u>          | <u>(5,639,318)</u>          |
| <b>Total OPEB Liability - Beginning</b>                                 | <u>33,472,657</u>           | <u>31,473,464</u>           | <u>29,343,548</u>           |
| <b>Total OPEB Liability - Ending</b>                                    | <u><u>\$ 31,473,464</u></u> | <u><u>\$ 29,343,548</u></u> | <u><u>\$ 23,704,230</u></u> |
| <br>  |                             |                             |                             |
| <b>Covered-Employee Payroll (Projected)</b>                             | \$ 22,252,459               | \$ 22,066,596               | \$ 20,709,128               |
| <br>  |                             |                             |                             |
| <b>Total OPEB Liability as a Percentage of Covered-Employee Payroll</b> | 141.44%                     | 132.98%                     | 114.46%                     |

**Notes to Schedule:**

**Difference Between Expected and Actual Experience:**

Difference between Expected and Actual Experience reflects the impact of changes to the census data from the prior valuation to the valuation as of September 30, 2019.

**Changes of Assumptions:**

Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

|        |       |
|--------|-------|
| FY2020 | 3.58% |
| FY2019 | 4.18% |
| FY2018 | 3.64% |
| FY2017 | 3.06% |

Also reflected as assumption changes are updated health care costs and premiums and updated health care cost trend rates.

**Benefit Payments:**

The plan sponsor did not provide actual net benefits paid by the plan for the fiscal year ending on September 30, 2020. Expected net benefit payments produced by the valuation model for the same period are shown in the table above.

**NOTE:** This schedule is intended to show information for ten years; however, data was unavailable prior to 2018. Additional years' information will be presented as they become available.



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## **SUPPLEMENTAL INFORMATION**

The following supplemental schedules present combining nonmajor fund statements and individual fund budgetary schedules.



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## NONMAJOR GOVERNMENTAL FUNDS

### SPECIAL REVENUE FUNDS

**Special Revenue Funds** account for the proceeds of specific revenue sources (other than expendable trusts and major capital projects) that are legally restricted for specific purposes as described below.

**Housing Assistance Fund** accounts for grant funds received to provide affordable housing for low income households.

**Police Forfeitures Fund** accounts for funds associated with Municipal, State and Federal seizures. Revenues are split between State and Federal forfeitures, each having their own rules and restrictions as to how the funds may be spent.

**Police Education Fund** accounts for funds created by Criminal Justice Education Funding. Revenue is set aside to fund criminal justice education programs and training courses which include basic recruit, officer, and agency support personnel training.

**Discretionary Sales Tax Fund** accounts for income received from Lake County's Local Government Infrastructure Surtax, which are restricted for specific uses. Those uses include: public facility construction, reconstruction, and improvement; fire, police, and emergency vehicles and equipment to outfit such; and emergency shelters.

**Gas Tax Fund** accounts for income associated with the Ninth-cent Fuel Tax, Local Option Fuel Tax, and Revenue Sharing Gas Tax, which are restricted for specific uses. Those uses include: construction, reconstruction and maintenance of roads, streets, bicycle and pedestrian pathways. Funds may also be used for utility relocation.

**Police Impact Fee Fund** accounts for Municipal Impact Fees collected on land developed within the City, for the provision of Municipal Services Capital Facilities related to police services, due to a new development.

**Fire Impact Fee Fund** accounts for Municipal Impact Fees collected on land developed within the City, for the provision of Municipal Services Capital Facilities related to fire services, due to a new development.

**Recreation Impact Fee Fund** accounts for Municipal Impact Fees collected on land developed within the City, for the provision of Municipal Services Capital Facilities related to recreation services, due to a new development.

**Building Permits Fund** accounts for the cost of building permit and inspection services, through the dedicated revenues generated in providing these services.

### DEBT SERVICE FUND

**Debt Service Fund** accounts for the accumulation of resources for, and the payment of, interest and principal on most general governmental obligations.



**CITY OF LEESBURG, FLORIDA  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2020**

|  | <b>Special Revenue Funds</b>           |  |                                      |   |                             |
|--|--|--|--------------------------------------|---|-----------------------------|
|  | <b>Housing<br/>Assistance<br/>Fund</b> | <b>Police<br/>Forfeitures<br/>Fund</b> | <b>Police<br/>Education<br/>Fund</b> | <b>Discretionary<br/>Sales Tax<br/>Fund</b> | <b>Gas<br/>Tax<br/>Fund</b> |
| <b>Assets</b>                              |  |  |                                      |   |                             |
| Pooled Cash and Investments                | \$ 394,717                             | \$ 81,092                              | \$ 3,043                             | \$ 256,915                                  | \$ 833,581                  |
| Cash with Fiscal Agent                     | -                                      | -                                      | -                                    | -   | -                           |
| Accounts Receivables, Net                  | 31,925                                 | -                                      | -                                    | -   | -                           |
| Due from Other Governments                 | -                                      | -                                      | 240                                  | 141,797                                     | 64,784                      |
| <b>Total Assets</b>                        | <b>\$ 426,642</b>                      | <b>\$ 81,092</b>                       | <b>\$ 3,283</b>                      | <b>\$ 398,712</b>                           | <b>\$ 898,365</b>           |
| <b>Liabilities and Fund Balances</b>       |  |  |                                      |   |                             |
| <b>Liabilities</b>                         |  |  |                                      |   |                             |
| Accounts Payable                           | \$ 2,822                               | \$ -                                   | \$ -                                 | \$ -  | \$ -                        |
| Due to Other Funds                         | -                                      | -                                      | -                                    | -   | -                           |
| Accrued Salaries                           | 2,838                                  | -                                      | -                                    | -   | -                           |
| Deposits                                   | 4,150                                  | -                                      | -                                    | -   | -                           |
| <b>Total Liabilities</b>                   | <b>9,810</b>                           | <b>-</b>                               | <b>-</b>                             | <b>-</b>                                    | <b>-</b>                    |
| <b>Fund Balances</b>                       |  |  |                                      |   |                             |
| Restricted for:                            |  |  |                                      |   |                             |
| Debt Service                               | -                                      | -                                      | -                                    | -   | -                           |
| Special Revenue Funds                      | 416,832                                | 81,092                                 | 3,283                                | 398,712                                     | 898,365                     |
| <b>Total Fund Balances</b>                 | <b>416,832</b>                         | <b>81,092</b>                          | <b>3,283</b>                         | <b>398,712</b>                              | <b>898,365</b>              |
| <b>Total Liabilities and Fund Balances</b> | <b>\$ 426,642</b>                      | <b>\$ 81,092</b>                       | <b>\$ 3,283</b>                      | <b>\$ 398,712</b>                           | <b>\$ 898,365</b>           |

| Special Revenue Funds  |                      |                            |                       | Debt Service        | Total Nonmajor Governmental Funds |
|------------------------|----------------------|----------------------------|-----------------------|---------------------|-----------------------------------|
| Police Impact Fee Fund | Fire Impact Fee Fund | Recreation Impact Fee Fund | Building Permits Fund | Debt Service Fund   |                                   |
| \$ 476,589             | \$ 23,931            | \$ 49,617                  | \$ 2,694,021          | \$ -                | \$ 4,813,506                      |
| -                      | -                    | -                          | -                     | 1,209,579           | 1,209,579                         |
| -                      | -                    | -                          | -                     | -                   | 31,925                            |
| -                      | -                    | -                          | 6                     | -                   | 206,827                           |
| <u>\$ 476,589</u>      | <u>\$ 23,931</u>     | <u>\$ 49,617</u>           | <u>\$ 2,694,027</u>   | <u>\$ 1,209,579</u> | <u>\$ 6,261,837</u>               |

|              |          |          |                |               |                |
|--------------|----------|----------|----------------|---------------|----------------|
| \$ 4,597     | \$ -     | \$ -     | \$ 206,104     | \$ -          | \$ 213,523     |
| -            | -        | -        | -              | 25,924        | 25,924         |
| -            | -        | -        | 32,192         | -             | 35,030         |
| -            | -        | -        | -              | -             | 4,150          |
| <u>4,597</u> | <u>-</u> | <u>-</u> | <u>238,296</u> | <u>25,924</u> | <u>278,627</u> |

|                |               |               |                  |                  |                  |
|----------------|---------------|---------------|------------------|------------------|------------------|
| -              | -             | -             | -                | 1,183,655        | 1,183,655        |
| 471,992        | 23,931        | 49,617        | 2,455,731        | -                | 4,799,555        |
| <u>471,992</u> | <u>23,931</u> | <u>49,617</u> | <u>2,455,731</u> | <u>1,183,655</u> | <u>5,983,210</u> |

|                   |                  |                  |                     |                     |                     |
|-------------------|------------------|------------------|---------------------|---------------------|---------------------|
| <u>\$ 476,589</u> | <u>\$ 23,931</u> | <u>\$ 49,617</u> | <u>\$ 2,694,027</u> | <u>\$ 1,209,579</u> | <u>\$ 6,261,837</u> |
|-------------------|------------------|------------------|---------------------|---------------------|---------------------|

**CITY OF LEESBURG, FLORIDA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

|  | <b>Special Revenue Funds</b>           |  |                                      |   |                             |
|--|--|--|--------------------------------------|---|-----------------------------|
|  | <b>Housing<br/>Assistance<br/>Fund</b> | <b>Police<br/>Forfeitures<br/>Fund</b> | <b>Police<br/>Education<br/>Fund</b> | <b>Discretionary<br/>Sales Tax<br/>Fund</b> | <b>Gas<br/>Tax<br/>Fund</b> |
| <b>Revenues</b>  |  |  |                                      |   |                             |
| Taxes  | \$ -                                   | \$ -                                   | \$ -                                 | \$ 2,155,466                                | \$ 569,107                  |
| Licenses, Permits, and Assessments                                   | -                                      | -                                      | -                                    | -   | -                           |
| Intergovernmental  | 1,000                                  | -                                      | -                                    | -   | 171,703                     |
| Charges for Services   | -                                      | -                                      | -                                    | -   | -                           |
| Fines and Forfeitures  | -                                      | 865                                    | 4,687                                | -   | -                           |
| Impact Fees  | -                                      | -                                      | -                                    | -   | -                           |
| Miscellaneous:   |  |  |                                      |   |                             |
| Interest   | 7,939                                  | 1,516                                  | 18                                   | 211   | 5,445                       |
| Other  | 86,830                                 | -                                      | -                                    | -   | -                           |
| <b>Total Revenues</b>  | <u>95,769</u>                          | <u>2,381</u>                           | <u>4,705</u>                         | <u>2,155,677</u>                            | <u>746,255</u>              |
| <b>Expenditures</b>  |  |  |                                      |   |                             |
| Current:   |  |  |                                      |   |                             |
| Public Safety  | -                                      | -                                      | 5,851                                | -   | -                           |
| Economic Environment   | 125,332                                | -                                      | -                                    | -   | -                           |
| Debt Service:  |  |  |                                      |   |                             |
| Principal Payments   | -                                      | -                                      | -                                    | -   | -                           |
| Interest and Fees  | -                                      | -                                      | -                                    | -   | -                           |
| Capital Outlay   | -                                      | 9,890                                  | -                                    | -   | -                           |
| <b>Total Expenditures</b>  | <u>125,332</u>                         | <u>9,890</u>                           | <u>5,851</u>                         | <u>-</u>                                    | <u>-</u>                    |
| <b>Excess (Deficiency) of Revenues<br/>Over (Under) Expenditures</b> | <u>(29,563)</u>                        | <u>(7,509)</u>                         | <u>(1,146)</u>                       | <u>2,155,677</u>                            | <u>746,255</u>              |
| <b>Other Financing Sources (Uses)</b>                                |  |  |                                      |   |                             |
| Transfers from Other Funds   | -                                      | -                                      | -                                    | -   | 717,977                     |
| Transfers to Other Funds   | -                                      | -                                      | -                                    | (2,362,082)                                 | (827,125)                   |
| <b>Total Other Financing Sources (Uses)</b>                          | <u>-</u>                               | <u>-</u>                               | <u>-</u>                             | <u>(2,362,082)</u>                          | <u>(109,148)</u>            |
| <b>Net Change in Fund Balance</b>                                    | <u>(29,563)</u>                        | <u>(7,509)</u>                         | <u>(1,146)</u>                       | <u>(206,405)</u>                            | <u>637,107</u>              |
| <b>Fund Balance, Beginning of Year</b>                               | <u>446,395</u>                         | <u>88,601</u>                          | <u>4,429</u>                         | <u>605,117</u>                              | <u>261,258</u>              |
| <b>Fund Balance, End of Year</b>                                     | <u>\$ 416,832</u>                      | <u>\$ 81,092</u>                       | <u>\$ 3,283</u>                      | <u>\$ 398,712</u>                           | <u>\$ 898,365</u>           |

| Special Revenue Funds        |                            |                                  |                             | Debt Service            |  |
|------------------------------|----------------------------|----------------------------------|-----------------------------|-------------------------|--|
| Police<br>Impact Fee<br>Fund | Fire<br>Impact Fee<br>Fund | Recreation<br>Impact Fee<br>Fund | Building<br>Permits<br>Fund | Debt<br>Service<br>Fund | Total<br>Nonmajor<br>Governmental<br>Funds |
| \$ -                         | \$ -                       | \$ -                             | \$ -                        | \$ -                    | \$ 2,724,573                               |
| -                            | -                          | -                                | 1,028,410                   | -                       | 1,028,410                                  |
| -                            | -                          | -                                | 224                         | -                       | 172,927                                    |
| -                            | -                          | -                                | 5,748                       | -                       | 5,748                                      |
| -                            | -                          | -                                | -                           | -                       | 5,552                                      |
| 171,615                      | 17,996                     | 135,456                          | -                           | -                       | 325,067                                    |
| 8,141                        | 401                        | 1,798                            | 48,414                      | -                       | 73,883                                     |
| -                            | -                          | -                                | -                           | -                       | 86,830                                     |
| <u>179,756</u>               | <u>18,397</u>              | <u>137,254</u>                   | <u>1,082,796</u>            | <u>-</u>                | <u>4,422,990</u>                           |
| 4,595                        | -                          | -                                | 951,840                     | -                       | 962,286                                    |
| -                            | -                          | -                                | -                           | -                       | 125,332                                    |
| -                            | -                          | -                                | -                           | 887,498                 | 887,498                                    |
| -                            | -                          | -                                | -                           | 647,559                 | 647,559                                    |
| 5,381                        | -                          | -                                | 52,725                      | -                       | 67,996                                     |
| <u>9,976</u>                 | <u>-</u>                   | <u>-</u>                         | <u>1,004,565</u>            | <u>1,535,057</u>        | <u>2,690,671</u>                           |
| <u>169,780</u>               | <u>18,397</u>              | <u>137,254</u>                   | <u>78,231</u>               | <u>(1,535,057)</u>      | <u>1,732,319</u>                           |
| -                            | -                          | -                                | 34,100                      | 1,535,199               | 2,287,276                                  |
| (13,360)                     | (240)                      | (248,780)                        | -                           | -                       | (3,451,587)                                |
| <u>(13,360)</u>              | <u>(240)</u>               | <u>(248,780)</u>                 | <u>34,100</u>               | <u>1,535,199</u>        | <u>(1,164,311)</u>                         |
| 156,420                      | 18,157                     | (111,526)                        | 112,331                     | 142                     | 568,008                                    |
| 315,572                      | 5,774                      | 161,143                          | 2,343,400                   | 1,183,513               | 5,415,202                                  |
| <u>\$ 471,992</u>            | <u>\$ 23,931</u>           | <u>\$ 49,617</u>                 | <u>\$ 2,455,731</u>         | <u>\$ 1,183,655</u>     | <u>\$ 5,983,210</u>                        |

**CITY OF LEESBURG, FLORIDA**  
**SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL**  
**MAJOR CAPITAL PROJECTS FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

|  | <u>Final<br/>Budget</u> | <u>Actual<br/>Amounts</u> | <u>Variance With<br/>Final Budget<br/>Positive<br/>(Negative)</u> |
|--|-------------------------|---------------------------|---|
| <b>Revenues</b>  |                         |                           |   |
| Intergovernmental  | \$ 1,510,758            | \$ 191,692                | \$ (1,319,066)  |
| Miscellaneous:   |                         |                           |   |
| Interest   | -                       | 173,718                   | 173,718   |
| <b>Total Revenues</b>  | <u>1,510,758</u>        | <u>365,410</u>            | <u>(1,145,348)</u>  |
| <b>Expenditures</b>  |                         |                           |   |
| Current:   |                         |                           |   |
| General Government   | 6,701,514               | 3,515,765                 | 3,185,749   |
| Transportation   | 1,349,287               | 541,204                   | 808,083   |
| Culture and Recreation   | 7,195,670               | 646,138                   | 6,549,532   |
| <b>Total Expenditures</b>  | <u>15,246,471</u>       | <u>4,703,107</u>          | <u>10,543,364</u>   |
| <b>Excess (Deficiency) of Revenues Over<br/>(Under) Expenditures</b> | <u>(13,735,713)</u>     | <u>(4,337,697)</u>        | <u>9,398,016</u>  |
| <b>Other Financing Sources (Uses)</b>                                |                         |                           |   |
| Insurance Proceeds from Losses                                       | 1,116,597               | 152,176                   | (964,421)   |
| Transfers from Other Funds   | 5,630,222               | 5,630,222                 | -   |
| Transfers to Other Funds   | (486,096)               | (796,097)                 | (310,001)   |
| Fund Balance Appropriated  | 7,474,990               | -                         | (7,474,990)   |
| <b>Total Other Financing Sources (Uses)</b>                          | <u>13,735,713</u>       | <u>4,986,301</u>          | <u>(8,749,412)</u>  |
| <b>Net Change in Fund Balance</b>                                    | -                       | 648,604                   | 648,604   |
| <b>Fund Balance, Beginning of Year</b>                               | -                       | 7,731,691                 | 7,731,691   |
| <b>Fund Balance, End of Year</b>                                     | <u>\$ -</u>             | <u>\$ 8,380,295</u>       | <u>\$ 8,380,295</u>   |

**CITY OF LEESBURG, FLORIDA**  
**SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL**  
**HOUSING ASSISTANCE FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

|  | <u>Final<br/>Budget</u> | <u>Actual</u>     | <u>Variance With<br/>Final Budget<br/>Positive<br/>(Negative)</u> |
|--|-------------------------|-------------------|---|
| <b>Revenues</b>  |                         |                   |   |
| Intergovernmental  | \$ -                    | \$ 1,000          | \$ 1,000  |
| Miscellaneous:   |                         |                   |   |
| Interest   | 5,500                   | 7,939             | 2,439   |
| Other  | 112,752                 | 86,830            | (25,922)  |
| <b>Total Revenues</b>  | <u>118,252</u>          | <u>95,769</u>     | <u>(22,483)</u>   |
| <b>Expenditures</b>  |                         |                   |   |
| Current:   |                         |                   |   |
| Economic Environment   | 118,252                 | 125,332           | (7,080)   |
| <b>Total Expenditures</b>  | <u>118,252</u>          | <u>125,332</u>    | <u>(7,080)</u>  |
| <b>Excess (Deficiency) of Revenues Over<br/>(Under) Expenditures</b> | <u>-</u>                | <u>(29,563)</u>   | <u>(29,563)</u>   |
| <b>Net Change in Fund Balance</b>                                    | -                       | (29,563)          | (29,563)  |
| <b>Fund Balance, Beginning of Year</b>                               | -                       | 446,395           | 446,395   |
| <b>Fund Balance, End of Year</b>                                     | <u>\$ -</u>             | <u>\$ 416,832</u> | <u>\$ 416,832</u>   |

**CITY OF LEESBURG, FLORIDA**  
**SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL**  
**POLICE FORFEITURES FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

|  | <u>Final<br/>Budget</u> | <u>Actual</u>    | <u>Variance With<br/>Final Budget<br/>Positive<br/>(Negative)</u> |
|--|-------------------------|------------------|---|
| <b>Revenues</b>  |                         |                  |   |
| Fines and Forfeitures  | \$ -                    | \$ 865           | \$ 865  |
| Miscellaneous:   |                         |                  |   |
| Interest   | -                       | 1,516            | 1,516   |
| <b>Total Revenues</b>  | <u>-</u>                | <u>2,381</u>     | <u>2,381</u>  |
| <b>Expenditures</b>  |                         |                  |   |
| Current:   |                         |                  |   |
| Public Safety  | 7,000                   | -                | 7,000   |
| Capital Outlay   | 9,890                   | 9,890            | -   |
| <b>Total Expenditures</b>  | <u>16,890</u>           | <u>9,890</u>     | <u>7,000</u>  |
| <b>Excess (Deficiency) of Revenues Over<br/>(Under) Expenditures</b> | <u>(16,890)</u>         | <u>(7,509)</u>   | <u>9,381</u>  |
| <b>Other Financing Sources (Uses)</b>                                |                         |                  |   |
| Fund Balance Appropriated  | 16,890                  | -                | (16,890)  |
| <b>Total Other Financing Sources (Uses)</b>                          | <u>16,890</u>           | <u>-</u>         | <u>(16,890)</u>   |
| <b>Net Change in Fund Balance</b>                                    | -                       | (7,509)          | (7,509)   |
| <b>Fund Balance, Beginning of Year</b>                               | <u>-</u>                | <u>88,601</u>    | <u>88,601</u>   |
| <b>Fund Balance, End of Year</b>                                     | <u>\$ -</u>             | <u>\$ 81,092</u> | <u>\$ 81,092</u>  |

**CITY OF LEESBURG, FLORIDA**  
**SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL**  
**POLICE EDUCATION FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

|  | <u>Final<br/>Budget</u> | <u>Actual</u>   | <u>Variance With<br/>Final Budget<br/>Positive<br/>(Negative)</u> |
|--|-------------------------|-----------------|---|
| <b>Revenues</b>  |                         |                 |   |
| Fines and Forfeitures  | \$ -                    | \$ 4,687        | \$ 4,687  |
| Miscellaneous:   |                         |                 |   |
| Interest   | -                       | 18              | 18  |
| <b>Total Revenues</b>  | <u>-</u>                | <u>4,705</u>    | <u>4,705</u>  |
| <b>Expenditures</b>  |                         |                 |   |
| Current:   |                         |                 |   |
| Public Safety  | 6,000                   | 5,851           | 149   |
| <b>Total Expenditures</b>  | <u>6,000</u>            | <u>5,851</u>    | <u>149</u>  |
| <b>Excess (Deficiency) of Revenues Over<br/>(Under) Expenditures</b> | <u>(6,000)</u>          | <u>(1,146)</u>  | <u>4,854</u>  |
| <b>Other Financing Sources (Uses)</b>                                |                         |                 |   |
| Fund Balance Appropriated  | 6,000                   | -               | (6,000)   |
| <b>Total Other Financing Sources (Uses)</b>                          | <u>6,000</u>            | <u>-</u>        | <u>(6,000)</u>  |
| <b>Net Change in Fund Balance</b>                                    | -                       | (1,146)         | (1,146)   |
| <b>Fund Balance, Beginning of Year</b>                               | <u>-</u>                | <u>4,429</u>    | <u>4,429</u>  |
| <b>Fund Balance, End of Year</b>                                     | <u>\$ -</u>             | <u>\$ 3,283</u> | <u>\$ 3,283</u>   |



**CITY OF LEESBURG, FLORIDA**  
**SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL**  
**DISCRETIONARY SALES TAX FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

|  | <u>Final<br/>Budget</u> | <u>Actual</u>      | <u>Variance With<br/>Final Budget<br/>Positive<br/>(Negative)</u> |
|--|-------------------------|--------------------|---|
| <b>Revenues</b>  |                         |                    |   |
| Taxes  | \$ 2,259,381            | \$ 2,155,466       | \$ (103,915)  |
| Miscellaneous:   |                         |                    |   |
| Interest   | -                       | 211                | 211   |
| <b>Total Revenues</b>  | <u>2,259,381</u>        | <u>2,155,677</u>   | <u>(103,704)</u>  |
| <b>Expenditures</b>  | -                       | -                  | -   |
| <b>Total Expenditures</b>  | <u>-</u>                | <u>-</u>           | <u>-</u>  |
| <b>Excess (Deficiency) of Revenues Over<br/>(Under) Expenditures</b> | <u>2,259,381</u>        | <u>2,155,677</u>   | <u>(103,704)</u>  |
| <b>Other Financing Sources (Uses)</b>                                |                         |                    |   |
| Transfers to Other Funds   | (2,931,586)             | (2,362,082)        | 569,504   |
| Fund Balance Appropriated  | 672,205                 | -                  | (672,205)   |
| <b>Total Other Financing Sources (Uses)</b>                          | <u>(2,259,381)</u>      | <u>(2,362,082)</u> | <u>(102,701)</u>  |
| <b>Net Change in Fund Balance</b>                                    | -                       | (206,405)          | (206,405)   |
| <b>Fund Balance, Beginning of Year</b>                               | <u>-</u>                | <u>605,117</u>     | <u>605,117</u>  |
| <b>Fund Balance, End of Year</b>                                     | <u>\$ -</u>             | <u>\$ 398,712</u>  | <u>\$ 398,712</u>   |

**CITY OF LEESBURG, FLORIDA**  
**SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL**  
**GAS TAX FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

|  | <u>Final<br/>Budget</u> | <u>Actual</u>     | <u>Variance With<br/>Final Budget<br/>Positive<br/>(Negative)</u> |
|--|-------------------------|-------------------|---|
| <b>Revenues</b>  |                         |                   |   |
| Taxes  | \$ 627,125              | \$ 569,107        | \$ (58,018)   |
| Intergovernmental  | 200,000                 | 171,703           | (28,297)  |
| Miscellaneous:   |                         |                   |   |
| Interest   | -                       | 5,445             | 5,445   |
| <b>Total Revenues</b>  | <u>827,125</u>          | <u>746,255</u>    | <u>(80,870)</u>   |
| <b>Expenditures</b>  | -                       | -                 | -   |
| <b>Total Expenditures</b>  | <u>-</u>                | <u>-</u>          | <u>-</u>  |
| <b>Excess (Deficiency) of Revenues Over<br/>(Under) Expenditures</b> | <u>827,125</u>          | <u>746,255</u>    | <u>(80,870)</u>   |
| <b>Other Financing Sources (Uses)</b>                                |                         |                   |   |
| Transfers from Other Funds   | 407,976                 | 717,977           | 310,001   |
| Transfers to Other Funds   | (827,125)               | (827,125)         | -   |
| Fund Balance Appropriated  | (407,976)               | -                 | 407,976   |
| <b>Total Other Financing Sources (Uses)</b>                          | <u>(827,125)</u>        | <u>(109,148)</u>  | <u>717,977</u>  |
| <b>Net Change in Fund Balance</b>                                    | -                       | 637,107           | 637,107   |
| <b>Fund Balance, Beginning of Year</b>                               | -                       | 261,258           | 261,258   |
| <b>Fund Balance, End of Year</b>                                     | <u>\$ -</u>             | <u>\$ 898,365</u> | <u>\$ 898,365</u>   |

**CITY OF LEESBURG, FLORIDA**  
**SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL**  
**POLICE IMPACT FEE FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

|  | <u>Final<br/>Budget</u> | <u>Actual</u>     | <u>Variance With<br/>Final Budget<br/>Positive<br/>(Negative)</u> |
|--|-------------------------|-------------------|---|
| <b>Revenues</b>  |                         |                   |   |
| Impact Fees  | \$ -                    | \$ 171,615        | \$ 171,615  |
| Miscellaneous:   |                         |                   |   |
| Interest   | -                       | 8,141             | 8,141   |
| <b>Total Revenues</b>  | <u>-</u>                | <u>179,756</u>    | <u>179,756</u>  |
| <b>Expenditures</b>  |                         |                   |   |
| Current:   |                         |                   |   |
| Public Safety  | 4,995                   | 4,595             | 400   |
| Capital Outlay   | 30,005                  | 5,381             | 24,624  |
| <b>Total Expenditures</b>  | <u>35,000</u>           | <u>9,976</u>      | <u>25,024</u>   |
| <b>Excess (Deficiency) of Revenues Over<br/>(Under) Expenditures</b> | <u>(35,000)</u>         | <u>169,780</u>    | <u>204,780</u>  |
| <b>Other Financing Sources (Uses)</b>                                |                         |                   |   |
| Transfers to Other Funds   | -                       | (13,360)          | (13,360)  |
| Fund Balance Appropriated  | 35,000                  | -                 | (35,000)  |
| <b>Total Other Financing Sources (Uses)</b>                          | <u>35,000</u>           | <u>(13,360)</u>   | <u>(48,360)</u>   |
| <b>Net Change in Fund Balance</b>                                    | -                       | 156,420           | 156,420   |
| <b>Fund Balance, Beginning of Year</b>                               | -                       | 315,572           | 315,572   |
| <b>Fund Balance, End of Year</b>                                     | <u>\$ -</u>             | <u>\$ 471,992</u> | <u>\$ 471,992</u>   |

CITY OF LEESBURG, FLORIDA  
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL  
FIRE IMPACT FEE FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2020

|  | Final<br>Budget | Actual           | Variance With<br>Final Budget<br>Positive<br>(Negative) |
|--|-----------------|------------------|---|
| <b>Revenues</b>  |                 |                  |   |
| Impact Fees  | \$ -            | \$ 17,996        | \$ 17,996   |
| Miscellaneous:   |                 |                  |   |
| Interest   | -               | 401              | 401   |
| <b>Total Revenues</b>  | <u>-</u>        | <u>18,397</u>    | <u>18,397</u>   |
| <b>Expenditures</b>  | <u>-</u>        | <u>-</u>         | <u>-</u>  |
| <b>Total Expenditures</b>  | <u>-</u>        | <u>-</u>         | <u>-</u>  |
| <b>Excess (Deficiency) of Revenues Over<br/>(Under) Expenditures</b> | <u>-</u>        | <u>18,397</u>    | <u>18,397</u>   |
| <b>Other Financing Sources (Uses)</b>                                |                 |                  |   |
| Transfers to Other Funds   | -               | (240)            | (240)   |
| <b>Total Other Financing Sources (Uses)</b>                          | <u>-</u>        | <u>(240)</u>     | <u>(240)</u>  |
| <b>Net Change in Fund Balance</b>                                    | -               | 18,157           | 18,157  |
| <b>Fund Balance, Beginning of Year</b>                               | <u>-</u>        | <u>5,774</u>     | <u>5,774</u>  |
| <b>Fund Balance, End of Year</b>                                     | <u>\$ -</u>     | <u>\$ 23,931</u> | <u>\$ 23,931</u>  |

**CITY OF LEESBURG, FLORIDA**  
**SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL**  
**RECREATION IMPACT FEE FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

|  | <u>Final<br/>Budget</u> | <u>Actual</u>    | <u>Variance With<br/>Final Budget<br/>Positive<br/>(Negative)</u> |
|--|-------------------------|------------------|---|
| <b>Revenues</b>  |                         |                  |   |
| Impact Fees  | \$ -                    | \$ 135,456       | \$ 135,456  |
| Miscellaneous:   |                         |                  |   |
| Interest   | -                       | 1,798            | 1,798   |
| <b>Total Revenues</b>  | <u>-</u>                | <u>137,254</u>   | <u>137,254</u>  |
| <b>Expenditures</b>  | <u>-</u>                | <u>-</u>         | <u>-</u>  |
| <b>Total Expenditures</b>  | <u>-</u>                | <u>-</u>         | <u>-</u>  |
| <b>Excess (Deficiency) of Revenues Over<br/>(Under) Expenditures</b> | <u>-</u>                | <u>137,254</u>   | <u>137,254</u>  |
| <b>Other Financing Sources (Uses)</b>                                |                         |                  |   |
| Transfers to Other Funds   | (242,000)               | (248,780)        | (6,780)   |
| Fund Balance Appropriated  | 242,000                 | -                | (242,000)   |
| <b>Total Other Financing Sources (Uses)</b>                          | <u>-</u>                | <u>(248,780)</u> | <u>(248,780)</u>  |
| <b>Net Change in Fund Balance</b>                                    | <u>-</u>                | <u>(111,526)</u> | <u>(111,526)</u>  |
| <b>Fund Balance, Beginning of Year</b>                               | <u>-</u>                | <u>161,143</u>   | <u>161,143</u>  |
| <b>Fund Balance, End of Year</b>                                     | <u>\$ -</u>             | <u>\$ 49,617</u> | <u>\$ 49,617</u>  |

**CITY OF LEESBURG, FLORIDA**  
**SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL**  
**BUILDING PERMITS FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

|  | <b>Final<br/>Budget</b> | <b>Actual</b>       | <b>Variance With<br/>Final Budget<br/>Positive<br/>(Negative)</b> |
|--|-------------------------|---------------------|---|
| <b>Revenues</b>  |                         |                     |   |
| Licenses, Permits, and Assessments                                   | \$ 899,403              | \$ 1,028,410        | \$ 129,007  |
| Intergovernmental  | -                       | 224                 | 224   |
| Charges for Services   | 3,000                   | 5,748               | 2,748   |
| Miscellaneous:   |                         |                     |   |
| Interest   | 15,000                  | 48,414              | 33,414  |
| <b>Total Revenues</b>  | <u>917,403</u>          | <u>1,082,796</u>    | <u>165,393</u>  |
| <b>Expenditures</b>  |                         |                     |   |
| Current:   |                         |                     |   |
| Public Safety  | 982,122                 | 951,840             | 30,282  |
| Capital Outlay   | 360,660                 | 52,725              | 307,935   |
| <b>Total Expenditures</b>  | <u>1,342,782</u>        | <u>1,004,565</u>    | <u>338,217</u>  |
| <b>Excess (Deficiency) of Revenues Over<br/>(Under) Expenditures</b> | <u>(425,379)</u>        | <u>78,231</u>       | <u>503,610</u>  |
| <b>Other Financing Sources (Uses)</b>                                |                         |                     |   |
| Transfers from Other Funds   | 19,200                  | 34,100              | 14,900  |
| Fund Balance Appropriated  | 406,179                 | -                   | (406,179)   |
| <b>Total Other Financing Sources (Uses)</b>                          | <u>425,379</u>          | <u>34,100</u>       | <u>(391,279)</u>  |
| <b>Net Change in Fund Balance</b>                                    | -                       | 112,331             | 112,331   |
| <b>Fund Balance, Beginning of Year</b>                               | -                       | 2,343,400           | 2,343,400   |
| <b>Fund Balance, End of Year</b>                                     | <u>\$ -</u>             | <u>\$ 2,455,731</u> | <u>\$ 2,455,731</u>   |

**CITY OF LEESBURG, FLORIDA**  
**SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL**  
**DEBT SERVICE FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

|  | <u>Final<br/>Budget</u> | <u>Actual</u>       | <u>Variance With<br/>Final Budget<br/>Positive<br/>(Negative)</u> |
|--|-------------------------|---------------------|---|
| <b>Expenditures</b>  |                         |                     |   |
| Debt Service:  |                         |                     |   |
| Principal Payments   | \$ 887,498              | \$ 887,498          | \$ -  |
| Interest and Fees  | 647,701                 | 647,559             | 142   |
| <b>Total Expenditures</b>  | <u>1,535,199</u>        | <u>1,535,057</u>    | <u>142</u>  |
| <b>Excess (Deficiency) of Revenues Over<br/>(Under) Expenditures</b> | <u>(1,535,199)</u>      | <u>(1,535,057)</u>  | <u>142</u>  |
| <b>Other Financing Sources (Uses)</b>                                |                         |                     |   |
| Transfers from Other Funds   | 1,535,199               | 1,535,199           | -   |
| <b>Total Other Financing Sources (Uses)</b>                          | <u>1,535,199</u>        | <u>1,535,199</u>    | <u>-</u>  |
| <b>Net Change in Fund Balance</b>                                    | -                       | 142                 | 142   |
| <b>Fund Balance, Beginning of Year</b>                               | -                       | 1,183,513           | 1,183,513   |
| <b>Fund Balance, End of Year</b>                                     | <u>\$ -</u>             | <u>\$ 1,183,655</u> | <u>\$ 1,183,655</u>   |



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## **NONMAJOR ENTERPRISE FUNDS**

**Enterprise Funds** account for operations that are financed and operated in a manner similar to private business enterprises where the costs of providing goods or services to the general public are recovered primarily through user charges; or where the City has decided that determination of net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes. Individual nonmajor enterprise funds are described below.

**Stormwater Fund** accounts for the costs associated with the management, construction, maintenance, protections, control, regulation, use, and enhancement of stormwater systems and programs within City limits.

**Solid Waste Fund** accounts for the City's solid waste disposal and reduction needs, including residential and commercial collection, curbside recycling collection, yard waste collection, and postclosure monitoring of the closed landfill.

**CITY OF LEESBURG, FLORIDA**  
**COMBINING STATEMENT OF NET POSITION**  
**NONMAJOR ENTERPRISE FUNDS**  
**SEPTEMBER 30, 2020**

|   | <b>Business-type Activities - Enterprise<br/>Funds</b> |                         | <b>Total<br/>Nonmajor<br/>Enterprise Funds</b> |
|---|--|-------------------------|--|
|   | <b>Stormwater Fund</b>                                 | <b>Solid Waste Fund</b> |  |
| <b>Assets</b>                                     |  |                         |  |
| <b>Current Assets:</b>                            |  |                         |  |
| Pooled Cash and Investments                       | \$ 2,416,643   | \$ 3,161,565            | \$ 5,578,208                                   |
| <b>Restricted Pooled Cash and Investments:</b>    |  |                         |  |
| Customer Deposits Account                         | -  | 3,160                   | 3,160  |
| <b>Receivables:</b>                               |  |                         |  |
| Customer Accounts, Unbilled                       | 87,483   | 240,042                 | 327,525  |
| Customer Accounts, Billed                         | 122,275  | 358,715                 | 480,990  |
| (Allowance for Doubtful Accounts)                 | (23,843)   | (75,620)                | (99,463)                                       |
| Due from Other Governments                        | 17   | 17,632                  | 17,649   |
| <b>Total Current Assets</b>                       | <b>2,602,575</b>                                       | <b>3,705,494</b>        | <b>6,308,069</b>                               |
| <b>Noncurrent Assets:</b>                         |  |                         |  |
| <b>Property, Plant and Equipment:</b>             |  |                         |  |
| Land  | 742,975  | 28,700                  | 771,675  |
| Buildings   | -  | 13,856                  | 13,856   |
| Improvements Other Than Buildings                 | 15,668,892   | 191,691                 | 15,860,583                                     |
| Machinery and Equipment                           | 80,187   | 134,576                 | 214,763  |
| Less Accumulated Depreciation and<br>Amortization | (4,498,953)  | (313,208)               | (4,812,161)                                    |
| Construction in Progress                          | 65,179   | -                       | 65,179   |
| <b>Total Property, Plant and Equipment</b>        | <b>12,058,280</b>                                      | <b>55,615</b>           | <b>12,113,895</b>                              |
| <b>Total Noncurrent Assets</b>                    | <b>12,058,280</b>                                      | <b>55,615</b>           | <b>12,113,895</b>                              |
| <b>Total Assets</b>                               | <b>14,660,855</b>                                      | <b>3,761,109</b>        | <b>18,421,964</b>                              |
| <b>Deferred Outflows of Resources</b>             |  |                         |  |
| Deferred Outflows: Pension Related                | 13,473   | 51,317                  | 64,790   |
| Deferred Outflows: OPEB                           | 8,951  | 35,803                  | 44,754   |
| <b>Total Deferred Outflows of Resources</b>       | <b>22,424</b>  | <b>87,120</b>           | <b>109,544</b>                                 |

**CITY OF LEESBURG, FLORIDA**  
**COMBINING STATEMENT OF NET POSITION**  
**NONMAJOR ENTERPRISE FUNDS**  
**SEPTEMBER 30, 2020**

|  | <b>Business-type Activities - Enterprise<br/>Funds</b> |                         | <b>Total<br/>Nonmajor<br/>Enterprise Funds</b> |
|--|--|-------------------------|--|
|  | <b>Stormwater Fund</b>                                 | <b>Solid Waste Fund</b> |  |
| <b>Liabilities</b>                                       |  |                         |  |
| Current Liabilities:                                     |  |                         |  |
| Accounts and Retainage Payable                           | \$ 19,293  | \$ 39,571               | \$ 58,864                                      |
| Due to Other Governments                                 | -  | 761                     | 761  |
| Other Accrued Expenses                                   | 13,136   | 49,170                  | 62,306   |
| Compensated Absences                                     | 4,375  | 51,782                  | 56,157   |
| Other Postemployment Benefits                            | 937  | 3,747                   | 4,684  |
|  | <u>37,741</u>  | <u>145,031</u>          | <u>182,772</u>                                 |
| Current Liabilities Payable from Restricted Assets:      |  |                         |  |
| Customer Deposits  | -  | 3,160                   | 3,160  |
| Total Current Liabilities Payable from Restricted Assets | -  | 3,160                   | 3,160  |
| Total Current Liabilities                                | <u>37,741</u>  | <u>148,191</u>          | <u>185,932</u>                                 |
| Noncurrent Liabilities:                                  |  |                         |  |
| Compensated Absences                                     | 3,580  | 42,367                  | 45,947   |
| Other Postemployment Benefits                            | 198,678  | 794,711                 | 993,389  |
| Net Pension Liability                                    | 30,730   | 117,044                 | 147,774  |
| Total Noncurrent Liabilities                             | <u>232,988</u>   | <u>954,122</u>          | <u>1,187,110</u>                               |
| <b>Total Liabilities</b>                                 | <u>270,729</u>   | <u>1,102,313</u>        | <u>1,373,042</u>                               |
| <b>Deferred Inflows of Resources</b>                     |  |                         |  |
| Deferred Inflows: Pension Related                        | 6,909  | 26,314                  | 33,223   |
| Deferred Inflows: OPEB                                   | 70,614   | 282,455                 | 353,069  |
| <b>Total Deferred Inflows of Resources</b>               | <u>77,523</u>  | <u>308,769</u>          | <u>386,292</u>                                 |
| <b>Net Position</b>                                      |  |                         |  |
| Net Investment in Capital Assets                         | 12,042,171   | 55,615                  | 12,097,786                                     |
| Unrestricted   | 2,292,856  | 2,381,532               | 4,674,388                                      |
| <b>Total Net Position</b>                                | <u>\$ 14,335,027</u>                                   | <u>\$ 2,437,147</u>     | <u>\$ 16,772,174</u>                           |



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**CITY OF LEESBURG, FLORIDA**  
**COMBINING STATEMENT OF REVENUES, EXPENSES,**  
**AND CHANGES IN FUND NET POSITION**  
**NONMAJOR ENTERPRISE FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

|  | <b>Business-type Activities -<br/>Enterprise Funds</b> |                             | <b>Total<br/>Nonmajor<br/>Enterprise<br/>Funds</b> |
|--|--|-----------------------------|--|
|  | <b>Stormwater<br/>Fund</b>                             | <b>Solid Waste<br/>Fund</b> |  |
| <b>Operating Revenues</b>                                    |  |                             |  |
| Charges for Services   | \$ 1,575,858   | \$ 4,324,992                | \$ 5,900,850                                       |
| Other  | 7,003  | 62,454                      | 69,457   |
| <b>Total Operating Revenues</b>                              | <u>1,582,861</u>                                       | <u>4,387,446</u>            | <u>5,970,307</u>                                   |
| <b>Operating Expenses</b>                                    |  |                             |  |
| Personal Services  | 183,689  | 938,236                     | 1,121,925  |
| Supplies and Materials                                       | 27,043   | 277,214                     | 304,257  |
| Maintenance Costs  | 82,732   | 363,084                     | 445,816  |
| Contracted Services  | 114,281  | 956,094                     | 1,070,375  |
| Other Services and Charges                                   | 332,307  | 1,077,637                   | 1,409,944  |
| Depreciation and Amortization                                | 278,486  | 13,263                      | 291,749  |
| <b>Total Operating Expenses</b>                              | <u>1,018,538</u>                                       | <u>3,625,528</u>            | <u>4,644,066</u>                                   |
| <b>Operating Income</b>                                      | <u>564,323</u>   | <u>761,918</u>              | <u>1,326,241</u>                                   |
| <b>Nonoperating Revenues</b>                                 |  |                             |  |
| Investment Income  | 41,836   | 56,540                      | 98,376   |
| Grants   | 601  | 264,918                     | 265,519  |
| <b>Total Nonoperating Revenues</b>                           | <u>42,437</u>  | <u>321,458</u>              | <u>363,895</u>                                     |
| <b>Income Before Capital Contributions<br/>and Transfers</b> | <u>606,760</u>   | <u>1,083,376</u>            | <u>1,690,136</u>                                   |
| <b>Transfers and Capital Contributions</b>                   |  |                             |  |
| Capital Contributions  | 744,088  | -                           | 744,088  |
| Transfers to Other Funds                                     | -  | (582,299)                   | (582,299)  |
| <b>Total Transfers and Capital<br/>Contributions</b>         | <u>744,088</u>   | <u>(582,299)</u>            | <u>161,789</u>                                     |
| <b>Change in Net Position</b>                                | 1,350,848  | 501,077                     | 1,851,925  |
| <b>Net Position, Beginning of Year</b>                       | <u>12,984,179</u>                                      | <u>1,936,070</u>            | <u>14,920,249</u>                                  |
| <b>Net Position, End of Year</b>                             | <u>\$ 14,335,027</u>                                   | <u>\$ 2,437,147</u>         | <u>\$ 16,772,174</u>                               |

**CITY OF LEESBURG, FLORIDA  
COMBINING STATEMENT OF CASH FLOWS  
NONMAJOR ENTERPRISE FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

|  | <b>Business-type Activities - Enterprise Funds</b> |                        |  |
|--|--|------------------------|--|
|  | <b>Stormwater<br/>Fund</b>                         | <b>Solid<br/>Waste</b> | <b>Total<br/>Nonmajor<br/>Enterprise Funds</b> |
| <b>Cash Flows from Operating Activities</b>                                    |  |                        |  |
| Receipts from Customers and Users  | \$ 1,579,486                                       | \$ 4,372,779           | \$ 5,952,265                                   |
| Payments to Suppliers for Goods and Services                                   | (590,041)  | (2,680,769)            | (3,270,810)                                    |
| Cash Paid to Employees for Services  | (278,761)  | (1,025,613)            | (1,304,374)                                    |
| <b>Net Cash Provided by (Used in) Operating Activities</b>                     | <u>710,684</u>                                     | <u>666,397</u>         | <u>1,377,081</u>                               |
| <b>Cash Flows from Noncapital Financing Activities</b>                         |  |                        |  |
| Transfers to Other Funds   | -  | (582,299)              | (582,299)                                      |
| Non-Capital Grant Proceeds   | 212,834  | 394,096                | 606,930  |
| <b>Net Cash Provided by (Used in) Noncapital Financing Activities</b>          | <u>212,834</u>                                     | <u>(188,203)</u>       | <u>24,631</u>                                  |
| <b>Cash Flows from Capital and Related Financing Activities</b>                |  |                        |  |
| Acquisition and Construction of Capital Assets                                 | (1,660,084)  | -                      | (1,660,084)                                    |
| Proceeds from the Disposition of Capital Assets                                | -  | -                      | -  |
| <b>Net Cash Provided by (Used in) Capital and Related Financing Activities</b> | <u>(1,660,084)</u>                                 | <u>-</u>               | <u>(1,660,084)</u>                             |
| <b>Cash Flows from Investing Activities</b>                                    |  |                        |  |
| Interest Received  | 41,836   | 56,540                 | 98,376   |
| <b>Net Cash Provided by (Used in) Investing Activities</b>                     | <u>41,836</u>                                      | <u>56,540</u>          | <u>98,376</u>                                  |
| <b>Net Increase (Decrease) in Cash and Cash Equivalents</b>                    | (694,730)  | 534,734                | (159,996)                                      |
| <b>Cash and Cash Equivalents, Beginning of Year</b>                            | <u>3,111,373</u>                                   | <u>2,629,991</u>       | <u>5,741,364</u>                               |
| <b>Cash and Cash Equivalents, End of Year</b>                                  | <u>\$ 2,416,643</u>                                | <u>\$ 3,164,725</u>    | <u>\$ 5,581,368</u>                            |

**CITY OF LEESBURG, FLORIDA  
COMBINING STATEMENT OF CASH FLOWS  
NONMAJOR ENTERPRISE FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

|  | <u>Business-type Activities - Enterprise Funds</u> |                            |  |
|--|--|----------------------------|--|
|  | <u>Stormwater<br/>Fund</u>                         | <u>Solid<br/>Waste</u>     | <u>Total<br/>Nonmajor<br/>Enterprise Funds</u> |
| <b><u>Reconciliation of Cash and Cash Equivalents to<br/>Balance Sheet</u></b>   |  |                            |  |
| Total Unrestricted Equity in Pooled Cash and<br>Cash Equivalents   | \$ 2,416,643                                       | \$ 3,161,565               | \$ 5,578,208                                   |
| Total Restricted Equity in Pooled Cash and<br>Cash Equivalents   | -  | 3,160                      | 3,160  |
| <b>Total Cash and Cash Equivalents, End of Year</b>  | <b><u>\$ 2,416,643</u></b>                         | <b><u>\$ 3,164,725</u></b> | <b><u>\$ 5,581,368</u></b>                     |
| <b><u>Reconciliation of Operating Income (Loss)<br/>to Net Cash Provided by (Used in) Operating<br/>Activities</u></b> |  |                            |  |
| Operating Income (Loss)  | \$ 564,323   | \$ 761,918                 | \$ 1,326,241                                   |
| Adjustments to Reconcile Operating<br>Income (Loss) to Net Cash Provided by<br>(Used in) Operating Activities:         |  |                            |  |
| Depreciation and Amortization  | 278,486  | 13,263                     | 291,749  |
| Decrease (Increase) in Assets:   |  |                            |  |
| Customer Accounts (Net of Allowances)  | (3,375)  | (14,667)                   | (18,042)                                       |
| Decrease (Increase) in Deferred Outflows:  |  |                            |  |
| Pension  | (6,413)  | (20,663)                   | (27,076)                                       |
| OPEB   | 4,376  | 6,845                      | 11,221   |
| Increase (Decrease) in Liabilities:  |  |                            |  |
| Accounts Payable   | (33,678)   | (6,724)                    | (40,402)                                       |
| Due to Other Governments   | -  | (16)                       | (16)   |
| Accrued Expenses   | (1,218)  | 6,328                      | 5,110  |
| Other Postemployment Benefits Liability  | (115,907)  | (211,212)                  | (327,119)                                      |
| Net Pension Liability  | (6,134)  | (43,009)                   | (49,143)                                       |
| Other Liabilities  | (4,378)  | 4,355                      | (23)   |
| Increase (Decrease) in Deferred Inflows:   |  |                            |  |
| Pension  | 5,647  | 20,833                     | 26,480   |
| OPEB   | 28,955   | 149,146                    | 178,101  |
| <b>Net Cash Provided by (Used in) Operating<br/>Activities</b>   | <b><u>\$ 710,684</u></b>                           | <b><u>\$ 666,397</u></b>   | <b><u>\$ 1,377,081</u></b>                     |





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## **INTERNAL SERVICE FUNDS**

**Internal Service Funds** account for the financing of goods and services provided by one City department or agency to other City departments or agencies on a cost-reimbursement basis. Descriptions of individual funds in this category are presented below.

**General Employees' Health Insurance** accounts for the employee welfare benefit maintained by the City that provides medical care for participants through insurance and directly through the Wellness Center.

**Workers' Compensation Insurance** accounts for the employee welfare benefit which provides coverage of medical and rehabilitation costs and lost wages for employees injured at work.

**Risk Management** accounts for the costs of liability, property and casualty, automobile, public official, and employment practices insurance.

**Fleet Maintenance** accounts for the purchase and maintenance of all City vehicles.

**CITY OF LEESBURG, FLORIDA**  
**COMBINING STATEMENT OF NET POSITION**  
**INTERNAL SERVICE FUNDS**  
**SEPTEMBER 30, 2020**

|  | <b>General<br/>Employees'<br/>Health<br/>Insurance</b> | <b>Workers'<br/>Compensation<br/>Insurance</b> | <b>Risk<br/>Management</b> | <b>Fleet<br/>Maintenance</b> | <b>Total</b>         |
|--|--|--|----------------------------|------------------------------|----------------------|
| <b>Assets</b>                                  |  |  |                            |                              |                      |
| Current Assets:                                |  |  |                            |                              |                      |
| Pooled Cash and Investments                    | \$ 2,137,928   | \$ 2,102,200                                   | \$ 160,081                 | \$ 3,718,945                 | \$ 8,119,154         |
| Miscellaneous Receivables                      | 225,899  | 34,002   | -                          | -                            | 259,901              |
| Due from Other Governments                     | -  | -  | -                          | 5                            | 5                    |
| Inventories                                    | -  | -  | -                          | 96,017                       | 96,017               |
| <b>Total Current Assets</b>                    | <u>2,363,827</u>                                       | <u>2,136,202</u>                               | <u>160,081</u>             | <u>3,814,967</u>             | <u>8,475,077</u>     |
| Noncurrent Assets:                             |  |  |                            |                              |                      |
| Property, Plant and Equipment:                 |  |  |                            |                              |                      |
| Buildings                                      | -  | -  | -                          | 564,988                      | 564,988              |
| Improvements Other Than Buildings              | -  | -  | -                          | 148,127                      | 148,127              |
| Machinery and Equipment                        | -  | -  | -                          | 22,902,713                   | 22,902,713           |
| Less Accumulated Depreciation and Amortization | -  | -  | -                          | (16,560,376)                 | (16,560,376)         |
| Construction in Progress                       | -  | -  | -                          | 119,276                      | 119,276              |
| <b>Total Property, Plant and Equipment</b>     | <u>-</u>   | <u>-</u>                                       | <u>-</u>                   | <u>7,174,728</u>             | <u>7,174,728</u>     |
| <b>Total Assets</b>                            | <u>2,363,827</u>                                       | <u>2,136,202</u>                               | <u>160,081</u>             | <u>10,989,695</u>            | <u>15,649,805</u>    |
| <b>Deferred Outflows of Resources</b>          |  |  |                            |                              |                      |
| Deferred Outflows: Pension Related             | -  | -  | -                          | 25,549                       | 25,549               |
| Deferred Outflows: OPEB                        | -  | -  | -                          | 17,902                       | 17,902               |
| <b>Total Deferred Outflows of Resources</b>    | <u>-</u>   | <u>-</u>                                       | <u>-</u>                   | <u>43,451</u>                | <u>43,451</u>        |
| <b>Liabilities</b>                             |  |  |                            |                              |                      |
| Current Liabilities:                           |  |  |                            |                              |                      |
| Accounts and Retainage Payable                 | \$ 1,243,117   | \$ 1,320                                       | \$ -                       | \$ 64,167                    | \$ 1,308,604         |
| Other Accrued Expenses                         | 3,551  | 2,653  | -                          | 25,690                       | 31,894               |
| Claims Payable                                 | 417,942  | 584,172  | -                          | -                            | 1,002,114            |
| Compensated Absences                           | -  | -  | -                          | 26,520                       | 26,520               |
| Other Postemployment Benefits                  | -  | -  | -                          | 1,873                        | 1,873                |
| <b>Total Current Liabilities</b>               | <u>1,664,610</u>                                       | <u>588,145</u>                                 | <u>-</u>                   | <u>118,250</u>               | <u>2,371,005</u>     |
| Noncurrent Liabilities:                        |  |  |                            |                              |                      |
| Claims Payable                                 | -  | 1,084,889                                      | -                          | -                            | 1,084,889            |
| Compensated Absences                           | -  | -  | -                          | 21,698                       | 21,698               |
| Other Postemployment Benefits                  | -  | -  | -                          | 397,356                      | 397,356              |
| Net Pension Liability                          | -  | -  | -                          | 58,272                       | 58,272               |
| <b>Total Noncurrent Liabilities</b>            | <u>-</u>   | <u>1,084,889</u>                               | <u>-</u>                   | <u>477,326</u>               | <u>1,562,215</u>     |
| <b>Total Liabilities</b>                       | <u>1,664,610</u>                                       | <u>1,673,034</u>                               | <u>-</u>                   | <u>595,576</u>               | <u>3,933,220</u>     |
| <b>Deferred Inflows of Resources</b>           |  |  |                            |                              |                      |
| Deferred Inflows: Pension Related              | -  | -  | -                          | 13,101                       | 13,101               |
| Deferred Inflows: OPEB                         | -  | -  | -                          | 141,228                      | 141,228              |
| <b>Total Deferred Inflows of Resources</b>     | <u>-</u>   | <u>-</u>                                       | <u>-</u>                   | <u>154,329</u>               | <u>154,329</u>       |
| <b>Net Position</b>                            |  |  |                            |                              |                      |
| Net Investment in Capital Assets               | -  | -  | -                          | 7,174,728                    | 7,174,728            |
| Unrestricted                                   | 699,217  | 463,168  | 160,081                    | 3,108,513                    | 4,430,979            |
| <b>Total Net Position</b>                      | <u>\$ 699,217</u>                                      | <u>\$ 463,168</u>                              | <u>\$ 160,081</u>          | <u>\$ 10,283,241</u>         | <u>\$ 11,605,707</u> |

**CITY OF LEESBURG, FLORIDA**  
**COMBINING STATEMENT OF REVENUES, EXPENSES,**  
**AND CHANGES IN FUND NET POSITION**  
**INTERNAL SERVICE FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

|   | General<br>Employees'<br>Health<br>Insurance | Workers'<br>Compensation<br>Insurance | Risk<br>Management | Fleet<br>Maintenance | Total                |
|---|--|---------------------------------------|--------------------|----------------------|----------------------|
| <b>Operating Revenues</b>                                       |  |                                       |                    |                      |                      |
| Charges for Services  | \$ 6,266,637                                 | \$ 645,119                            | \$ 775,160         | \$ 3,088,053         | \$ 10,774,969        |
| Other   | 394,570                                      | 29,744                                | -                  | -                    | 424,314              |
| <b>Total Operating Revenues</b>                                 | <u>6,661,207</u>                             | <u>674,863</u>                        | <u>775,160</u>     | <u>3,088,053</u>     | <u>11,199,283</u>    |
| <b>Operating Expenses</b>                                       |  |                                       |                    |                      |                      |
| Personal Services   | 68,183                                       | 52,419                                | -                  | 474,193              | 594,795              |
| Supplies and Materials  | 127,811                                      | -                                     | -                  | 24,186               | 151,997              |
| Maintenance Costs   | 3,618  | -                                     | -                  | 668,938              | 672,556              |
| Contracted Services   | 866,545                                      | 42,898                                | -                  | 13,854               | 923,297              |
| Other Services and Charges                                      | 10,649                                       | -                                     | -                  | 39,869               | 50,518               |
| Depreciation and Amortization                                   | -  | -                                     | -                  | 1,432,298            | 1,432,298            |
| Claims Expense  | 5,933,259                                    | 372,607                               | -                  | -                    | 6,305,866            |
| Insurance Premiums  | 409,683                                      | 102,358                               | 775,160            | -                    | 1,287,201            |
| <b>Total Operating Expenses</b>                                 | <u>7,419,748</u>                             | <u>570,282</u>                        | <u>775,160</u>     | <u>2,653,338</u>     | <u>11,418,528</u>    |
| <b>Operating Income (Loss)</b>                                  | <u>(758,541)</u>                             | <u>104,581</u>                        | <u>-</u>           | <u>434,715</u>       | <u>(219,245)</u>     |
| <b>Nonoperating Revenues</b>                                    |  |                                       |                    |                      |                      |
| Investment Income   | 24,394                                       | 40,519                                | 2,865              | 62,811               | 130,589              |
| Gain (Loss) on Sale of Assets                                   | -  | -                                     | -                  | (309,377)            | (309,377)            |
| Grants  | -  | -                                     | -                  | 160                  | 160                  |
| <b>Total Nonoperating Revenues</b>                              | <u>24,394</u>                                | <u>40,519</u>                         | <u>2,865</u>       | <u>(246,406)</u>     | <u>(178,628)</u>     |
| <b>Income (Loss) Before Capital Contributions and Transfers</b> | <u>(734,147)</u>                             | <u>145,100</u>                        | <u>2,865</u>       | <u>188,309</u>       | <u>(397,873)</u>     |
| <b>Transfers and Capital Contributions</b>                      |  |                                       |                    |                      |                      |
| Capital Contributions   | -  | -                                     | -                  | 27,274               | 27,274               |
| Transfers from Other Funds                                      | 204,183                                      | -                                     | -                  | 1,407,665            | 1,611,848            |
| Transfers to Other Funds  | -  | (204,183)                             | -                  | (1,299,840)          | (1,504,023)          |
| <b>Total Transfers and Capital Contributions</b>                | <u>204,183</u>                               | <u>(204,183)</u>                      | <u>-</u>           | <u>135,099</u>       | <u>135,099</u>       |
| <b>Change in Net Position</b>                                   | <u>(529,964)</u>                             | <u>(59,083)</u>                       | <u>2,865</u>       | <u>323,408</u>       | <u>(262,774)</u>     |
| <b>Total Net Position, Beginning of Year</b>                    | <u>1,229,181</u>                             | <u>522,251</u>                        | <u>157,216</u>     | <u>9,959,833</u>     | <u>11,868,481</u>    |
| <b>Total Net Position, End of Year</b>                          | <u>\$ 699,217</u>                            | <u>\$ 463,168</u>                     | <u>\$ 160,081</u>  | <u>\$ 10,283,241</u> | <u>\$ 11,605,707</u> |

**CITY OF LEESBURG, FLORIDA**  
**COMBINING STATEMENT OF CASH FLOWS**  
**INTERNAL SERVICE FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

|  | General<br>Employees'<br>Health<br>Insurance | Workers'<br>Compensation<br>Insurance | Risk<br>Management | Fleet<br>Maintenance | Total               |
|--|--|---------------------------------------|--------------------|----------------------|---------------------|
| <b>Cash Flows from Operating Activities</b>  |  |                                       |                    |                      |                     |
| Receipts from Customers and Users  | \$ 6,214,197                                 | \$ 641,383                            | \$ 775,160         | \$ 3,088,053         | \$ 10,718,793       |
| Cash Paid to Suppliers for Goods and Services  | (1,440,457)                                  | (146,534)                             | (775,160)          | (726,019)            | (3,088,170)         |
| Cash Paid for Insurance Claims   | (4,567,288)                                  | (290,126)                             | -                  | -                    | (4,857,414)         |
| Cash Paid to Employees for Services  | (67,732)                                     | (51,744)                              | -                  | (507,546)            | (627,022)           |
| <b>Net Cash Provided by (Used in) Operating Activities</b>   | <b>138,720</b>                               | <b>152,979</b>                        | <b>-</b>           | <b>1,854,488</b>     | <b>2,146,187</b>    |
| <b>Cash Flows from Noncapital Financing Activities</b>   |  |                                       |                    |                      |                     |
| Transfers from Other Funds   | 204,183                                      | -                                     | -                  | 1,299,840            | 1,504,023           |
| Transfers to Other Funds   | -  | (204,183)                             | -                  | (1,299,840)          | (1,504,023)         |
| Non-Capital Grant Proceeds   | -  | -                                     | -                  | 155                  | 155                 |
| <b>Net Cash Provided by (Used in) Noncapital Financing Activities</b>                                      | <b>204,183</b>                               | <b>(204,183)</b>                      | <b>-</b>           | <b>155</b>           | <b>155</b>          |
| <b>Cash Flows from Capital and Related Financing Activities</b>  |  |                                       |                    |                      |                     |
| Acquisition and Construction of Capital Assets   | -  | -                                     | -                  | (2,503,316)          | (2,503,316)         |
| Proceeds from the Disposition of Capital Assets  | -  | -                                     | -                  | 132,567              | 132,567             |
| <b>Net Cash Provided by (Used in) Capital and Related Financing Activities</b>                             | <b>-</b>                                     | <b>-</b>                              | <b>-</b>           | <b>(2,370,749)</b>   | <b>(2,370,749)</b>  |
| <b>Cash Flows from Investing Activities</b>  |  |                                       |                    |                      |                     |
| Interest Received  | 24,394                                       | 40,519                                | 2,865              | 62,811               | 130,589             |
| <b>Net Cash Flows from Investing Activities</b>  | <b>24,394</b>                                | <b>40,519</b>                         | <b>2,865</b>       | <b>62,811</b>        | <b>130,589</b>      |
| <b>Net Increase (Decrease) in Cash and Cash Equivalents</b>  | <b>367,297</b>                               | <b>(10,685)</b>                       | <b>2,865</b>       | <b>(453,295)</b>     | <b>(93,818)</b>     |
| <b>Cash and Cash Equivalents, Beginning of Year</b>  | <b>1,770,631</b>                             | <b>2,112,885</b>                      | <b>157,216</b>     | <b>4,172,240</b>     | <b>8,212,972</b>    |
| <b>Cash and Cash Equivalents, End of Year</b>  | <b>\$ 2,137,928</b>                          | <b>\$ 2,102,200</b>                   | <b>\$ 160,081</b>  | <b>\$ 3,718,945</b>  | <b>\$ 8,119,154</b> |
| <b><u>Reconciliation of Operating Income (Loss) to Cash Provided by (Used in) Operating Activities</u></b> |  |                                       |                    |                      |                     |
| Operating Income (Loss)  | \$ (758,541)                                 | \$ 104,581                            | \$ -               | \$ 434,715           | \$ (219,245)        |
| Adjustment to Reconcile Operating Income to Cash Flows Provided by (Used in) Operating Activities:         |  |                                       |                    |                      |                     |
| Depreciation   | -  | -                                     | -                  | 1,432,298            | 1,432,298           |
| Decrease (Increase) in Miscellaneous Receivables   | (52,440)                                     | (3,736)                               | -                  | -                    | (56,176)            |
| Decrease (Increase) in Inventory   | -  | -                                     | -                  | 67,987               | 67,987              |
| Decrease (Increase) in Deferred Outflows: Pension  | -  | -                                     | -                  | (12,160)             | (12,160)            |
| Decrease (Increase) in Deferred Outflows: OPEB   | -  | -                                     | -                  | 3,422                | 3,422               |
| Increase (Decrease) in Accounts Payable  | 844,329                                      | (1,278)                               | -                  | (47,159)             | 795,892             |
| Increase (Decrease) in Accrued Expenses  | 451  | 675                                   | -                  | 4,006                | 5,132               |
| Increase (Decrease) in Claims Payable  | 104,921                                      | 52,737                                | -                  | -                    | 157,658             |
| Increase (Decrease) in OPEB  | -  | -                                     | -                  | (105,606)            | (105,606)           |
| Increase (Decrease) in Net Pension Liability   | -  | -                                     | -                  | (11,638)             | (11,638)            |
| Increase (Decrease) in Other Liabilities   | -  | -                                     | -                  | 3,342                | 3,342               |
| Increase (Decrease) in Deferred Inflows: Pension   | -  | -                                     | -                  | 10,707               | 10,707              |
| Increase (Decrease) in Deferred Inflows: OPEB  | -  | -                                     | -                  | 74,574               | 74,574              |
| <b>Net Cash Provided by (Used in) Operating Activities</b>   | <b>\$ 138,720</b>                            | <b>\$ 152,979</b>                     | <b>\$ -</b>        | <b>\$ 1,854,488</b>  | <b>\$ 2,146,187</b> |
| <b><u>Noncash Investing, Capital, or Financing Transactions:</u></b>                                       |  |                                       |                    |                      |                     |
| Contribution of Capital Assets   | 174  | -                                     | -                  | \$ 107,825           | \$ 107,825          |

## **COMMUNITY REDEVELOPMENT AGENCY FUNDS**

**Community Redevelopment Agency Funds**, a major special revenue fund of the City, consists of the Greater Leesburg Community Redevelopment Agency, Carver Heights/Montclair Area Community Redevelopment Agency, and U.S. Highway 441 & 27 Community Redevelopment Agency which are incremental tax districts established pursuant to Florida Statutes. The fund accounts for the incremental increase in ad valorem tax revenue collected within the designated community redevelopment areas. Revenues must be utilized and expended in accordance with the respective community redevelopment plans.

**CITY OF LEESBURG, FLORIDA  
BALANCE SHEET  
COMMUNITY REDEVELOPMENT AGENCY FUNDS  
SEPTEMBER 30, 2020**

|  | <b>Greater<br/>Leesburg<br/>Community<br/>Redevelopment<br/>Agency Fund</b> | <b>Carver Heights/<br/>Montclair Area<br/>Community<br/>Redevelopment<br/>Agency Fund</b> | <b>U.S. Highway<br/>441/27<br/>Community<br/>Redevelopment<br/>Agency Fund</b> | <b>Total<br/>Community<br/>Redevelopment<br/>Agency Funds</b> |
|--|---|---|--|---|
| <b>Assets</b>                              |   |   |  |   |
| Pooled Cash and Investments                | \$ 112,930  | \$ 200,700  | \$ 1,162,128   | \$ 1,475,758  |
| Restricted Cash                            | -   | -   | 744,496  | 744,496   |
| Cash with Fiscal Agent                     | 92,268  | -   | -  | 92,268  |
| Prepaid Items                              | 3,172   | 3,172   | 3,172  | 9,516   |
| <b>Total Assets</b>                        | <b>\$ 208,370</b>   | <b>\$ 203,872</b>   | <b>\$ 1,909,796</b>  | <b>\$ 2,322,038</b>   |
| <b>Liabilities and Fund Balances</b>       |   |   |  |   |
| <b>Liabilities</b>                         |   |   |  |   |
| Accounts Payable                           | \$ 5,246  | \$ 19,645   | \$ 110   | \$ 25,001   |
| Deposits                                   | -   | 1,440   | 2,000  | 3,440   |
| Advance from Other Fund                    | -   | 1,033,661   | -  | 1,033,661   |
| <b>Total Liabilities</b>                   | <b>5,246</b>  | <b>1,054,746</b>  | <b>2,110</b>   | <b>1,062,102</b>  |
| <b>Fund Balances (Deficit)</b>             |   |   |  |   |
| Restricted for:                            |   |   |  |   |
| Capital Projects                           | 110,856   | -   | 1,163,190  | 1,274,046   |
| Debt Service                               | 92,268  | -   | 744,496  | 836,764   |
| Unassigned                                 | -   | (850,874)   | -  | (850,874)   |
| <b>Total Fund Balances (Deficit)</b>       | <b>203,124</b>  | <b>(850,874)</b>  | <b>1,907,686</b>   | <b>1,259,936</b>  |
| <b>Total Liabilities and Fund Balances</b> | <b>\$ 208,370</b>   | <b>\$ 203,872</b>   | <b>\$ 1,909,796</b>  | <b>\$ 2,322,038</b>   |

**CITY OF LEESBURG, FLORIDA  
SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
COMMUNITY REDEVELOPMENT AGENCY FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

|   | <b>Greater<br/>Leesburg<br/>Community<br/>Redevelopment<br/>Agency Fund</b> | <b>Carver Heights/<br/>Montclair Area<br/>Community<br/>Redevelopment<br/>Agency Fund</b> | <b>U.S. Highway<br/>441/27<br/>Community<br/>Redevelopment<br/>Agency Fund</b> | <b>Total<br/>Community<br/>Redevelopment<br/>Agency Funds</b> |
|---|---|---|--|---|
| <b>Revenues</b>   |   |   |  |   |
| Taxes   | \$ 429,388  | \$ 321,167  | \$ 772,145   | \$ 1,522,700  |
| Miscellaneous:  |   |   |  |   |
| Interest  | 4,730   | 5,803   | 36,974   | 47,507  |
| Rental  | -   | 1,830   | -  | 1,830   |
| <b>Total Revenues</b>   | <u>434,118</u>  | <u>328,800</u>  | <u>809,119</u>   | <u>1,572,037</u>  |
| <b>Expenditures</b>   |   |   |  |   |
| Current:  |   |   |  |   |
| Economic Environment  | 322,482   | 127,001   | 13,855   | 463,338   |
| Debt Service:   |   |   |  |   |
| Principal Payments  | 81,000  | -   | 195,000  | 276,000   |
| Interest and Fees   | 19,715  | 27,553  | 296,275  | 343,543   |
| Capital Outlay  | 42,660  | 62,844  | -  | 105,504   |
| <b>Total Expenditures</b>                                       | <u>465,857</u>  | <u>217,398</u>  | <u>505,130</u>   | <u>1,188,385</u>  |
| <b>Excess (Deficiency) of Revenues<br/>(Under) Expenditures</b> | <u>(31,739)</u>   | <u>111,402</u>  | <u>303,989</u>   | <u>383,652</u>  |
| <b>Other Financing Sources (Uses)</b>                           |   |   |  |   |
| Transfers from Other Funds                                      | 78,120  | -   | -  | 78,120  |
| Transfers to Other Funds  | -   | (141,958)   | -  | (141,958)   |
| <b>Total Other Financing Sources (Uses)</b>                     | <u>78,120</u>   | <u>(141,958)</u>  | <u>-</u>   | <u>(63,838)</u>   |
| <b>Net Change in Fund Balances</b>                              | 46,381  | (30,556)  | 303,989  | 319,814   |
| <b>Fund Balances (Deficit), Beginning of Year</b>               | <u>156,743</u>  | <u>(820,318)</u>  | <u>1,603,697</u>   | <u>940,122</u>  |
| <b>Fund Balances (Deficit), End of Year</b>                     | <u>\$ 203,124</u>   | <u>\$ (850,874)</u>   | <u>\$ 1,907,686</u>  | <u>\$ 1,259,936</u>   |





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## **STATISTICAL SECTION**

### ***(Unaudited)***

Statistical schedules differ from financial statements because they usually cover more than one fiscal year and may present non-accounting data. These schedules reflect social and economic data and financial trends of the City of Leesburg, Florida, and are designed to give the reader insights into the financial position of the City of Leesburg not readily apparent from the financial statements.

Statistical data are presented to provide more detailed information than reported in the preceding basic financial statements. This information in many cases has been spread throughout the report and is brought together here for greater clarity. Statistical data are not necessary for fair presentation in conformity with generally accepted accounting principles.

The schedule entitled "Computation of Legal Debt Margin," which is recommended for inclusion in the Comprehensive Annual Financial Report by the Government Finance Officers Association of the United States and Canada, is not included within this report inasmuch as no legal debt margin has been established for the City pursuant to the Constitution of the State of Florida, Florida Statutes, City ordinances or other laws applicable to the City. The City has had no general obligation debt outstanding during the past ten years.



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**CITY OF LEESBURG, FLORIDA  
STATISTICAL SECTION**

This part of the City of Leesburg'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 City's overall financial health.

**CONTENTS**

|  | <b>Pages</b> |
|--|--------------|
| <b>Financial Trends</b><br>These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.   | 182-191      |
| <b>Revenue Capacity</b><br>These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.   | 192-199      |
| <b>Debt Capacity</b><br>These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.                            | 200-213      |
| <b>Demographic and Economic Information</b><br>These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.                                    | 214-215      |
| <b>Operating Information</b><br>These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs. | 216-218      |

**Source:** Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports (CAFR) for the relevant year. The City implemented GASB Statements 63 and 65 for fiscal year 2012/13. These statements were applied prospectively; retroactive restatements of all years presented were not done.

**CITY OF LEESBURG, FLORIDA**  
**NET POSITION BY COMPONENT**  
**LAST TEN YEARS**  
**(UNAUDITED ACCRUAL BASIS OF ACCOUNTING)**  
**PAGE 1 OF 2**

|   | <u>2011</u>           | <u>2012</u>           | <u>2013</u>           | <u>2014</u>           | <u>2015</u>           |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| <b>Governmental Activities</b>                      |                       |                       |                       |                       |                       |
| Net Investment in Capital Assets                    | \$ 52,626,016         | \$ 45,112,290         | \$ 45,611,934         | \$ 46,464,509         | \$ 20,864,865         |
| Restricted  | 3,377,029             | 3,628,410             | 3,785,234             | 3,833,845             | 6,117,848             |
| Unrestricted  | 4,242,639             | 3,884,988             | 7,729,470             | 10,327,265            | 5,133,917             |
| <b>Total Governmental Activities, Net Position</b>  | <u>\$ 60,245,684</u>  | <u>\$ 52,625,688</u>  | <u>\$ 57,126,638</u>  | <u>\$ 60,625,619</u>  | <u>\$ 32,116,630</u>  |
| <b>Business-Type Activities</b>                     |                       |                       |                       |                       |                       |
| Net Investment in Capital Assets                    | \$ 114,637,624        | \$ 120,694,245        | \$ 115,138,968        | \$ 116,147,661        | \$ 148,453,634        |
| Restricted  | 5,821,230             | 9,168,859             | 9,816,240             | 14,966,539            | 425,869               |
| Unrestricted  | 32,384,015            | 36,856,836            | 44,628,044            | 40,319,508            | 50,230,057            |
| <b>Total Business-Type Activities, Net Position</b> | <u>\$ 152,842,869</u> | <u>\$ 166,719,940</u> | <u>\$ 169,583,252</u> | <u>\$ 171,433,708</u> | <u>\$ 199,109,560</u> |
| <b>Primary Government</b>                           |                       |                       |                       |                       |                       |
| Net Investment in Capital Assets                    | \$ 167,263,640        | \$ 165,806,535        | \$ 160,750,902        | \$ 162,612,170        | \$ 169,318,499        |
| Restricted  | 9,198,259             | 12,797,269            | 13,601,474            | 18,800,384            | 6,543,717             |
| Unrestricted  | 36,626,654            | 40,741,824            | 52,357,514            | 50,646,773            | 55,363,974            |
| <b>Total Primary Government, Net Position</b>       | <u>\$ 213,088,553</u> | <u>\$ 219,345,628</u> | <u>\$ 226,709,890</u> | <u>\$ 232,059,327</u> | <u>\$ 231,226,190</u> |

Note: This information is provided as part of the Financial Trend Data.

**CITY OF LEESBURG, FLORIDA**  
**NET POSITION BY COMPONENT**  
**LAST TEN YEARS**  
**(UNAUDITED ACCRUAL BASIS OF ACCOUNTING)**  
**PAGE 2 OF 2**

|   | <u>2016</u>           | <u>2017</u>           | <u>2018</u>           | <u>2019</u>           | <u>2020</u>           |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| <b>Governmental Activities</b>                      |                       |                       |                       |                       |                       |
| Net Investment in Capital Assets                    | \$ 22,304,328         | \$ 25,845,388         | \$ 36,350,667         | \$ 36,350,667         | \$ 42,701,384         |
| Restricted  | 7,253,410             | 8,143,253             | 7,357,874             | 7,357,874             | 8,276,202             |
| Unrestricted  | 5,457,637             | 5,260,757             | (1,264,432)           | (1,264,432)           | (4,795,530)           |
| <b>Total Governmental Activities, Net Position</b>  | <u>\$ 35,015,375</u>  | <u>\$ 39,249,398</u>  | <u>\$ 42,444,109</u>  | <u>\$ 42,444,109</u>  | <u>\$ 46,182,056</u>  |
| <b>Business-Type Activities</b>                     |                       |                       |                       |                       |                       |
| Net Investment in Capital Assets                    | \$ 156,110,922        | \$ 159,475,980        | \$ 172,603,318        | \$ 172,603,318        | \$ 178,502,750        |
| Restricted  | 215,183               | 2,663,517             | 3,166,299             | 3,166,299             | 4,592,640             |
| Unrestricted  | 52,852,630            | 54,527,844            | 51,157,231            | 51,157,231            | 57,497,822            |
| <b>Total Business-Type Activities, Net Position</b> | <u>\$ 209,178,735</u> | <u>\$ 216,667,341</u> | <u>\$ 226,926,848</u> | <u>\$ 226,926,848</u> | <u>\$ 240,593,212</u> |
| <b>Primary Government</b>                           |                       |                       |                       |                       |                       |
| Net Investment in Capital Assets                    | \$ 178,415,250        | \$ 185,321,368        | \$ 208,953,985        | \$ 208,953,985        | \$ 221,204,134        |
| Restricted  | 7,468,593             | 10,806,770            | 10,524,173            | 10,524,173            | 12,868,842            |
| Unrestricted  | 58,310,267            | 59,788,601            | 49,892,799            | 49,892,799            | 52,702,292            |
| <b>Total Primary Government, Net Position</b>       | <u>\$ 244,194,110</u> | <u>\$ 255,916,739</u> | <u>\$ 269,370,957</u> | <u>\$ 269,370,957</u> | <u>\$ 286,775,268</u> |

Note: This information is provided as part of the Financial Trend Data.

**CITY OF LEESBURG, FLORIDA**  
**CHANGES IN NET POSITION**  
**LAST TEN YEARS**  
**(UNAUDITED ACCRUAL BASIS OF ACCOUNTING)**  
**PAGE 1 OF 4**

| Expenses   | 2011                   | 2012                   | 2013                  | 2014                  | 2015                  |
|--|------------------------|------------------------|-----------------------|-----------------------|-----------------------|
| <b>Governmental Activities:</b>                        |                        |                        |                       |                       |                       |
| General Government                                     | \$ 4,516,704           | \$ 8,225,542           | \$ 2,783,141          | \$ 4,207,463          | \$ 3,699,829          |
| Public Safety  | 16,325,651             | 14,475,082             | 12,533,637            | 13,436,493            | 13,774,093            |
| Physical Environments                                  | 133,276                | 144,545                | 96,957                | 164,599               | 145,811               |
| Transportation   | 3,710,588              | 4,110,736              | 3,452,836             | 4,026,402             | 2,447,892             |
| Economic Environment                                   | 1,072,203              | 599,815                | 617,173               | 601,599               | 665,364               |
| Human Services   | 37,567                 | 520,403                | 89,462                | 62,313                | 56,147                |
| Culture and Recreation                                 | 5,090,129              | 4,486,471              | 4,000,195             | 3,787,423             | 3,724,975             |
| Interest on Long Term Debt                             | 1,778,947              | 1,749,214              | 2,055,215             | 1,014,659             | 1,245,289             |
| <b>Total Governmental Activities Expenses</b>          | <b>32,665,065</b>      | <b>34,311,808</b>      | <b>25,628,616</b>     | <b>27,300,951</b>     | <b>25,759,400</b>     |
| <b>Business-Type Activities:</b>                       |                        |                        |                       |                       |                       |
| Electric Utility                                       | 53,561,809             | 49,405,166             | 54,765,248            | 57,032,000            | 52,304,667            |
| Gas Utility  | 5,964,253              | 4,940,220              | 6,950,627             | 5,820,355             | 5,127,380             |
| Water Utility  | 6,828,647              | 5,375,968              | 6,270,374             | 6,087,119             | 5,973,909             |
| Wastewater Utility                                     | 7,991,155              | 8,502,626              | 8,516,232             | 8,255,645             | 8,436,457             |
| Stormwater System                                      | 1,392,024              | 1,276,750              | 988,175               | 930,551               | 847,931               |
| Solid Waste System                                     | 3,022,958              | 2,979,724              | 3,137,439             | 3,105,018             | 2,724,326             |
| Communication Services Utility                         | 1,126,159              | 1,109,831              | 1,235,660             | 1,398,675             | 1,476,913             |
| Airport  | -                      | -                      | -                     | -                     | 1,997,024             |
| Housing  | 162,600                | 161,114                | -                     | -                     | -                     |
| <b>Total Business-Type Activities Expenses</b>         | <b>80,049,605</b>      | <b>73,751,399</b>      | <b>81,863,755</b>     | <b>82,629,363</b>     | <b>78,888,607</b>     |
| <b>Total Primary Government Expenses</b>               | <b>\$ 112,714,670</b>  | <b>\$ 108,063,207</b>  | <b>\$ 107,492,371</b> | <b>\$ 109,930,314</b> | <b>\$ 104,648,007</b> |
| <b>Program Revenues</b>                                |                        |                        |                       |                       |                       |
| <b>Governmental Activities:</b>                        |                        |                        |                       |                       |                       |
| Charges for Services:                                  |                        |                        |                       |                       |                       |
| General Government                                     | \$ 3,717,159           | \$ 3,422,553           | \$ 374,052            | \$ 403,638            | \$ 710,031            |
| Public Safety  | 474,039                | 470,043                | 552,253               | 808,461               | 937,188               |
| Physical Environment                                   | 47,831                 | 23,379                 | -                     | 34,240                | 124,885               |
| Transportation   | 1,129,721              | 1,091,481              | 1,033,409             | 1,378,294             | 467,402               |
| Economic Environment                                   | -                      | -                      | -                     | -                     | -                     |
| Human Services   | -                      | -                      | -                     | -                     | -                     |
| Culture and Recreation                                 | 497,863                | 480,587                | 519,757               | 550,146               | 593,150               |
| Operating Grants and Contributions                     | 869,208                | 705,802                | 764,401               | 369,821               | 449,269               |
| Capital Grants and Contributions                       | 413,865                | 956,929                | 1,786,112             | 2,168,876             | 425,396               |
| <b>Total Governmental Activities Program Revenues</b>  | <b>7,149,686</b>       | <b>7,150,774</b>       | <b>5,029,984</b>      | <b>5,713,476</b>      | <b>3,707,321</b>      |
| <b>Business-Type Activities:</b>                       |                        |                        |                       |                       |                       |
| Charges for Services                                   | 92,776,933             | 86,870,566             | 93,582,078            | 92,013,588            | 91,894,164            |
| Operating Grants and Contributions                     | 87,958                 | 48,396                 | 111,360               | 3,605                 | -                     |
| Capital Grants and Contributions                       | 576,880                | 3,635,520              | 2,743,174             | 2,742,221             | 1,069,990             |
| <b>Total Business-Type Activities Program Revenues</b> | <b>93,441,771</b>      | <b>90,554,482</b>      | <b>96,436,612</b>     | <b>94,759,414</b>     | <b>92,964,154</b>     |
| <b>Total Primary Government Program Revenue</b>        | <b>\$ 100,591,457</b>  | <b>\$ 97,705,256</b>   | <b>\$ 101,466,596</b> | <b>\$ 100,472,890</b> | <b>\$ 96,671,475</b>  |
| <b>Net (Expense)/Revenue</b>                           |                        |                        |                       |                       |                       |
| Governmental Activities                                | \$ (25,515,379)        | \$ (27,161,034)        | \$ (20,598,632)       | \$ (21,587,475)       | \$ (22,052,079)       |
| Business-Type Activities                               | 13,392,166             | 16,803,083             | 14,572,857            | 12,130,051            | 14,075,547            |
| <b>Total Primary Government Net Expense</b>            | <b>\$ (12,123,213)</b> | <b>\$ (10,357,951)</b> | <b>\$ (6,025,775)</b> | <b>\$ (9,457,424)</b> | <b>\$ (7,976,532)</b> |

Notes: This information is provided as part of the Financial Trend Data.

Stormwater was separated from the Governmental Activities in 2011 because it became a Business-Type fund.

Airport was separated from the Governmental Activities in 2015 because it became a Business-Type fund.

**CITY OF LEESBURG, FLORIDA**  
**CHANGES IN NET POSITION**  
**LAST TEN YEARS**  
**(UNAUDITED ACCRUAL BASIS OF ACCOUNTING)**  
**PAGE 2 OF 4**

| Expenses   | 2016                   | 2017                  | 2018                  | 2019                  | 2020                  |
|--|------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| <b>Governmental Activities:</b>                        |                        |                       |                       |                       |                       |
| General Government                                     | \$ 4,332,531           | \$ 4,308,723          | \$ 4,316,993          | \$ 4,316,993          | \$ 3,478,302          |
| Public Safety  | 15,963,879             | 15,218,300            | 16,221,272            | 16,221,272            | 16,285,754            |
| Physical Environment                                   | 158,565                | 197,267               | 84,061                | 84,061                | 101,602               |
| Transportation   | 2,494,645              | 2,300,390             | 2,085,647             | 2,085,647             | 2,072,205             |
| Economic Environment                                   | 704,682                | 868,608               | 1,040,933             | 1,040,933             | 1,124,000             |
| Human Services   | 51,380                 | 92,742                | 296,365               | 296,365               | 303,807               |
| Culture and Recreation                                 | 4,165,256              | 3,962,261             | 3,862,143             | 3,862,143             | 4,042,393             |
| Interest on Long Term Debt                             | 2,295,754              | 1,146,553             | 1,146,628             | 1,146,628             | 1,096,516             |
| <b>Total Governmental Activities Expenses</b>          | <b>30,166,692</b>      | <b>28,094,844</b>     | <b>29,054,042</b>     | <b>29,054,042</b>     | <b>28,504,579</b>     |
| <b>Business-Type Activities:</b>                       |                        |                       |                       |                       |                       |
| Electric Utility                                       | 53,842,698             | 55,636,953            | 55,241,760            | 55,241,760            | 52,373,341            |
| Gas Utility  | 4,797,668              | 4,888,424             | 5,908,980             | 5,908,980             | 5,152,566             |
| Water Utility  | 6,773,513              | 6,536,301             | 7,008,398             | 7,008,398             | 6,662,035             |
| Wastewater Utility                                     | 8,194,810              | 8,147,865             | 8,265,558             | 8,265,558             | 9,107,135             |
| Stormwater System                                      | 911,432                | 976,741               | 2,165,042             | 2,165,042             | 1,018,538             |
| Solid Waste System                                     | 2,863,103              | 3,402,964             | 3,406,525             | 3,406,525             | 3,625,574             |
| Communication Services Utility                         | 1,567,038              | 1,676,759             | -                     | -                     | -                     |
| Airport  | 2,368,149              | 1,985,875             | 2,269,693             | 2,269,693             | 2,171,954             |
| Housing  | -                      | -                     | -                     | -                     | -                     |
| <b>Total Business-Type Activities Expenses</b>         | <b>81,318,411</b>      | <b>83,251,882</b>     | <b>84,265,956</b>     | <b>84,265,956</b>     | <b>80,111,143</b>     |
| <b>Total Primary Government Expenses</b>               | <b>\$ 111,485,103</b>  | <b>\$ 111,346,726</b> | <b>\$ 113,319,998</b> | <b>\$ 113,319,998</b> | <b>\$ 108,615,722</b> |
| <b>Program Revenues</b>                                |                        |                       |                       |                       |                       |
| <b>Governmental Activities:</b>                        |                        |                       |                       |                       |                       |
| Charges for Services:                                  |                        |                       |                       |                       |                       |
| General Government                                     | \$ 742,308             | \$ 594,609            | \$ 817,395            | \$ 817,395            | \$ 768,233            |
| Public Safety  | 2,487,371              | 2,624,676             | 2,554,584             | 2,554,584             | 2,453,732             |
| Physical Environment                                   | 165,014                | 118,279               | 97,989                | 97,989                | 86,830                |
| Transportation   | -                      | 287,807               | 304,753               | 304,753               | 316,358               |
| Economic Environment                                   | -                      | -                     | 4,625                 | 4,625                 | 1,830                 |
| Human Services   | -                      | -                     | -                     | -                     | -                     |
| Culture and Recreation                                 | 598,701                | 660,316               | 680,499               | 680,499               | 714,550               |
| Operating Grants and Contributions                     | 201,225                | 165,986               | 315,203               | 315,203               | 628,643               |
| Capital Grants and Contributions                       | 559,279                | 1,189,437             | 352,436               | 352,436               | 1,397,720             |
| <b>Total Governmental Activities Program Revenues</b>  | <b>4,753,898</b>       | <b>5,641,110</b>      | <b>5,127,484</b>      | <b>5,127,484</b>      | <b>6,367,896</b>      |
| <b>Business-Type Activities:</b>                       |                        |                       |                       |                       |                       |
| Charges for Services                                   | 92,563,401             | 97,691,509            | 97,806,450            | 97,806,450            | 94,418,697            |
| Operating Grants and Contributions                     | -                      | 45,474                | 565,210               | 565,210               | 430,733               |
| Capital Grants and Contributions                       | 2,046,797              | 3,021,413             | 2,391,074             | 2,391,074             | 5,132,748             |
| <b>Total Business-Type Activities Program Revenues</b> | <b>94,610,198</b>      | <b>100,758,396</b>    | <b>100,762,734</b>    | <b>100,762,734</b>    | <b>99,982,178</b>     |
| <b>Total Primary Government Program Revenue</b>        | <b>\$ 99,364,096</b>   | <b>\$ 106,399,506</b> | <b>\$ 105,890,218</b> | <b>\$ 105,890,218</b> | <b>\$ 106,350,074</b> |
| <b>Net (Expense)/Revenue</b>                           |                        |                       |                       |                       |                       |
| Governmental Activities                                | \$ (25,412,794)        | \$ (22,453,734)       | \$ (23,926,558)       | \$ (23,926,558)       | \$ (22,136,683)       |
| Business-Type Activities                               | 13,291,787             | 17,506,514            | 16,496,778            | 16,496,778            | 19,871,035            |
| <b>Total Primary Government Net Expense</b>            | <b>\$ (12,121,007)</b> | <b>\$ (4,947,220)</b> | <b>\$ (7,429,780)</b> | <b>\$ (7,429,780)</b> | <b>\$ (2,265,648)</b> |

Notes: This information is provided as part of the Financial Trend Data.  
Stormwater was separated from the Governmental Activities in 2011 because it became a Business-Type fund.  
Airport was separated from the Governmental Activities in 2015 because it became a Business-Type fund.



**CITY OF LEESBURG, FLORIDA**  
**CHANGES IN NET POSITION**  
**LAST TEN YEARS**  
**(UNAUDITED ACCRUAL BASIS OF ACCOUNTING)**  
**PAGE 3 OF 4**

|   | <u>2011</u>          | <u>2012</u>          | <u>2013</u>          | <u>2014</u>          | <u>2015</u>          |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|
| <b>General Revenues and Other Changes in Net Position</b> |                      |                      |                      |                      |                      |
| <b>Governmental Activities:</b>                           |                      |                      |                      |                      |                      |
| Property Taxes  | \$ 5,361,571         | \$ 4,858,023         | \$ 4,684,694         | \$ 4,685,546         | \$ 4,712,444         |
| Other Taxes   | 6,647,069            | 6,857,316            | 6,857,316            | 7,046,094            | 7,339,909            |
| Intergovernmental Revenues, Unrestricted                  | 2,253,173            | 2,040,040            | 2,040,040            | 2,204,568            | 2,375,390            |
| Investment Income   | 471,791              | 290,742              | 91,653               | 105,996              | 246,563              |
| Miscellaneous   | 115,080              | 56,819               | 217,330              | 179,925              | 111,601              |
| Transfers   | 7,080,713            | 6,956,641            | 11,072,770           | 10,864,327           | (15,323,267)         |
| <b>Total Governmental Activities</b>                      | <u>21,929,397</u>    | <u>21,059,581</u>    | <u>24,963,803</u>    | <u>25,086,456</u>    | <u>(537,360)</u>     |
| <b>Business-Type Activities:</b>                          |                      |                      |                      |                      |                      |
| Investment Income   | 572,093              | 214,620              | 1,030,643            | 566,516              | 785,893              |
| Miscellaneous   | (10,954)             | 2,109,318            | 11,954               | 18,216               | 131,805              |
| Special Item  | -                    | -                    | -                    | -                    | -                    |
| Extraordinary Gain  | -                    | -                    | -                    | -                    | -                    |
| Transfers   | (7,080,713)          | (6,956,641)          | (11,072,770)         | (10,864,327)         | 15,323,267           |
| <b>Total Business-Type Activities</b>                     | <u>(6,519,574)</u>   | <u>(4,632,703)</u>   | <u>(10,030,173)</u>  | <u>(10,279,595)</u>  | <u>16,240,965</u>    |
| <b>Total Primary Government</b>                           | <u>\$ 15,409,823</u> | <u>\$ 16,426,878</u> | <u>\$ 14,933,630</u> | <u>\$ 14,806,861</u> | <u>\$ 15,703,605</u> |
| <b>Changes in Net Position</b>                            |                      |                      |                      |                      |                      |
| Governmental Activities                                   | \$ (3,557,041)       | \$ (6,101,453)       | \$ 4,500,950         | \$ 3,498,981         | \$ (22,589,439)      |
| Business-Type Activities                                  | 6,872,592            | 12,170,380           | 4,542,684            | 1,850,456            | 30,316,512           |
| <b>Total Government</b>                                   | <u>\$ 3,315,551</u>  | <u>\$ 6,068,927</u>  | <u>\$ 9,043,634</u>  | <u>\$ 5,349,437</u>  | <u>\$ 7,727,073</u>  |

Notes: This information is provided as part of the Financial Trend Data.

Stormwater was separated from the Governmental Activities in 2011 because it became a Business-Type fund.

Airport was separated from the Governmental Activities in 2015 because it became a Business-Type fund.

**CITY OF LEESBURG, FLORIDA**  
**CHANGES IN NET POSITION**  
**LAST TEN YEARS**  
**(UNAUDITED ACCRUAL BASIS OF ACCOUNTING)**  
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|   | <u>2016</u>          | <u>2017</u>          | <u>2018</u>          | <u>2019</u>          | <u>2020</u>          |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|
| <b>General Revenues and Other Changes in Net Position</b> |                      |                      |                      |                      |                      |
| <b>Governmental Activities:</b>                           |                      |                      |                      |                      |                      |
| Property Taxes  | \$ 4,977,437         | \$ 5,204,939         | \$ 6,228,596         | \$ 6,228,596         | \$ 5,934,099         |
| Other Taxes   | 7,561,374            | 7,633,585            | 7,594,686            | 7,594,686            | 7,538,413            |
| Intergovernmental Revenues, Unrestricted                  | 2,468,220            | 2,587,802            | 2,760,235            | 2,760,235            | 2,731,028            |
| Investment Income   | 552,507              | 266,051              | 1,135,647            | 1,135,647            | 697,381              |
| Miscellaneous   | 95,650               | 230,746              | 319,468              | 319,468              | 227,220              |
| Transfers   | 12,656,351           | 10,764,634           | 8,442,590            | 8,442,590            | 8,746,489            |
| <b>Total Governmental Activities</b>                      | <u>28,311,539</u>    | <u>26,687,757</u>    | <u>26,481,222</u>    | <u>26,481,222</u>    | <u>25,874,630</u>    |
| <b>Business-Type activities:</b>                          |                      |                      |                      |                      |                      |
| Investment Income   | 1,671,744            | 562,575              | 2,102,062            | 2,102,062            | 1,676,009            |
| Miscellaneous   | 34,595               | 184,151              | 4,027,281            | 4,027,281            | 865,809              |
| Special Item  | -                    | -                    | -                    | -                    | -                    |
| Extraordinary Gain  | 7,727,400            | -                    | -                    | -                    | -                    |
| Transfers   | (12,656,351)         | (10,764,634)         | (8,442,590)          | (8,442,590)          | (8,746,489)          |
| <b>Total Business-Type Activities</b>                     | <u>(3,222,612)</u>   | <u>(10,017,908)</u>  | <u>(2,313,247)</u>   | <u>(2,313,247)</u>   | <u>(6,204,671)</u>   |
| <b>Total Primary Government General Revenues</b>          | <u>\$ 25,088,927</u> | <u>\$ 16,669,849</u> | <u>\$ 24,167,975</u> | <u>\$ 24,167,975</u> | <u>\$ 19,669,959</u> |
| <b>Changes in Net Position</b>                            |                      |                      |                      |                      |                      |
| Governmental Activities                                   | \$ 2,898,745         | \$ 4,234,023         | \$ 2,554,664         | \$ 2,554,664         | \$ 3,737,947         |
| Business-Type Activities                                  | 10,069,175           | 7,488,606            | 14,183,531           | 14,183,531           | 13,666,364           |
| <b>Total Government</b>                                   | <u>\$ 12,967,920</u> | <u>\$ 11,722,629</u> | <u>\$ 16,738,195</u> | <u>\$ 16,738,195</u> | <u>\$ 17,404,311</u> |

Notes: This information is provided as part of the Financial Trend Data.  
Stormwater was separated from the Governmental Activities in 2011 because it became a Business-Type fund.  
Airport was separated from the Governmental Activities in 2015 because it became a Business-Type fund.

**CITY OF LEESBURG, FLORIDA**  
**FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(UNAUDITED MODIFIED ACCRUAL BASIS OF ACCOUNTING)**  
**PAGE 1 OF 2**

|   | <u>2011</u>          | <u>2012</u>          | <u>2013</u>          | <u>2014</u>          | <u>2015</u>          |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|
| <b>General Fund</b>                       |                      |                      |                      |                      |                      |
| Reserved                                  | \$ -                 | \$ -                 | \$ -                 | \$ -                 | \$ -                 |
| Unreserved                                | -                    | -                    | -                    | -                    | -                    |
| Nonspendable                              | 763,445              | 633,615              | 121,153              | 50,075               | 35,361               |
| Restricted                                | 652,106              | 659,224              | 963,818              | 1,017,596            | 1,332,191            |
| Committed                                 | 2,970                | 4,563                | 4,033                | 2,919                | 3,285                |
| Assigned                                  | -                    | 1,000,000            | 437,312              | 235,269              | 322,141              |
| Unassigned                                | 7,371,865            | 7,239,114            | 8,592,849            | 10,689,238           | 12,684,625           |
| <b>Total General Fund</b>                 | <u>\$ 8,790,386</u>  | <u>\$ 9,536,516</u>  | <u>\$ 10,119,165</u> | <u>\$ 11,995,097</u> | <u>\$ 14,377,603</u> |
| <br><b>All Other Governmental Funds</b>   |                      |                      |                      |                      |                      |
| Reserved                                  | \$ -                 | \$ -                 | \$ -                 | \$ -                 | \$ -                 |
| Unreserved                                |                      |                      |                      |                      |                      |
| Stormwater Fund                           | -                    | -                    | -                    | -                    | -                    |
| Redevelopment Agency Funds                | -                    | -                    | -                    | -                    | -                    |
| Special Revenue Funds                     | -                    | -                    | -                    | -                    | -                    |
| Nonspendable                              | 2,976                | 478                  | 63                   | -                    | -                    |
| Restricted                                | 13,097,454           | 11,815,626           | 10,915,723           | 9,082,457            | 10,336,400           |
| Committed                                 | -                    | -                    | -                    | -                    | -                    |
| Assigned                                  | 1,324,710            | 1,071,842            | 898,723              | 1,348,285            | -                    |
| Unassigned                                | (200,150)            | (197,714)            | (369,538)            | (151,106)            | (38,449)             |
| <b>Total All Other Governmental Funds</b> | <u>\$ 14,224,990</u> | <u>\$ 12,690,232</u> | <u>\$ 11,444,971</u> | <u>\$ 10,279,636</u> | <u>\$ 10,297,951</u> |

Notes: This information is provided as part of the Financial Trend Data.  
Beginning in 2011:  
a. Implementation of GASB 54 changed the fund balance designations.  
b. Stormwater is no longer classified as a governmental fund.  
Beginning in 2015, Airport is no longer classified as a governmental fund.

**CITY OF LEESBURG, FLORIDA**  
**FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(UNAUDITED MODIFIED ACCRUAL BASIS OF ACCOUNTING)**  
**PAGE 2 OF 2**

|   | <u>2016</u>          | <u>2017</u>          | <u>2018</u>          | <u>2019</u>          | <u>2020</u>          |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|
| <b>General Fund</b>                       |                      |                      |                      |                      |                      |
| Reserved                                  | \$ -                 | \$ -                 | \$ -                 | \$ -                 | \$ -                 |
| Unreserved                                | -                    | -                    | -                    | -                    | -                    |
| Nonspendable                              | 77,154               | 108,198              | 699,163              | 699,163              | 795,314              |
| Restricted                                | 1,474,147            | 1,485,054            | 182,232              | 182,232              | 182,182              |
| Committed                                 | 4,138                | 5,289                | 3,288                | 3,288                | 69,480               |
| Assigned                                  | 1,263,580            | 1,253,310            | -                    | -                    | 71,438               |
| Unassigned                                | 9,928,466            | 10,969,154           | 13,409,580           | 13,409,580           | 11,786,634           |
| <b>Total General Fund</b>                 | <u>\$ 12,747,485</u> | <u>\$ 13,821,005</u> | <u>\$ 14,294,263</u> | <u>\$ 14,294,263</u> | <u>\$ 12,905,048</u> |
| <br><b>All Other Governmental Funds</b>   |                      |                      |                      |                      |                      |
| Reserved                                  | \$ -                 | \$ -                 | \$ -                 | \$ -                 | \$ -                 |
| Unreserved                                |                      |                      |                      |                      |                      |
| Stormwater Fund                           | -                    | -                    | -                    | -                    | -                    |
| Redevelopment Agency Funds                | -                    | -                    | -                    | -                    | -                    |
| Special Revenue Funds                     | -                    | -                    | -                    | -                    | -                    |
| Nonspendable                              | -                    | -                    | -                    | -                    | -                    |
| Restricted                                | 10,557,678           | 6,886,746            | 7,175,642            | 7,175,642            | 8,094,020            |
| Committed                                 | -                    | -                    | -                    | -                    | -                    |
| Assigned                                  | 6,623,792            | 6,921,025            | -                    | 7,731,691            | 8,380,295            |
| Unassigned                                | (10,211)             | -                    | (820,318)            | (820,318)            | (850,874)            |
| <b>Total All Other Governmental Funds</b> | <u>\$ 17,171,259</u> | <u>\$ 13,807,771</u> | <u>\$ 6,355,324</u>  | <u>\$ 14,087,015</u> | <u>\$ 15,623,441</u> |

Notes: This information is provided as part of the Financial Trend Data.  
Beginning in 2011:  
a. Implementation of GASB 54 changed the fund balance designations.  
b. Stormwater is no longer classified as a governmental fund.  
Beginning in 2015, Airport is no longer classified as a governmental fund.

**CITY OF LEESBURG, FLORIDA**  
**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(UNAUDITED MODIFIED ACCRUAL BASIS OF ACCOUNTING)**  
**PAGE 1 OF 2**

|   | <u>2011</u>         | <u>2012</u>         | <u>2013</u>         | <u>2014</u>         | <u>2015</u>         |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|
| <b>Revenues</b>   |                     |                     |                     |                     |                     |
| Taxes   | \$ 12,235,501       | \$ 11,715,341       | \$ 11,906,834       | \$ 12,002,708       | \$ 12,362,071       |
| Licenses, Permits, and Assessments  | 457,142             | 458,798             | 494,057             | 815,905             | 1,006,590           |
| Intergovernmental   | 3,371,485           | 3,506,336           | 4,042,615           | 4,354,607           | 2,743,845           |
| Charges for Services  | 595,467             | 541,758             | 588,212             | 896,780             | 1,023,985           |
| Fines and Forfeitures   | 163,197             | 159,137             | 186,038             | 165,356             | 156,640             |
| Impact Fees   | 150                 | -                   | -                   | 68,685              | 106,719             |
| Interest  | 203,118             | 50,943              | 193,761             | 25,755              | 173,320             |
| Miscellaneous   | 4,946,580           | 4,604,621           | 4,604,621           | 1,450,423           | 776,766             |
| <b>Total Revenues</b>   | <u>21,972,640</u>   | <u>21,036,934</u>   | <u>22,016,138</u>   | <u>19,780,219</u>   | <u>18,349,936</u>   |
| <b>Expenditures</b>   |                     |                     |                     |                     |                     |
| General Government  | 2,851,945           | 2,730,096           | 1,999,318           | 3,257,326           | 3,242,396           |
| Public Safety   | 14,238,088          | 14,472,095          | 14,295,487          | 13,823,843          | 12,837,293          |
| Physical Environment  | 65,877              | 60,774              | 61,867              | 77,191              | 69,833              |
| Transportation  | 2,063,548           | 1,797,161           | 1,705,097           | 1,954,674           | 1,380,217           |
| Economic Environment  | 989,381             | 516,751             | 534,375             | 563,007             | 572,566             |
| Human Services  | 37,567              | 520,403             | 89,462              | 62,313              | 56,147              |
| Culture and Recreation  | 3,893,225           | 3,813,858           | 3,711,224           | 2,346,340           | 2,906,347           |
| Capital Outlay  | 3,179,436           | 3,342,072           | 3,391,687           | 4,169,896           | 3,105,201           |
| Debt Service:   |                     |                     |                     |                     |                     |
| Principal Payments  | 822,963             | 802,334             | 1,782,127           | 1,964,296           | 1,972,996           |
| Interest and Fees   | 1,778,947           | 1,749,214           | 2,007,786           | 1,619,394           | 1,197,860           |
| <b>Total Expenditures</b>   | <u>29,920,977</u>   | <u>29,804,758</u>   | <u>29,578,430</u>   | <u>29,838,280</u>   | <u>27,340,856</u>   |
| <b>Excess of Revenues Over<br/>(Under) Expenditures</b>                         | <u>(7,948,337)</u>  | <u>(8,767,824)</u>  | <u>(7,562,292)</u>  | <u>(10,058,061)</u> | <u>(8,990,920)</u>  |
| <b>Other Financing Sources (Uses)</b>   |                     |                     |                     |                     |                     |
| Sale of Capital Assets  | 77,760              | 68,233              | 11,750              | 13,781              | 3,141               |
| Insurance Proceeds from Losses  | -                   | -                   | -                   | -                   | -                   |
| Transfers In  | 12,427,585          | 11,617,850          | 13,759,425          | 13,650,373          | 13,974,025          |
| Transfers Out   | (5,158,576)         | (3,706,887)         | (4,103,870)         | (2,895,496)         | (3,585,425)         |
| Issuance of Debt  | -                   | -                   | 16,028,219          | -                   | 1,000,000           |
| Payment to Escrow Agent   | -                   | -                   | (15,693,431)        | -                   | -                   |
| <b>Total Other Financing Sources (Uses)</b>                                     | <u>7,346,769</u>    | <u>7,979,196</u>    | <u>10,002,093</u>   | <u>10,768,658</u>   | <u>11,391,741</u>   |
| <b>Net Change In Fund Balances</b>  | <u>\$ (601,568)</u> | <u>\$ (788,628)</u> | <u>\$ 2,439,801</u> | <u>\$ 710,597</u>   | <u>\$ 2,400,821</u> |
| <b>Debt Service Expenditures as a Percentage<br/>of Noncapital Expenditures</b> | 9.7%                | 9.6%                | 14.4%               | 14.0%               | 13.1%               |

Note: This information is provided as part of the Financial Trend Data.

**CITY OF LEESBURG, FLORIDA**  
**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(UNAUDITED MODIFIED ACCRUAL BASIS OF ACCOUNTING)**  
**PAGE 2 OF 2**

|   | <u>2016</u>         | <u>2017</u>           | <u>2018</u>           | <u>2019</u>           | <u>2020</u>           |
|---|---------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| <b>Revenues:</b>  |                     |                       |                       |                       |                       |
| Taxes   | \$ 12,538,811       | \$ 12,838,524         | \$ 13,838,251         | \$ 13,838,251         | \$ 14,351,608         |
| Licenses, Permits, and Assessments  | 2,620,855           | 2,771,289             | 2,702,964             | 2,702,964             | 2,663,269             |
| Intergovernmental   | 2,635,483           | 3,692,475             | 3,131,748             | 3,131,748             | 3,347,440             |
| Charges for Services  | 553,600             | 682,962               | 840,324               | 840,324               | 891,513               |
| Fines and Forfeitures   | 134,622             | 187,801               | 200,030               | 200,030               | 151,779               |
| Impact Fees   | 159,680             | 189,152               | 175,634               | 175,634               | 325,067               |
| Interest  | 394,035             | 210,854               | 919,438               | 919,438               | 566,791               |
| Miscellaneous   | 740,160             | 736,683               | 827,471               | 827,471               | 845,447               |
| <b>Total Revenues</b>   | <u>19,777,246</u>   | <u>21,309,740</u>     | <u>22,635,860</u>     | <u>22,635,860</u>     | <u>23,142,914</u>     |
| <b>Expenditures:</b>  |                     |                       |                       |                       |                       |
| General Government  | 3,601,492           | 3,515,915             | 3,869,799             | 3,869,799             | 3,678,770             |
| Public Safety   | 13,052,692          | 14,052,120            | 15,900,236            | 15,900,236            | 16,193,013            |
| Physical Environment  | 92,080              | 102,643               | 81,508                | 81,508                | 99,049                |
| Transportation  | 1,466,803           | 1,251,321             | 1,269,450             | 1,269,450             | 1,292,655             |
| Economic Environment  | 541,578             | 534,142               | 767,122               | 767,122               | 847,079               |
| Human Services  | 51,380              | 92,742                | 296,365               | 296,365               | 303,807               |
| Culture and Recreation  | 3,022,899           | 3,113,041             | 3,361,892             | 3,361,892             | 3,380,029             |
| Capital Outlay  | 1,570,631           | 4,551,586             | 9,731,723             | 9,731,723             | 5,216,221             |
| Debt Service:   |                     |                       |                       |                       |                       |
| Principal Payments  | 2,297,062           | 1,907,204             | 1,100,533             | 1,100,533             | 1,234,648             |
| Interest and Fees   | 1,515,971           | 1,367,060             | 1,016,705             | 1,016,705             | 1,010,067             |
| <b>Total Expenditures</b>   | <u>27,212,588</u>   | <u>30,487,774</u>     | <u>37,395,333</u>     | <u>37,395,333</u>     | <u>33,255,338</u>     |
| <b>Excess Of Revenue Over<br/>(Under) Expenditures</b>                          | <u>(7,435,342)</u>  | <u>(9,178,034)</u>    | <u>(14,759,473)</u>   | <u>(14,759,473)</u>   | <u>(10,112,424)</u>   |
| <b>Other Financing Sources (Uses):</b>  |                     |                       |                       |                       |                       |
| Sale of Capital Assets  | 25,808              | 3,808                 | 16,424                | 16,424                | 42,923                |
| Insurance Proceeds from Losses  | -                   | -                     | -                     | -                     | 152,176               |
| Transfers In  | 19,862,843          | 15,155,227            | 13,999,732            | 13,999,732            | 18,589,505            |
| Transfers Out   | (7,210,119)         | (4,408,932)           | (5,565,699)           | (5,565,699)           | (9,950,841)           |
| Issuance of Debt  | -                   | 11,563,000            | -                     | -                     | -                     |
| Payment to Escrow Agent   | -                   | (15,425,037)          | -                     | -                     | -                     |
| <b>Total Other Financing Sources (Uses)</b>                                     | <u>12,678,532</u>   | <u>6,888,066</u>      | <u>8,450,457</u>      | <u>8,450,457</u>      | <u>8,833,763</u>      |
| <b>Net Change In Fund Balances</b>  | <u>\$ 5,243,190</u> | <u>\$ (2,289,968)</u> | <u>\$ (6,309,016)</u> | <u>\$ (6,309,016)</u> | <u>\$ (1,278,661)</u> |
| <b>Debt Service Expenditures as a Percentage<br/>of Noncapital Expenditures</b> | 14.9%               | 12.6%                 | 7.7%                  | 7.7%                  | 8.0%                  |

Note: This information is provided as part of the Financial Trend Data.

**CITY OF LEESBURG, FLORIDA  
 ASSESSED VALUE OF TAXABLE PROPERTY  
 LAST TEN FISCAL YEARS**

| Fiscal Year <sup>1</sup> | Real Property    | Personal Property | Centrally Assessed Property <sup>3</sup> | Less: Tax-Exempt Property |                   |                                 | Taxable Value for Operating Millages | Total Direct Tax Rate <sup>2</sup> |
|--------------------------|------------------|-------------------|--|---------------------------|-------------------|---------------------------------|--------------------------------------|------------------------------------|
|                          |                  |                   |  | Real Property             | Personal Property | Centrally Assessed <sup>3</sup> |                                      |                                    |
| 2011                     | \$ 1,462,752,813 | \$ 294,871,468    | \$ 441,398                               | \$ 375,488,425            | \$ 108,013,558    | \$ 107,628                      | \$ 1,274,456,068                     | 4.3179                             |
| 2012                     | 1,345,917,698    | 284,962,752       | -  | 355,981,439               | 108,052,050       | 107,628                         | 1,166,739,333                        | 4.3179                             |
| 2013                     | 1,292,100,846    | 289,671,068       | -  | 355,770,105               | 108,475,254       | -                               | 1,117,526,555                        | 4.3179                             |
| 2014                     | 1,290,485,803    | 283,156,954       | -  | 358,695,894               | 99,001,842        | -                               | 1,115,945,021                        | 4.3179                             |
| 2015                     | 1,312,948,029    | 280,285,609       | -  | 365,395,977               | 105,531,482       | -                               | 1,122,306,179                        | 4.3179                             |
| 2016                     | 1,361,579,903    | 289,307,979       | -  | 391,733,605               | 121,489,389       | -                               | 1,137,664,888                        | 4.2678                             |
| 2017                     | 1,361,579,903    | 278,678,832       | -  | 391,733,605               | 121,489,389       | -                               | 1,127,035,741                        | 4.2678                             |
| 2018                     | 1,523,633,410    | 284,531,327       | -  | 444,745,793               | 117,834,707       | -                               | 1,245,584,237                        | 4.2678                             |
| 2019                     | 1,584,053,657    | 279,400,419       | -  | 415,085,347               | 119,619,590       | -                               | 1,328,749,139                        | 4.2678                             |
| 2020                     | 1,732,580,044    | 300,798,467       | -  | 466,519,278               | 130,199,387       | -                               | 1,436,659,846                        | 4.2678                             |

Notes: <sup>1</sup>Information is reported based on the fiscal year in which associated tax revenue is recognized - e.g. the 2019 tax roll data is reported here for Fiscal Year 2020, as that is the period of collection and revenue recognition.

<sup>2</sup>Tax rates are per \$1,000 of assessed value.

<sup>3</sup>Beginning in Fiscal Year 2012, Florida Department of Revenue reported that there were no longer railroad lines in Leesburg, resulting in no Centrally Assessed Property.

Source: Lake County Property Appraiser

**CITY OF LEESBURG, FLORIDA  
PROPERTY TAX RATES  
DIRECT AND OVERLAPPING GOVERNMENTS  
LAST TEN FISCAL YEARS  
(RATE PER \$1,000 OF ASSESSED VALUE)**

| Fiscal Year | Total Direct | Overlapping Governments |             |                    |                             |                             |                           | Total   |
|-------------|--------------|-------------------------|-------------|--------------------|-----------------------------|-----------------------------|---------------------------|---------|
|             | City         | School District         | Lake County | Ambulance District | Northwest Hospital District | Lake County Water Authority | Water Management District |         |
| 2011        | 4.3179       | 7.5230                  | 4.8410      | 0.3853             | 1.0000                      | 0.2405                      | 0.4158                    | 18.7235 |
| 2012        | 4.3179       | 7.3940                  | 4.8410      | 0.3853             | 1.0000                      | 0.2405                      | 0.3313                    | 18.5100 |
| 2013        | 4.3179       | 7.3200                  | 4.9209      | 0.3853             | 1.0000                      | 0.2554                      | 0.3313                    | 18.5308 |
| 2014        | 4.3179       | 7.1700                  | 4.9209      | 0.3853             | 1.0000                      | 0.2554                      | 0.3283                    | 18.3778 |
| 2015        | 4.3179       | 7.2460                  | 5.5456      | 0.4629             | 1.0000                      | 0.2554                      | 0.3164                    | 19.1442 |
| 2016        | 4.2678       | 7.1970                  | 5.4651      | 0.4629             | 1.0000                      | 0.2554                      | 0.3023                    | 18.9505 |
| 2017        | 4.2678       | 6.8750                  | 5.2704      | 0.4629             | 1.0000                      | 0.2554                      | 0.2885                    | 18.4200 |
| 2018        | 4.2678       | 6.6030                  | 5.2704      | 0.4629             | 1.0000                      | 0.2554                      | 0.2724                    | 18.1319 |
| 2019        | 4.2678       | 6.3550                  | 5.2504      | 0.4629             | 0.9800                      | 0.4900                      | 0.2562                    | 18.0623 |
| 2020        | 4.2678       | 6.8830                  | 5.1800      | 0.4629             | 0.9500                      | 0.3557                      | 0.2414                    | 18.3408 |

Notes: The Florida Constitution limits the City and County millage capacity (non-debt related) to 10.000 mills.  
Information is reported based on the fiscal year in which associated tax revenue is recognized - e.g. the 2019 tax roll data is reported here for Fiscal Year 2020, as that is the period of collection and revenue recognition.

Source: Lake County Property Appraiser



**CITY OF LEESBURG, FLORIDA  
PRINCIPAL PROPERTY TAXPAYERS  
FOR THE CURRENT CALENDAR YEAR AND NINE YEARS AGO**

| Taxpayer                                 | 2020                                 |      |  | 2011                                 |      |  |
|--|--------------------------------------|------|--|--------------------------------------|------|--|
|  | 2019<br>Taxable<br>Assessed<br>Value | Rank | Percentage<br>of Total<br>City<br>Taxable<br>Assessed<br>Value | 2010<br>Taxable<br>Assessed<br>Value | Rank | Percentage<br>of Total<br>City<br>Taxable<br>Assessed<br>Value |
| CCRC - Lake Port Square, LLC             | \$ 19,314,603                        | 1    | 1.34%  | \$ 21,152,087                        | 3    | 1.66%  |
| Cutrale Citrus Juices, U.S.A., Inc.      | 17,063,265                           | 2    | 1.19%  | 29,723,563                           | 2    | 2.33%  |
| Minute Maid Company                      | 15,550,398                           | 3    | 1.08%  | 13,412,671                           | 5    | 1.05%  |
| Village Lake Promenade LLC               | 12,374,691                           | 4    | 0.86%  | 18,451,087                           | 4    | 1.45%  |
| DRJ Land Company LLC                     | 9,207,142                            | 6    | 0.64%  |                                      |      |  |
| Coreslab Structures (Orlando) Inc.       | 9,536,693                            | 5    | 0.66%  |                                      |      |  |
| Villages Land Company LLC                | 7,510,275                            | 7    | 0.52%  |                                      |      |  |
| Lake Village Station LLC                 | 7,383,282                            | 9    | 0.51%  | 7,472,154                            | 10   | 0.59%  |
| City of Leesburg                         | 7,417,285                            | 8    | 0.52%  | 7,721,101                            | 9    | 0.61%  |
| Duke Energy Florida LLC                  | 7,331,336                            | 10   | 0.51%  |                                      |      |  |
| Embarq-Florida, Inc (fka Sprint Florida) |                                      |      |  | 31,397,101                           | 1    | 2.46%  |
| Arlington Ridge LLC                      |                                      |      |  | 11,638,811                           | 6    | 0.91%  |
| Lowe's Home Centers Inc.                 |                                      |      |  | 8,525,824                            | 8    | 0.67%  |
| Leware Const Co of Florida, Inc.         |                                      |      |  | 8,558,452                            | 7    | 0.67%  |
| <b>Subtotal</b>                          | <u>112,688,970</u>                   |      | <u>7.84%</u>   | <u>158,052,851</u>                   |      | <u>12.40%</u>  |
| All Others                               | <u>1,323,970,876</u>                 |      | <u>92.16%</u>  | <u>1,116,403,217</u>                 |      | <u>87.60%</u>  |
| <b>Total</b>                             | <u>\$ 1,436,659,846</u>              |      | <u>100.00%</u>   | <u>\$ 1,274,456,068</u>              |      | <u>100.00%</u>   |

Notes: Taxable Assessed Values (Section 193.011, Florida Statutes) are as of January 1, 2010 and 2019, and represent total property values including real property, personal property and centrally assessed property.

Blank information in Taxable Assessed Value does not mean the business no longer exists.

Source: Lake County Property Appraiser

**CITY OF LEESBURG, FLORIDA  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS**

| Fiscal Year <sup>2</sup> | Taxes Levied for the Fiscal Year | Collected within the Fiscal Year of the Levy <sup>1</sup> |                    | Collections for Previous Years of Levy | Total Collections to Date |                    |
|--------------------------|----------------------------------|---|--------------------|--|---------------------------|--------------------|
|                          |                                  | Amount  | Percentage of Levy |  | Amount                    | Percentage of Levy |
| 2011                     | \$ 5,502,974                     | \$ 5,317,825  | 96.64%             | \$ 43,746                              | \$ 5,361,571              | 97.43%             |
| 2012                     | 5,038,328                        | 4,846,506   | 96.19%             | 11,517                                 | 4,858,023                 | 96.42%             |
| 2013                     | 4,825,368                        | 4,651,799   | 96.40%             | 32,894                                 | 4,684,693                 | 97.08%             |
| 2014                     | 4,818,539                        | 4,658,873   | 96.69%             | 26,673                                 | 4,685,546                 | 97.24%             |
| 2015                     | 4,846,006                        | 4,695,831   | 96.90%             | 16,614                                 | 4,712,445                 | 97.24%             |
| 2016                     | 4,855,326                        | 4,698,261   | 96.77%             | 8,789                                  | 4,707,050                 | 96.95%             |
| 2017                     | 5,011,728                        | 4,847,411   | 96.72%             | 19,179                                 | 4,866,590                 | 97.10%             |
| 2018                     | 5,315,904                        | 5,142,754   | 96.74%             | 5,696                                  | 5,148,450                 | 96.85%             |
| 2019                     | 5,670,836                        | 5,487,015   | 96.76%             | 6,731                                  | 5,493,746                 | 96.88%             |
| 2020                     | 6,131,377                        | 5,932,210   | 96.75%             | 1,889                                  | 5,934,099                 | 96.78%             |

Notes: <sup>1</sup>Amounts collected within the fiscal year of the levy are inclusive of legally available early payment discounts (ranging from 4% to 1%).

<sup>2</sup>Information is reported based on the fiscal year in which associated tax revenue is recognized - e.g. the 2019 tax roll data is reported here for Fiscal Year 2020, as that is the period of collection and revenue recognition.

Source: Lake County Property Appraiser

**CITY OF LEESBURG, FLORIDA**  
**GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE**  
**LAST TEN FISCAL YEARS**  
**(UNAUDITED ACCRUAL BASIS OF ACCOUNTING)**

| <b>Fiscal Year</b> | <b>Property Tax</b> | <b>Local Option Gas Tax</b> | <b>Sales Tax</b> | <b>Franchise Fees</b> | <b>Utility Service Tax</b> | <b>Communications Services Tax</b> | <b>Total</b>  |
|--------------------|---------------------|-----------------------------|------------------|-----------------------|----------------------------|------------------------------------|---------------|
| 2011               | \$ 5,361,571        | \$ 639,735                  | \$ 1,611,777     | \$ 111,280            | \$ 3,182,188               | \$ 1,049,816                       | \$ 11,956,367 |
| 2012               | 4,858,023           | 614,906                     | 1,647,465        | 133,135               | 3,102,871                  | 1,107,841                          | 11,464,241    |
| 2013               | 4,858,023           | 594,535                     | 1,629,454        | 133,135               | 3,102,871                  | 1,155,595                          | 11,473,613    |
| 2014               | 4,685,546           | 603,878                     | 1,740,150        | 138,873               | 3,255,534                  | 1,058,798                          | 11,482,779    |
| 2015               | 4,712,444           | 625,941                     | 1,891,707        | 243,760               | 3,404,080                  | 1,014,467                          | 11,892,399    |
| 2016               | 4,712,444           | 500,950                     | 1,982,521        | 243,760               | 3,404,080                  | 1,037,210                          | 11,880,965    |
| 2017               | 4,866,590           | 438,089                     | 2,070,288        | 306,233               | 3,606,282                  | 1,089,220                          | 12,376,702    |
| 2018               | 5,148,450           | 399,305                     | 2,076,793        | 322,793               | 3,656,281                  | 1,076,822                          | 12,680,444    |
| 2019               | 5,493,746           | 390,498                     | 2,123,574        | 377,751               | 3,816,666                  | 855,154                            | 13,057,389    |
| 2020               | 5,934,099           | 359,067                     | 2,155,466        | 398,142               | 3,807,987                  | 833,150                            | 13,487,911    |

**CITY OF LEESBURG, FLORIDA  
GREATER LEESBURG COMMUNITY REDEVELOPMENT AGENCY  
HISTORICAL REVENUES**

| <b>Fiscal Year</b> | <b>Taxable Values</b> | <b>HISTORICAL REVENUES</b> |                         |                  |                                    |            | <b>Total Revenues</b> |
|--------------------|-----------------------|----------------------------|-------------------------|------------------|------------------------------------|------------|-----------------------|
|                    |                       | <b>Lake County</b>         | <b>City of Leesburg</b> | <b>Ambulance</b> | <b>Lake County Water Authority</b> |            |                       |
| 2011               | \$ 132,822,347        | \$ 206,301                 | \$ 188,958              | \$ 16,802        | \$ 10,525                          | \$ 422,586 |                       |
| 2012               | 124,993,979           | 171,163                    | 156,846                 | 13,940           | 8,736                              | 350,685    |                       |
| 2013               | 121,370,315           | 154,878                    | 141,982                 | 12,614           | 8,398                              | 317,872    |                       |
| 2014               | 121,719,997           | 156,736                    | 143,416                 | 12,765           | 8,483                              | 321,400    |                       |
| 2015               | 122,062,401           | 179,978                    | 144,821                 | 15,469           | 8,566                              | 348,834    |                       |
| 2016               | 117,626,545           | 154,793                    | 125,156                 | 13,507           | 7,490                              | 300,946    |                       |
| 2017               | 118,624,754           | 154,175                    | 129,203                 | 13,945           | 7,732                              | 305,055    |                       |
| 2018               | 123,528,506           | 179,578                    | 150,463                 | 16,242           | 9,004                              | 355,287    |                       |
| 2019               | 131,096,543           | 214,755                    | 179,769                 | 19,423           | 20,640                             | 434,587    |                       |
| 2020               | 144,522,802           | 214,079                    | 180,714                 | 19,533           | 15,062                             | 429,388    |                       |

Note: The City of Leesburg created the Greater Leesburg Community Redevelopment Agency (GLCRA) on May 28, 1996 (Resolution 4994) pursuant to Section 163.512, Florida Statutes. The GLCRA is part of the City's Comprehensive Plan to enhance the downtown district and surrounding areas. The base year was established in 1996 with an assessed taxable value of \$86,757,505. The GLCRA generates a majority of its annual income from tax increment revenues and will expire in 2026.

Source: Lake County Property Appraiser

**CITY OF LEESBURG, FLORIDA  
 CARVER HEIGHTS/MONTCLAIR AREA COMMUNITY REDEVELOPMENT AGENCY  
 HISTORICAL REVENUES**

| Fiscal Year | Taxable Values | HISTORICAL REVENUES |                  |           |                             |            | Total Revenues |
|-------------|----------------|---------------------|------------------|-----------|-----------------------------|------------|----------------|
|             |                | Lake County         | City of Leesburg | Ambulance | Lake County Water Authority |            |                |
| 2011        | \$ 81,604,263  | \$ 105,111          | \$ 96,906        | \$ 8,561  | \$ 5,397                    | \$ 215,975 |                |
| 2012        | 77,113,815     | 84,826              | 78,486           | 6,908     | 4,372                       | 174,592    |                |
| 2013        | 74,700,591     | 74,107              | 68,587           | 6,035     | 4,057                       | 152,786    |                |
| 2014        | 76,430,497     | 81,935              | 75,683           | 6,673     | 4,477                       | 168,768    |                |
| 2015        | 76,432,394     | 93,216              | 75,691           | 8,012     | 4,477                       | 181,396    |                |
| 2016        | 74,770,987     | 83,259              | 68,077           | 7,265     | 4,074                       | 162,675    |                |
| 2017        | 82,264,234     | 99,181              | 83,759           | 8,970     | 5,012                       | 196,922    |                |
| 2018        | 85,869,492     | 116,918             | 98,377           | 10,575    | 5,887                       | 231,757    |                |
| 2019        | 89,246,275     | 133,174             | 112,067          | 12,045    | 12,867                      | 270,153    |                |
| 2020        | 105,251,563    | 159,856             | 135,438          | 14,585    | 11,288                      | 321,167    |                |

Note: The City of Leesburg created the Carver Heights/Montclair Area Community Redevelopment Agency (CHCRA) on December 10, 2001 (Ordinance 01-61) pursuant to Section 163.512, Florida Statutes. The CHCRA was created to identify and address blighted conditions within its boundaries and to enable the City to establish a mechanism to finance redevelopment projects through Tax Increment Financing (TIF). The base year was established in 2001 with an assessed value of \$57,980,259. The CHCRA generates a majority of its annual income from tax increment revenues.

On July 13, 2015 (Ordinance 16-26), the City amended the plan for the CHCRA, expanded the boundaries and extended the timeframe to add thirty (30) years from the time of amendment. The agency will expire in 2046.

Source: Lake County Property Appraiser

**CITY OF LEESBURG, FLORIDA  
U.S. HIGHWAY 441 & 27 COMMUNITY REDEVELOPMENT AGENCY  
HISTORICAL REVENUES**

| Fiscal Year | Taxable Values | HISTORICAL REVENUES |                  |           |                             | Total Revenues |
|-------------|----------------|---------------------|------------------|-----------|-----------------------------|----------------|
|             |                | Lake County         | City of Leesburg | Ambulance | Lake County Water Authority |                |
| 2011        | \$ 388,395,355 | \$ 157,433          | \$ 148,248       | \$ 12,822 | \$ 8,257                    | \$ 326,760     |
| 2012        | 348,560,375    | -                   | -                | -         | -                           | -              |
| 2013        | 331,802,542    | -                   | -                | -         | -                           | -              |
| 2014        | 325,800,698    | -                   | -                | -         | -                           | -              |
| 2015        | 326,674,034    | -                   | -                | -         | -                           | -              |
| 2016        | 333,357,278    | -                   | -                | -         | -                           | -              |
| 2017        | 343,475,725    | 42,991              | 41,024           | 3,888     | 2,455                       | 90,358         |
| 2018        | 369,121,082    | 167,907             | 145,189          | 15,187    | 8,689                       | 336,972        |
| 2019        | 390,366,522    | 270,906             | 231,139          | 24,502    | 26,538                      | 553,085        |
| 2020        | 458,745,008    | 382,501             | 327,452          | 34,900    | 27,292                      | 772,145        |

Note: The City of Leesburg created the U.S. Highway 441 & 27 Community Redevelopment Agency (Agency) on February 13, 2006 (Ordinance 06-13) pursuant to Section 163.512, Florida Statutes. The Agency determined the existence of blighted areas and is part of the City's plan to improve conditions within the corridor areas. The base year was established in 2006 with an assessed taxable value of \$352,255,087. In FY 2016, the Agency was rebased with an assessed taxable value of \$333,357,278. The Agency generates a majority of its annual income from tax increment revenues which expires in 2046.

In FY 2012, taxable values dropped below the base year values resulting in zero tax revenue for the CRA.

On December 7, 2015, Ordinance 15-49 amended the base year for computation of tax increment revenues specifying the use of the tax roll adopted by the Property Appraiser of Lake County, Florida for tax year 2015.

Source: Lake County Property Appraiser

**CITY OF LEESBURG, FLORIDA**  
**RATIOS OF OUTSTANDING DEBT BY TYPE**  
**LAST TEN FISCAL YEARS**

| Fiscal Year | Governmental Activities   |               |               | Business-Type Activities     |               | Total Primary Government | % of Personal Income <sup>1</sup> | Per Capita <sup>2</sup> |
|-------------|---------------------------|---------------|---------------|------------------------------|---------------|--------------------------|-----------------------------------|-------------------------|
|             | Capital Improvement Bonds | Notes Payable | Capital Lease | Utility System Revenue Bonds | Notes Payable |                          |                                   |                         |
| 2011        | \$ 29,960,000             | \$ 7,027,950  | \$ 234,469    | \$ 81,514,599                | \$ 13,665,000 | \$ 132,402,018           | 21.24%                            | \$ 30,785               |
| 2012        | 29,575,000                | 11,145,788    | 199,297       | 79,968,888                   | 12,705,971    | 133,594,944              | 20.16%                            | 32,697                  |
| 2013        | 29,575,000                | 9,905,310     | 162,648       | 79,968,888                   | 17,635,000    | 137,246,846              | 19.96%                            | 33,398                  |
| 2014        | 29,120,000                | 8,624,202     | 124,460       | 79,968,888                   | 32,038,000    | 149,875,550              | 18.51%                            | 34,445                  |
| 2015        | 28,500,000                | 8,310,998     | 84,668        | 62,871,451                   | 30,991,000    | 130,758,117              | 17.45%                            | 34,782                  |
| 2016        | 28,500,000                | 8,310,998     | 84,668        | 72,494,584                   | 30,991,000    | 140,381,250              | 15.34%                            | 36,327                  |
| 2017        | 28,500,000                | 8,310,998     | 84,668        | 70,707,186                   | 30,991,000    | 138,593,852              | 14.06%                            | 37,480                  |
| 2018        | 12,780,000                | 16,597,400    | 209,243       | 68,474,788                   | 13,121,000    | 111,182,431              | 11.77%                            | 40,541                  |
| 2019        | 12,235,000                | 16,158,400    | 873,393       | 66,152,389                   | 12,088,000    | 107,507,182              | 10.55%                            | 42,190                  |
| 2020        | 11,670,000                | 15,587,400    | 774,745       | 63,764,992                   | 26,119,000    | 117,916,137              | 12.46%                            | 43,425                  |

Notes: Details regarding the City's outstanding debt can be found in Note 8 of the Financial Statements.

<sup>1</sup>See Demographic and Economic Statistics for personal income and population data.

<sup>2</sup>US Department of Commerce, Bureau of Economic Analysis (<http://bea.gov>) for Lake County. The actual per capita personal income for the City is not known. The County's per capita figures are multiplied by the City's population to determine the total personal income for the City.

**CITY OF LEESBURG, FLORIDA  
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
SEPTEMBER 30, 2020**

| <u>Taxing District</u>                       | <u>Debt Outstanding</u> | <u>Estimated Percentage<br/>Applicable</u> | <u>Estimated Share<br/>of Overlapping Debt</u> |
|--|-------------------------|--|--|
| Direct Debt – City of Leesburg               |                         |  | \$ 28,032,145                                  |
| <u>Overlapping Debt</u>                      |                         |  |  |
| Lake County<br>Board of County Commissioners | \$ 14,050,000           | 6.42%                                      | 902,125  |
| School District                              | -                       | 6.42%                                      | -  |
| Subtotal – Overlapping Debt                  |                         |  | <u>902,125</u>                                 |
| Total Direct and Overlapping Debt            |                         |  | <u>\$ 28,934,270</u>                           |

Notes: The City has no general obligation debt. Utility revenue bonds are excluded.

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Leesburg. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

Sources: Lake County Board of County Commissioners  
Lake County School District

Assessed value data used to estimate applicable percentage provided by the Lake County Property Appraiser.





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**CITY OF LEESBURG, FLORIDA  
LEGAL DEBT MARGIN INFORMATION**

The City of Leesburg has no general obligation debt outstanding as of September 30, 2020.

There is no legal debt margin established for the City of Leesburg pursuant to Florida Statutes,  
City ordinance or other laws applicable to the City of Leesburg.

**CITY OF LEESBURG, FLORIDA  
PLEGDED REVENUE COVERAGE  
CAPITAL IMPROVEMENT REVENUE BONDS/NOTES  
SERIES 1999, 2004, 2009, & 2013  
LAST TEN FISCAL YEARS**

|  | <u>2011</u>         |                | <u>2012</u>         |                | <u>2013</u>         |                | <u>2014</u>         |                |
|--|---------------------|----------------|---------------------|----------------|---------------------|----------------|---------------------|----------------|
| Half-Cent Sales Tax <sup>1</sup>   | \$ 930,949          |                | \$ 913,146          |                | \$ 993,946          |                | \$ 1,069,082        |                |
| Guaranteed Entitlement <sup>2</sup>  | 309,234             |                | 309,234             |                | 309,234             |                | 309,234             |                |
| <b>Net Revenues Available</b>  | <u>1,240,183</u>    |                | <u>1,222,380</u>    |                | <u>1,303,180</u>    |                | <u>1,378,316</u>    |                |
| Debt Service on 1999 Bonds <sup>5</sup>  | -                   |                | -                   |                | -                   |                | -                   |                |
| Debt Service on Refunding Promissory Note, Series 2009 <sup>6</sup>            | 528,880             |                | 478,474             |                | 478,778             |                | 478,608             |                |
| Combined Refunded & Refunding Debt Service                                     | <u>528,880</u>      |                | <u>478,474</u>      |                | <u>478,778</u>      |                | <u>478,608</u>      |                |
| Debt Service Coverage on Series 1999 Bonds & 2009 Note                         | 2.34                | X              | 2.55                | X              | 2.72                | X              | 2.88                | X              |
| 2009 Senior Lien Note Required Minimum Coverage                                | 1.30                | X <sup>3</sup> | 1.30                | X <sup>3</sup> | 1.30                | X <sup>3</sup> | 1.30                | X <sup>3</sup> |
| <b>Net Revenues Available After Debt Service on 1999 Bonds &amp; 2009 Note</b> | 711,303             |                | 743,906             |                | 824,402             |                | 899,708             |                |
| Plus Public Service Tax <sup>4</sup>   | <u>3,182,188</u>    |                | <u>3,102,871</u>    |                | <u>3,195,794</u>    |                | <u>3,255,533</u>    |                |
| <b>Net Revenues Available</b>  | <u>3,893,491</u>    |                | <u>3,846,777</u>    |                | <u>4,020,196</u>    |                | <u>4,155,241</u>    |                |
| Debt Service on Series 2004 Bonds <sup>7</sup>                                 | 1,108,485           |                | 1,106,460           |                | 746,685             |                | -                   |                |
| Debt Service on Series 2013 Bonds <sup>8</sup>                                 | -                   |                | -                   |                | -                   |                | 986,090             |                |
| Debt Service Coverage on Series 2004 & 2013 Bonds                              | 3.51                | X              | 3.48                | X              | 5.38                | X              | 4.21                | X              |
| Required Minimum Coverage  | 1.30                | X <sup>3</sup> | 1.30                | X <sup>3</sup> | 1.30                | X <sup>3</sup> | 1.30                | X <sup>3</sup> |
| <b>Net Revenues Available after all Debt Service</b>                           | <u>\$ 2,785,006</u> |                | <u>\$ 2,740,317</u> |                | <u>\$ 3,273,511</u> |                | <u>\$ 3,169,151</u> |                |

Notes: <sup>1</sup>Gross Sales Tax Revenues are defined as the proceeds of the local governmental Half-Cent Sales Tax as described in Title XIV, Chapter 218, Part VI, Florida Statutes.

<sup>2</sup>Guaranteed Portion-State Revenue Sharing is the portion of state revenue sharing funds available to the City that are pledged, or set aside as a trust for the payment of principal or interest on the bonds pursuant to Title XIV, Chapter 218, Part II, Florida Statutes.

<sup>3</sup>1.30X Debt Service Coverage is not a Financial Covenant, rather an Additional Bonds Test Requirement. No additional senior lien parity bonds can be issued.

<sup>4</sup>Public Service Tax is a tax that may be levied by a municipality on the purchase of electricity, metered natural gas, liquefied petroleum gas, manufactured gas, and water service pursuant to Title XII, Chapter 166, Section 231, Florida Statutes.

**CITY OF LEESBURG, FLORIDA  
 PLEDGED REVENUE COVERAGE  
 CAPITAL IMPROVEMENT REVENUE BONDS/NOTES  
 SERIES 1999, 2004, 2009, & 2013  
 LAST TEN FISCAL YEARS**

| 2015 |                     | 2016 |                     | 2017 |                     | 2018 |                     | 2019 |                     | 2020 |                     |
|------|---------------------|------|---------------------|------|---------------------|------|---------------------|------|---------------------|------|---------------------|
| \$   | 1,162,792           | \$   | 1,232,094           | \$   | 1,289,822           | \$   | 1,365,801           | \$   | 1,365,903           | \$   | 1,402,403           |
|      | 309,234             |      | 309,234             |      | 309,234             |      | 309,234             |      | 309,234             |      | 309,234             |
|      | 1,472,026           |      | 1,541,328           |      | 1,599,056           |      | 1,675,035           |      | 1,675,137           |      | 1,711,637           |
|      | -                   |      | -                   |      | -                   |      | -                   |      | -                   |      | -                   |
|      | 477,966             |      | 476,850             |      | 480,143             |      | 477,845             |      | 488,334             |      | 484,381             |
|      | 477,966             |      | 476,850             |      | 480,143             |      | 477,845             |      | 488,334             |      | 484,381             |
|      | 3.08 X              |      | 3.23 X              |      | 3.33 X              |      | 3.51 X              |      | 3.43 X              |      | 3.53 X              |
|      | 1.30 X <sup>3</sup> |      | 1.30 X <sup>3</sup> |      | 1.30 X <sup>3</sup> |      | 1.30 X <sup>3</sup> |      | 1.30 X <sup>3</sup> |      | 1.30 X <sup>3</sup> |
|      | 994,060             |      | 1,064,478           |      | 1,118,913           |      | 1,197,190           |      | 1,186,803           |      | 1,227,256           |
|      | 3,404,080           |      | 3,640,419           |      | 3,606,282           |      | 3,656,281           |      | 3,816,666           |      | 3,807,987           |
|      | 4,398,140           |      | 4,704,897           |      | 4,725,195           |      | 4,853,471           |      | 5,003,469           |      | 5,035,243           |
|      | -                   |      | -                   |      | -                   |      | -                   |      | -                   |      | -                   |
|      | 1,016,563           |      | 1,016,562           |      | 1,013,787           |      | 1,013,113           |      | 1,023,813           |      | 1,021,863           |
|      | 4.33 X              |      | 4.63 X              |      | 4.66 X              |      | 4.79 X              |      | 4.89 X              |      | 4.93 X              |
|      | 1.30 X <sup>3</sup> |      | 1.30 X <sup>3</sup> |      | 1.30 X <sup>3</sup> |      | 1.30 X <sup>3</sup> |      | 1.30 X <sup>3</sup> |      | 1.30 X <sup>3</sup> |
| \$   | 3,381,577           | \$   | 3,688,335           | \$   | 3,711,408           | \$   | 3,840,358           | \$   | 3,979,656           | \$   | 4,013,380           |

Notes: <sup>5</sup>**Series 1999**  
 Resolution 5725, adopted August 12, 1999, the City authorized the issuance of the Refunding and Capital Improvement Revenue Bonds, Series 1999 pledging the revenues as defined in Notes 1 & 2.

<sup>6</sup>**Series 2009**  
 Resolution 8557, adopted October 26, 2009, the City authorized the issuance of a "bank qualified" loan to refund all of the outstanding Refunding and Capital Improvement Revenue Bonds, Series 1999 pledging the revenues as defined in Notes 1 & 2.

<sup>7</sup>**Series 2004**  
 Resolution 7162, adopted July 12, 2004, the City authorized the issuance of the Capital Improvement Revenue Bonds, Series 2004, that closed on August 4, 2004, pledging the net available revenues after considering the Series 1999 Bonds. In addition, Public Service Tax revenues were pledged to cover the Series 2004 Bonds as defined in Note 4.

<sup>8</sup>**Series 2013**  
 Resolutions 9181 and 9182, adopted April 22, 2013, the City authorized the Series 2013 Capital Improvement Bonds refunding the Series 2004 Bond issuance, pledging the net available revenues after considering the Series 2009 Note. In addition, Public Service Tax revenues were pledged to cover the Series 2013 Bonds.

**CITY OF LEESBURG, FLORIDA  
 PLEDGED REVENUE COVERAGE  
 SERIES 2015 GREATER LEESBURG CRA REVENUE NOTE  
 LAST SIX FISCAL YEARS**

|   | <u>2015</u>  | <u>2016</u>   | <u>2017</u>  | <u>2018</u>  |
|---|--------------|---------------|--------------|--------------|
| <b>Revenue:</b>   |              |               |              |              |
| City of Leesburg  | \$ 144,821   | \$ 125,156    | \$ 129,203   | \$ 150,463   |
| Lake County   | 204,013      | 175,790       | 175,852      | 204,824      |
| Interest  | <u>6,448</u> | <u>14,228</u> | <u>4,663</u> | <u>7,594</u> |
| <b>Total</b>  | 355,282      | 315,174       | 309,718      | 362,881      |
| Debt Service on 2015 Note   | 6,224        | 80,343        | 100,510      | 101,313      |
| Debt Service Coverage on<br>Series 2015 Note                      | 57.08 X      | 3.92 X        | 3.08 X       | 3.58 X       |
| <b>Net Revenues Available after<br/>Debt Service on 2015 Note</b> | \$ 349,058   | \$ 234,831    | \$ 209,208   | \$ 261,568   |

Note: This information is provided as part of the Financial Trend Data and should be presented in a ten year format. The current presentation begins with the first year of the Series 2015 Note.

Resolution 31 of the Greater Leesburg Community Redevelopment Agency, adopted January 12, 2015, authorized the issuance of the Redevelopment Revenue Note, Series 2015, a "qualified tax-exempt obligation". This note closed January 14, 2015.

Resolution 9533, of the City Commission of the City of Leesburg, adopted January 12, 2015, authorized and approved the issuance by the Greater Leesburg Community Redevelopment Agency of a \$1,000,000 principal amount Redevelopment Revenue Note, Series 2015. This resolution authorized the execution and delivery of an interlocal agreement, with said Community Redevelopment Agency, pursuant to which the City will covenant to budget and appropriate non-ad valorem revenues to make debt service payments, on said note, to the extent increment revenues are insufficient.

**CITY OF LEESBURG, FLORIDA  
 PLEDGED REVENUE COVERAGE  
 SERIES 2015 GREATER LEESBURG CRA REVENUE NOTE  
 LAST SIX FISCAL YEARS**

|    | <u>2019</u>  |    | <u>2020</u>  |
|----|--------------|----|--------------|
| \$ | 179,769      | \$ | 180,714      |
|    | 254,818      |    | 248,674      |
|    | <u>8,214</u> |    | <u>4,730</u> |
|    | 442,801      |    | 434,118      |
|    | 101,894      |    | 101,537      |
|    | 4.35 X       |    | 4.28 X       |
| \$ | 340,907      | \$ | 332,581      |

**CITY OF LEESBURG, FLORIDA  
 PLEDGED REVENUE COVERAGE  
 US HIGHWAY 441 & 27 AREA CRA REVENUE BONDS, SERIES 2009  
 TAX INCREMENT REFUNDING REVENUE NOTE, SERIES 2016  
 LAST TEN FISCAL YEARS**

|  | <u>2011</u>               | <u>2012</u>               | <u>2013</u>               | <u>2014</u>               |
|--|---------------------------|---------------------------|---------------------------|---------------------------|
| <b>Revenue:</b>  |                           |                           |                           |                           |
| City of Leesburg   | \$ 148,248                | \$ -                      | \$ -                      | \$ -                      |
| Lake County  | 178,512                   | -                         | -                         | -                         |
| Interest   | 27,404                    | 10,292                    | 41,694                    | 9,612                     |
| <b>Total</b>   | <u>354,164</u>            | <u>10,292</u>             | <u>41,694</u>             | <u>9,612</u>              |
| Debt Service on 2009 Bonds                               | 695,431                   | 695,131                   | 799,831                   | 801,231                   |
| Debt Service on 2016 Note                                | -                         | -                         | -                         | -                         |
| <b>Total Debt Service</b>                                | <u>695,431</u>            | <u>695,131</u>            | <u>799,831</u>            | <u>801,231</u>            |
| Debt Service Coverage on<br>all Debt                     | 0.51 X                    | 0.01 X                    | 0.05 X                    | 0.01 X                    |
| <b>Net Revenues Available after<br/>all Debt Service</b> | \$ (341,267) <sup>1</sup> | \$ (684,839) <sup>1</sup> | \$ (758,137) <sup>1</sup> | \$ (791,619) <sup>1</sup> |

Note: This information is provided as part of the Financial Trend Data and should be presented in a ten year format. The current presentation begins with the first year of the Series 2009 Bonds.

Resolution 10 of the Community Redevelopment Agency for the U.S. Highway 441 & 27 Area, adopted October 12, 2009, authorized the issuance of the Tax Increment Revenue Bonds, Series 2009 to refinance the Agency's Subordinate Capital Improvement Bond Anticipation Note, Series 2008 to finance the construction of projects in the redevelopment area. The pledged revenues are the tax increment revenues and amounts held in the funds and accounts established by this agreement.

Resolution 8525, adopted October 12, 2009, the City authorized the issuance of the Tax Increment Revenue Bonds, Series 2009 for the Community Redevelopment Agency for the US Highway 441 & 27 Area.

Resolution 30 of the Community Redevelopment Agency for the U. S. Highway 441 & 27 Area adopted November 28, 2016, authorized the issuance of the Tax Increment Refunding Revenue Note, Series 2016 to advance refund the Agency's outstanding Tax Increment Revenue Bonds, Series 2009. The pledged revenues are the tax increment revenues and amounts held in the funds and accounts established by this agreement.

Resolution 9922, adopted November 28, 2016, the City authorized the issuance of the Tax Increment Refunding Revenue Note, Series 2016 for the Community Redevelopment Agency for the U. S. Highway 441 & 27 Area.

<sup>1</sup>Due to the downturn in property values, the debt service payment for the Series 2009 Bonds is being paid from the bond proceeds in accordance with bond covenants.

<sup>2</sup>Due to the downturn in property values, the debt service payment for the Series 2016 Note is being paid from the note proceeds and other note created funds in accordance with note covenants.

**CITY OF LEESBURG, FLORIDA  
 PLEDGED REVENUE COVERAGE  
 US HIGHWAY 441 & 27 AREA CRA REVENUE BONDS, SERIES 2009  
 TAX INCREMENT REFUNDING REVENUE NOTE, SERIES 2016  
 LAST TEN FISCAL YEARS**

| <u>2015</u>               | <u>2016</u>               | <u>2017</u>               | <u>2018</u>              | <u>2019</u>    | <u>2020</u>    |
|---------------------------|---------------------------|---------------------------|--------------------------|----------------|----------------|
| \$ -                      | \$ -                      | \$ 41,024                 | \$ 145,189               | \$ 231,139     | \$ 327,452     |
| -                         | -                         | 49,334                    | 191,783                  | 321,946        | 444,693        |
| <u>9,061</u>              | <u>9,061</u>              | <u>16,645</u>             | <u>15,702</u>            | <u>42,501</u>  | <u>36,974</u>  |
| 9,061                     | 9,061                     | 107,003                   | 352,674                  | 595,586        | 809,119        |
| 797,481                   | 903,419                   | 397,950                   | -                        | -              | -              |
| <u>-</u>                  | <u>-</u>                  | <u>178,961</u>            | <u>367,928</u>           | <u>375,078</u> | <u>486,517</u> |
| 797,481                   | 903,419                   | 576,911                   | 367,928                  | 375,078        | 486,517        |
| 0.01 X                    | 0.01 X                    | 0.19 X                    | 0.96 X                   | 1.59 X         | 1.66 X         |
| \$ (788,420) <sup>1</sup> | \$ (894,358) <sup>1</sup> | \$ (469,908) <sup>2</sup> | \$ (15,254) <sup>2</sup> | \$ 220,508     | \$ 322,602     |



**CITY OF LEESBURG, FLORIDA  
 PLEDGED REVENUE COVERAGE  
 ELECTRIC SYSTEM REVENUE BONDS/NOTES  
 SERIES 2004, 2007A, 2007B, 2010, 2013, 2014, 2016, & 2020  
 LAST TEN FISCAL YEARS**

|  | <u>2011</u>       | <u>2012</u>       | <u>2013</u>       | <u>2014</u>       |
|--|-------------------|-------------------|-------------------|-------------------|
| <b>Gross Revenues<sup>1</sup></b>                            | \$ 62,355,773     | \$ 57,419,323     | \$ 62,808,975     | \$ 60,924,004     |
| Less Operation and Maintenance Expenses <sup>2</sup>         | 49,169,688        | 45,244,248        | 47,863,727        | 50,744,245        |
| <b>Net Revenues Available<sup>3</sup></b>                    | <u>13,186,085</u> | <u>12,175,075</u> | <u>14,945,248</u> | <u>10,179,759</u> |
| Debt Service on 2004 Bonds <sup>4</sup>                      | 1,093,025         | 1,093,025         | 1,090,160         | 742,180           |
| Debt Service on 2007A Bonds <sup>5</sup>                     | 551,906           | 551,906           | 551,906           | 551,906           |
| Debt Service on 2007B Bonds <sup>5</sup>                     | 945,283           | 945,283           | 939,469           | 940,011           |
| Debt Service on 2010 Note <sup>6</sup>                       | 4,004             | 2,852             | 48,898            | 48,898            |
| Debt Service on 2013 Note <sup>7</sup>                       | -                 | -                 | 84,360            | 273,600           |
| Debt Service on 2014 Note <sup>8</sup>                       | -                 | -                 | -                 | 300,378           |
| Debt Service on 2016 Bond <sup>9</sup>                       | -                 | -                 | -                 | -                 |
| Debt Service on 2016 Note <sup>10</sup>                      | -                 | -                 | -                 | -                 |
| Debt Service on 2020 Note <sup>11</sup>                      | -                 | -                 | -                 | -                 |
| <b>Total Debt Service</b>                                    | <u>2,594,218</u>  | <u>2,593,066</u>  | <u>2,714,793</u>  | <u>2,856,973</u>  |
| Debt Service Coverage  | 5.08 X            | 4.70 X            | 5.51 X            | 3.56 X            |
| Required Minimum Coverage                                    | 1.25 X            | 1.25 X            | 1.25 X            | 1.25 X            |
| <b>Total Net Revenues less Electric Utility Debt Service</b> | \$ 10,591,867     | \$ 9,582,009      | \$ 12,314,815     | \$ 7,322,786      |

Notes: <sup>1</sup>Gross Revenues are defined as all income and earnings derived by the City from the ownership, operation, leasing, or use of the system, and investment income excluding capital expansion and system improvement grants.

<sup>2</sup>Operation and Maintenance Expenses are defined as the cost of operation and maintenance as current expenses, paid or accrued, less depreciation and amortization expense.

<sup>3</sup>Net Revenues are defined as gross revenues less operation and maintenance expenses.

**<sup>4</sup>Series 2004**

Resolution 7141 and supplemented by Resolution 7142, adopted June 14, 2004, the City authorized the issuance of the Electric System Revenue Bonds, Series 2004, that closed on July 14, 2004, pledging the net revenues derived by the City from the operation of the Electric System.

**<sup>5</sup>Series 2007A & 2007B**

Resolution 7964, adopted July 23, 2007, the City amended Resolution 7141 for the purpose of authorizing the issuance of the Electric System Revenue Bonds Series 2007A and Taxable Electric System Revenue Bonds, Series 2007B ("Series 2007 Bonds") on a parity with the City's outstanding Electric System Revenue Bonds, Series 2004.

**CITY OF LEESBURG, FLORIDA  
 PLEDGED REVENUE COVERAGE  
 ELECTRIC SYSTEM REVENUE BONDS/NOTES  
 SERIES 2004, 2007A, 2007B, 2010, 2013, 2014, 2016, & 2020  
 LAST TEN FISCAL YEARS**

|    | <u>2015</u>       | <u>2016</u>          | <u>2017</u>          | <u>2018</u>          | <u>2019</u>          | <u>2020</u>         |
|----|-------------------|----------------------|----------------------|----------------------|----------------------|---------------------|
| \$ | 59,587,185        | \$ 61,069,325        | \$ 63,322,570        | \$ 61,851,781        | \$ 63,315,971        | \$ 58,826,236       |
|    | 46,454,026        | 46,934,467           | 50,150,411           | 48,265,420           | 49,535,075           | 46,588,490          |
|    | <u>13,133,159</u> | <u>14,134,858</u>    | <u>13,172,159</u>    | <u>13,586,361</u>    | <u>13,780,896</u>    | <u>12,237,746</u>   |
|    | 742,180           | -                    | -                    | -                    | -                    | -                   |
|    | 551,906           | 551,906              | 551,906              | -                    | -                    | -                   |
|    | 939,425           | 939,425              | 946,008              | 947,461              | 963,490              | 959,875             |
|    | -                 | -                    | -                    | -                    | -                    | -                   |
|    | 619,747           | 619,747              | -                    | -                    | -                    | -                   |
|    | 622,788           | 622,788              | -                    | -                    | -                    | -                   |
|    | -                 | -                    | 582,526              | 1,125,600            | 1,129,150            | 1,132,450           |
|    | -                 | -                    | 537,202              | 596,502              | 600,686              | 600,487             |
|    | -                 | -                    | -                    | -                    | -                    | -                   |
|    | <u>3,476,046</u>  | <u>2,733,866</u>     | <u>2,617,642</u>     | <u>2,669,563</u>     | <u>2,693,326</u>     | <u>2,692,812</u>    |
|    | 3.78 X            | 5.17 X               | 5.03 X               | 5.09 X               | 5.12 X               | 4.54 X              |
|    | 1.25 X            | 1.25 X               | 1.25 X               | 1.25 X               | 1.25 X               | 1.25 X              |
| \$ | <u>9,657,113</u>  | <u>\$ 11,400,992</u> | <u>\$ 10,554,517</u> | <u>\$ 10,916,798</u> | <u>\$ 11,087,570</u> | <u>\$ 9,544,935</u> |

- Notes: <sup>6</sup>**Series 2010**  
 Resolution 8692, adopted August 4, 2010, the City authorized the issuance of an "up to \$20,000,000" Note with a 3 year interest only drawdown facility.
- <sup>7</sup>**Series 2013**  
 Resolution 9199, adopted May 28, 2013, the City authorized the Series 2013 Electric System Note refunding the Electric System Revenue Note, Series 2010 on a parity with the existing Electric System Bonds.
- <sup>8</sup>**Series 2014**  
 Resolution 9366, adopted March 10, 2014, the City authorized the Series 2014 Electric System Refunding Revenue Note to refund the Electric System Revenue Bonds, Series 2004 on a parity with the existing Electric System Bonds & Note.
- <sup>9</sup>**Series 2016**  
 Resolutions 9792 and 9793, adopted May 9, 2016, the City authorized the Series 2016 Electric System Refunding Revenue Bond to advance refund the outstanding Electric System Revenue Bonds, Series 2007A, and current refund the outstanding Electric System Refunding Revenue Note, Series 2014 on a parity with the existing Electric System Bonds & Note. Payments for the debt service begin October 1, 2016 and are due Semi-annually April 1 and October 1 thereafter.
- <sup>10</sup>**Series 2016**  
 Resolution 9816, adopted June 13, 2016, the City authorized the Series 2016 Electric System Refunding Revenue Note to refund all of the City's Electric System Refunding Revenue Note, Series 2013 on a parity with the existing Electric System Bonds & Note. Payments for the debt service begin October 1, 2016 and are due Semi-annually April 1 and October 1 thereafter.
- <sup>11</sup>**Series 2020**  
 Resolution 10,683, adopted July 16, 2020, the City authorized the issuance of Series 2020 Electric System Revenue Note on a parity with the existing Electric System Revenue Bonds, 2007B, outstanding Electric System Refunding Revenue Note, Series 2016, and outstanding Electric System Refunding Revenue Bonds, Series 2016. Payments for the debt service begin October 1, 2020 and are due Semi-annually April 1 and October 1 thereafter.

**CITY OF LEESBURG, FLORIDA  
 PLEDGED REVENUE COVERAGE  
 UTILITY SYSTEM REVENUE BONDS/NOTES  
 (GAS, WATER AND WASTEWATER SYSTEMS)  
 SERIES 2004, 2007A, 2007B, 2010, 2013, 2016, & 2020  
 LAST TEN FISCAL YEARS**

|   | <u>2011</u>       | <u>2012</u>       | <u>2013</u>       | <u>2014</u>       |
|---|-------------------|-------------------|-------------------|-------------------|
| <b>Gross Revenues<sup>1</sup></b>                       | \$ 25,678,857     | \$ 23,727,878     | \$ 24,885,126     | \$ 24,539,498     |
| Less Expenses <sup>2</sup>                              | <u>15,651,085</u> | <u>14,382,430</u> | <u>16,075,773</u> | <u>14,834,367</u> |
| <b>Net Revenues Available<sup>3</sup></b>               | 10,027,772        | 9,345,448         | 8,809,353         | 9,705,131         |
| Debt Service on 2004 Bonds <sup>4</sup>                 | 1,507,254         | 1,504,074         | 1,009,462         | -                 |
| Debt Service on 2007A Bonds <sup>5</sup>                | 1,338,444         | 1,339,844         | 1,345,444         | 1,335,844         |
| Debt Service on 2007B Bonds <sup>5</sup>                | 81,065            | 79,885            | 78,705            | 82,230            |
| Debt Service on 2010 Note <sup>6</sup>                  | 317,615           | 355,690           | 358,573           | 356,455           |
| Debt Service on 2013 Bonds <sup>7</sup>                 | -                 | -                 | 281,985           | 1,437,331         |
| Debt Service on 2016 Bonds <sup>8</sup>                 | -                 | -                 | -                 | -                 |
| Debt Service on 2020 Note <sup>9</sup>                  | <u>-</u>          | <u>-</u>          | <u>-</u>          | <u>-</u>          |
| <b>Total Debt Service</b>                               | 3,244,378         | 3,279,493         | 3,074,169         | 3,211,860         |
| Debt Service Coverage                                   | 3.09 X            | 2.85 X            | 2.87 X            | 3.02 X            |
| Required Minimum Coverage                               | 1.15 X            | 1.15 X            | 1.15 X            | 1.15 X            |
| Plus Capacity Charges                                   | 45,404            | 24,701            | 26,171            | 179,333           |
| Debt Service Coverage inclusive of Capacity Charges     | 3.10 X            | 2.86 X            | 2.87 X            | 3.08 X            |
| Required Minimum Coverage inclusive of Capacity Charges | 1.25 X            | 1.25 X            | 1.25 X            | 1.25 X            |
| <b>Total Net Revenues less Utility Debt Service</b>     | \$ 6,828,798      | \$ 6,090,656      | \$ 5,761,355      | \$ 6,672,604      |

Notes: <sup>1</sup>Gross Revenues are defined pursuant to Resolution 7143 adopted June 14, 2004, as all income and earnings derived by the City from the ownership, operation, leasing, or use of the system, and investment income, excluding capital expansion and system improvement grants.

<sup>2</sup>Expenses are defined as Operation and Maintenance Expenses paid or accrued, less depreciation and amortized expenses.

<sup>3</sup>Net Revenues and Pledged Revenues are defined as gross revenues less operation and maintenance expenses plus capacity charges.

<sup>4</sup>**Series 2004**

Resolution 7143 and supplemented by Resolution 7144, adopted June 14, 2004, the City authorized the issuance of the Utility System Revenue Bonds, Series 2004, that closed on July 14, 2004.

<sup>5</sup>**Series 2007A & 2007B**

Resolution 7965, adopted July 23, 2007, the City amended Resolution 7143 authorizing the issuance of the Utility System Revenue Bonds Series 2007A and Taxable Utility System Revenue Bonds, Series 2007B ("Series 2007 Bonds") on a parity with the City's outstanding Utility System Revenue Bonds, Series 2004.

**CITY OF LEESBURG, FLORIDA  
 PLEDGED REVENUE COVERAGE  
 UTILITY SYSTEM REVENUE BONDS/NOTES  
 (GAS, WATER AND WASTEWATER SYSTEMS)  
 SERIES 2004, 2007A, 2007B, 2010, 2013 & 2016  
 LAST TEN FISCAL YEARS**

|    | <b>2015</b> | <b>2016</b>   | <b>2017</b>   | <b>2018</b>   | <b>2019</b>   | <b>2020</b>   |
|----|-------------|---------------|---------------|---------------|---------------|---------------|
| \$ | 24,393,186  | \$ 24,370,859 | \$ 25,126,511 | \$ 25,251,640 | \$ 32,058,160 | \$ 29,438,152 |
|    | 13,601,215  | 13,398,493    | 14,412,658    | 15,160,217    | 16,252,144    | 15,434,625    |
|    | 10,791,971  | 10,972,366    | 10,713,853    | 10,091,423    | 15,806,016    | 14,003,527    |
|    | -           | -             | -             | -             | -             | -             |
|    | 1,335,644   | 1,342,744     | 441,038       | 438,869       | -             | -             |
|    | 80,755      | 80,755        | 83,100        | 81,330        | 83,380        | 86,315        |
|    | 806,242     | 815,751       | 815,751       | 828,769       | 868,726       | 864,014       |
|    | 1,384,031   | 1,383,907     | 1,379,881     | 1,381,481     | 1,394,994     | 1,394,194     |
|    | -           | -             | 547,034       | 705,850       | 1,161,850     | 1,157,900     |
|    | -           | -             | -             | -             | -             | 116,875       |
|    | 3,606,672   | 3,623,157     | 3,266,804     | 3,436,299     | 3,508,950     | 3,619,297     |
|    | 2.99 X      | 3.03 X        | 3.28 X        | 2.94 X        | 4.50 X        | 3.87 X        |
|    | 1.15 X      | 1.15 X        | 1.15 X        | 1.15 X        | 1.15 X        | 1.15 X        |
|    | 279,359     | 379,060       | 439,237       | 469,336       | 392,142       | 742,143       |
|    | 3.07 X      | 3.13 X        | 3.41 X        | 3.07 X        | 4.62 X        | 4.07 X        |
|    | 1.25 X      | 1.25 X        | 1.25 X        | 1.25 X        | 1.25 X        | 1.25 X        |
| \$ | 7,464,658   | \$ 7,728,269  | \$ 7,886,286  | \$ 7,124,460  | \$ 12,689,208 | \$ 11,126,373 |

Notes: <sup>6</sup>**Series 2010**  
 Resolution 8673, adopted June 28, 2010, the City authorized the issuance of an \$8,000,000 note that fully paid off a prior \$8,000,000 Plantation System seller's note. This prior note was part of the purchase price for this \$15,000,000 utility, and the 2010 note is on parity with the 2004 and 2007A&B bonds.

<sup>7</sup>**Series 2013**  
 Resolution 9183 and 9184, adopted April 22, 2013, the City authorized the Series 2013 Utility System Revenue Bonds refunding the Series 2004 Utility System Revenue Bonds and is on a parity with the City's other Utility System Revenue Bonds.

<sup>8</sup>**Series 2016**  
 Resolutions 9794 and 9795, adopted May 9, 2016, the City authorized the Series 2016 Utility System Refunding Revenue Bonds to refund the City's outstanding Utility System Revenue Bonds, Series 2007A maturing on and after October 1, 2018, on a parity with the existing Utility System Bonds & Note. Payments for the debt service began October 1, 2016 and are due semi-annually April 1 and October 1 thereafter.

<sup>9</sup>**Series 2020**  
 Resolution 10,625, adopted April 16, 2020, the City authorized the issuance of an \$15,000,000 note that is on parity with the City's outstanding Taxable Utility Refunding Revenue Bonds, Series 2007B, Utility System Revenue Refunding Note, Series 2010, and Utility Systems Refunding Revenue Bonds, Series 2016.

**CITY OF LEESBURG, FLORIDA  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN CALENDAR YEARS**

| Fiscal Year | Population <sup>1</sup> | Personal Income (thousands of dollars) <sup>2</sup> | Lake County Per Capita Personal Income <sup>3</sup> | Median Age <sup>4</sup> | Unemployment Rate <sup>5</sup> |         |               |
|-------------|-------------------------|---|---|-------------------------|--------------------------------|---------|---------------|
|             |                         |   |   |                         | Lake County                    | Florida | United States |
| 2011        | 20,251                  | \$ 623,427  | \$ 30,785   | 41.9                    | 10.2%                          | 9.8%    | 8.2%          |
| 2012        | 20,263                  | 662,539   | 32,697  | 42.6                    | 8.4%                           | 8.2%    | 7.5%          |
| 2013        | 20,761                  | 693,376   | 33,398  | 41.0                    | 6.3%                           | 6.4%    | 7.0%          |
| 2014        | 21,057                  | 725,308   | 34,445  | 40.2                    | 5.8%                           | 5.8%    | 5.8%          |
| 2015        | 21,547                  | 749,448   | 34,782  | 40.2                    | 5.1%                           | 5.2%    | 5.1%          |
| 2016        | 22,000                  | 799,194   | 36,327  | 37.8                    | 4.8%                           | 5.0%    | 4.8%          |
| 2017        | 21,913                  | 838,523   | 38,266  | 37.8                    | 3.4%                           | 3.7%    | 4.1%          |
| 2018        | 23,297                  | 944,484   | 40,541  | 37.8                    | 2.9%                           | 3.0%    | 3.6%          |
| 2019        | 23,993                  | 1,012,265   | 42,190  | 38.3                    | 2.9%                           | 3.0%    | 3.3%          |
| 2020        | 24,539                  | 1,065,606   | 43,425  | 34.0                    | 7.4%                           | 7.2%    | 7.7%          |

Sources: <sup>1</sup>Florida Bureau of Economic and Business Research (BEBR) as of April 1, 2020.

<sup>2</sup>The actual per capita personal income for the City is not known. The County's per capita figures are multiplied by the City's population to determine the total personal income for the City.

<sup>3</sup>U.S. Department of Commerce, Bureau of Economic Analysis (<http://bea.gov>)

<sup>4</sup>U. S. Census Bureau 2013-2017 American Community Survey 5-Year Estimates (<http://factfinder.census.gov>)

<sup>5</sup>State of Florida, Department of Labor and Employment Security, Bureau of Labor Market Information (<http://freida.labormarketinfo.com>) as of September 2020.

**CITY OF LEESBURG, FLORIDA  
PRINCIPAL EMPLOYERS  
CURRENT YEAR AND NINE YEARS AGO**

| <b>Employer<sup>1</sup></b>                | <b>2020</b>                  |                  |  | <b>2011</b>                  |                  |  |
|--|------------------------------|------------------|--|------------------------------|------------------|--|
|  | <b>Employees<sup>1</sup></b> | <b>City Rank</b> | <b>Percentage of Total County Employment</b> | <b>Employees<sup>3</sup></b> | <b>City Rank</b> | <b>Percentage of Total County Employment</b> |
| UF Health Leesburg (fka CFHA)              | 1,696                        | 1                | 1.12%  | 2,355                        | 1                | 1.72%  |
| Lake County School District (fka LCSB)     | 754                          | 2                | 0.50%  | 671                          | 2                | 0.49%  |
| City of Leesburg                           | 493                          | 3                | 0.33%  | 505                          | 5                | 0.37%  |
| Lifestream Behavioral Center               | 446                          | 4                | 0.29%  | 550                          | 3                | 0.40%  |
| First Baptist Church of Leesburg           | 364                          | 5                | 0.24%  |                              |                  |  |
| Lake Port Properties                       | 345                          | 6                | 0.23%  | 400                          | 6                | 0.29%  |
| Publix (3 stores 2020, 2 stores 2011)      | 336                          | 7                | 0.22%  | 275                          | 8                | 0.20%  |
| Wal-Mart Stores, Inc.                      | 320                          | 8                | 0.21%  |                              |                  |  |
| Lake Sumter State College                  | 184                          | 9                | 0.12%  | 521                          | 4                | 0.38%  |
| Cutrale Citrus Juice USA, Inc              | 180                          | 10               | 0.12%  | 300                          | 7                | 0.22%  |
| Leware Construction Company                | 165                          | 11               | 0.11%  |                              |                  |  |
| Lowe's                                     | 163                          | 12               | 0.11%  |                              |                  |  |
| Electric Services Inc.                     |                              |                  |  | 232                          | 10               | 0.17%  |
| Lake-Sumter EMS                            |                              |                  |  | 260                          | 9                | 0.19%  |
| <b>Total</b>                               | <b>5,446</b>                 |                  | <b>3.59%</b>                                 | <b>6,069</b>                 |                  | <b>4.43%</b>                                 |
| <b>Lake County Labor Force<sup>2</sup></b> | <b>151,655</b>               |                  |  | <b>136,860</b>               |                  |  |

Sources: <sup>1</sup>City of Leesburg 2021 Annual Budget

<sup>2</sup>Labor Force data for Lake County, Florida Labor Market Statistics, September 2020 <http://freida.labormarketinfo.com>

<sup>3</sup>City of Leesburg 2011 CAFR

**CITY OF LEESBURG, FLORIDA**  
**FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION**  
**LAST TEN FISCAL YEARS**

|  | 2011          | 2012          | 2013          | 2014          | 2015          | 2016          | 2017          | 2018          | 2019          | 2020          |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| <b>General Government:</b>                   |               |               |               |               |               |               |               |               |               |               |
| Legislative                                  | 5.00          | 5.00          | 5.00          | 5.00          | 5.00          | 5.00          | 5.00          | 5.00          | 5.00          | 5.00          |
| Executive                                    | 6.00          | 6.00          | 6.00          | 6.00          | 5.90          | 4.90          | 5.90          | 6.90          | 5.90          | 5.65          |
| Finance                                      | 47.00         | 47.00         | 46.00         | 46.00         | 40.00         | 42.00         | 41.00         | 41.00         | 41.35         | 42.35         |
| Human Resources                              | 6.00          | 6.00          | 6.00          | 4.85          | 4.95          | 4.95          | 3.95          | 3.95          | 4.20          | 4.20          |
| Information Technology (MIS)                 | 11.50         | 11.50         | 12.50         | 12.50         | 10.00         | 11.00         | 11.00         | 11.00         | 11.50         | 11.50         |
| Police:                                      |               |               |               |               |               |               |               |               |               |               |
| Officers                                     | 72.25         | 72.25         | 72.25         | 72.00         | 72.00         | 65.00         | 65.00         | 71.00         | 71.00         | 71.00         |
| Civilians                                    | 34.00         | 34.00         | 34.00         | 23.00         | 23.00         | 25.00         | 26.00         | 27.00         | 29.00         | 30.00         |
| Fire:  |               |               |               |               |               |               |               |               |               |               |
| Firefighters and Officers                    | 59.00         | 59.00         | 60.00         | 57.00         | 52.00         | 46.00         | 46.00         | 46.00         | 46.00         | 49.00         |
| Civilians                                    | 1.00          | 1.00          | 1.00          | 1.00          | 1.00          | 1.00          | 1.00          | 1.00          | 2.00          | 2.00          |
| GIS / Engineering                            | 3.50          | 4.50          | 5.50          | 5.50          | 5.00          | 5.00          | 5.00          | 5.00          | 4.50          | 4.50          |
| Public Works                                 | 15.10         | 15.10         | 6.10          | 33.10         | 24.10         | 23.60         | 24.60         | 25.60         | 25.60         | 25.85         |
| Planning & Zoning                            | 4.95          | 2.95          | 2.95          | 2.95          | 2.95          | 4.25          | 5.25          | 5.25          | 6.25          | 6.25          |
| Housing & Economic Development               | 4.00          | 2.00          | 2.00          | 1.00          | 1.00          | 1.00          | 1.00          | 1.00          | 1.00          | 1.00          |
| Library                                      | 23.65         | 23.65         | 23.65         | 21.79         | 22.64         | 22.30         | 22.97         | 20.15         | 21.75         | 21.00         |
| Recreation                                   | 37.00         | 33.00         | 36.00         | 8.10          | 15.00         | 15.00         | 15.00         | 16.00         | 16.00         | 19.00         |
| Airport <sup>1</sup>                         | 1.00          | 1.00          | 1.00          | 2.00          | -             | -             | -             | -             | -             | -             |
| <b>Subtotal for Governmental Activities</b>  | <b>330.95</b> | <b>323.95</b> | <b>319.95</b> | <b>301.79</b> | <b>284.54</b> | <b>276.00</b> | <b>278.67</b> | <b>285.85</b> | <b>291.05</b> | <b>298.30</b> |
| <b>Business-Type:</b>                        |               |               |               |               |               |               |               |               |               |               |
| Electric                                     | 51.00         | 48.00         | 53.00         | 52.00         | 47.00         | 46.00         | 45.00         | 45.00         | 45.00         | 45.00         |
| Gas  | 19.00         | 23.00         | 23.00         | 23.00         | 22.00         | 20.00         | 20.00         | 20.00         | 23.00         | 23.00         |
| Water  | 36.00         | 26.50         | 27.00         | 26.50         | 26.00         | 24.75         | 26.75         | 26.75         | 27.70         | 27.75         |
| Wastewater                                   | 44.00         | 45.50         | 45.00         | 45.84         | 43.34         | 43.09         | 42.09         | 42.09         | 41.04         | 41.29         |
| Stormwater                                   | 4.00          | 5.00          | 5.00          | 5.66          | 5.66          | 5.66          | 5.66          | 5.66          | 5.66          | 6.01          |
| Communications                               | 5.00          | 5.00          | 6.00          | 7.00          | 6.00          | 6.00          | 6.00          | 6.00          | -             | -             |
| Solid Waste                                  | 17.90         | 17.90         | 17.90         | 16.90         | 16.90         | 16.90         | 16.90         | 16.90         | 17.00         | 16.10         |
| Airport <sup>1</sup>                         | -             | -             | -             | -             | 2.10          | 2.10          | 2.10          | 2.10          | 2.10          | 2.10          |
| Carver Heights CRA                           | -             | -             | -             | -             | -             | -             | -             | -             | -             | -             |
| Health Insurance                             | -             | -             | -             | 0.80          | 0.80          | 0.80          | 0.80          | 0.80          | 0.80          | 0.80          |
| Workers Compensation                         | -             | -             | -             | 0.25          | 0.25          | 0.25          | 0.25          | 0.25          | 0.65          | 0.65          |
| Fleet Services                               | -             | -             | 8.00          | 8.00          | 8.00          | 8.00          | 8.00          | 8.00          | 8.00          | 8.00          |
| Affordable Housing                           | -             | -             | -             | -             | 1.00          | 1.00          | 1.00          | 1.00          | 1.00          | 1.00          |
| Building Permits                             | 4.05          | 4.05          | 4.05          | 4.05          | 5.05          | 4.75          | 7.75          | 8.75          | 8.75          | 10.00         |
| <b>Subtotal for Business-Type Activities</b> | <b>180.95</b> | <b>174.95</b> | <b>188.95</b> | <b>190.00</b> | <b>184.10</b> | <b>179.30</b> | <b>182.30</b> | <b>183.30</b> | <b>180.70</b> | <b>181.70</b> |
| <b>Total</b>                                 | <b>511.90</b> | <b>498.90</b> | <b>508.90</b> | <b>491.79</b> | <b>468.64</b> | <b>455.30</b> | <b>460.97</b> | <b>469.15</b> | <b>471.75</b> | <b>480.00</b> |

Note: <sup>1</sup> Airport became its own Business-Type fund in 2015 and no longer has governmental employees.

Source: City Annual Budget. Library FTEs per City payroll records due to large number of part-time employees.

**CITY OF LEESBURG, FLORIDA  
OPERATING INDICATORS BY FUNCTION  
LAST TEN FISCAL YEARS**

| <b>Function</b>                                    | <b>2011</b> | <b>2012</b> | <b>2013</b> | <b>2014</b> | <b>2015</b> | <b>2016</b> | <b>2017</b> | <b>2018</b> | <b>2019</b> | <b>2020</b> |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| <b>Police</b>                                      |             |             |             |             |             |             |             |             |             |             |
| Responses to calls for service                     | 53,024      | 51,837      | 50,312      | 49,936      | 53,838      | 52,740      | 57,820      | 62,261      | 67,832      | 67,832      |
| Part I crimes                                      | 1,246       | 1,235       | 1,170       | 1,191       | 1,300       | 1,303       | 1,543       | 1,402       | 1,372       | 1,372       |
| Traffic crashes & citations                        | 6,327       | 7,120       | 6,808       | 4,704       | 4,440       | 4,225       | 5,793       | 4,997       | 5,103       | 3,708       |
| <b>Fire</b>  |             |             |             |             |             |             |             |             |             |             |
| Emergency responses                                | 6,581       | 7,233       | 6,238       | 6,471       | 8,610       | 10,112      | 10,833      | 10,642      | 10,565      | 9,988       |
| Inspections  | 374         | 215         | 169         | 202         | 210         | 768         | 376         | 102         | 69          | 111         |
| Pre-fire plans                                     | 107         | 44          | 5           | 5           | 35          | 600         | 20          | 1           | 5           | 16          |
| <b>Solid Waste</b>                                 |             |             |             |             |             |             |             |             |             |             |
| Residential tons taken to incinerator              | 8,552       | 8,036       | 7,875       | 8,633       | 8,293       | 8,814       | 9,972       | 9,089       | 9,317       | 9,817       |
| Residential tons of recyclables                    | 393         | 389         | 409         | 427         | 421         | 497         | 577         | 628         | 642         | 717         |
| Hand commercial collected                          | 624         | 588         | 600         | 483         | 446         | 434         | 476         | 523         | 532         | 455         |
| Commercial dumpster collected                      | 12,902      | 11,743      | 11,978      | 12,533      | 12,041      | 12,959      | 14,190      | 13,292      | 13,546      | 12,877      |
| <b>Fleet Maintenance</b>                           |             |             |             |             |             |             |             |             |             |             |
| Vehicles owned by the City                         | 598         | 589         | 537         | 559         | 543         | 580         | 562         | 550         | 580         | 575         |
| Percent maintained by Fleet                        | 100%        | 100%        | 100%        | 100%        | 100%        | 100%        | 100%        | 100%        | 100%        | 100%        |
| Preventive maintenance complete                    | 736         | 468         | 524         | 635         | 853         | 853         | 865         | 568         | 883         | 1,053       |
| <b>Community Development</b>                       |             |             |             |             |             |             |             |             |             |             |
| Building permits issued within the City            | 1,318       | 1,210       | 1,491       | 1,568       | 1,820       | 1,539       | 2,212       | 3,506       | 3,680       | 4,413       |
| Construction value of permits<br>(thousands)       | \$ 35,953   | \$ 19,419   | \$ 20,596   | \$ 28,799   | \$ 34,907   | \$ 67,028   | \$ 197,362  | \$ 479,356  | \$ 643,048  | \$ 629,095  |
| <b>Culture and Recreation</b>                      |             |             |             |             |             |             |             |             |             |             |
| Youth programs                                     | 36          | 34          | 36          | 36          | 37          | 37          | 37          | 38          | 38          | 38          |
| Number of bookings at rental facilities            | 2,368       | 2,269       | 2,006       | 1,348       | 1,554       | 1,973       | 1,443       | 1,321       | 1,274       | 1,045       |
| Total service hours                                | 6,075       | 6,279       | 5,791       | 3,901       | 3,957       | 5,992       | 6,907       | 6,762       | 6,540       | 5,406       |
| Participants using the pools <sup>1</sup>          | 8,462       | 6,418       | 9,558       | 6,995       | 9,125       | 11,092      | 25,519      | 20,394      | 17,147      | 8,310       |
| Library service hours                              | 2,594       | 2,610       | 2,624       | 2,642       | 2,607       | 2,623       | 2,590       | 2,575       | 2,676       | 2,246       |
| Circulation - Adults                               | 257,912     | 257,037     | 257,037     | 257,037     | 243,360     | 240,672     | 222,354     | 214,130     | 220,078     | 191,086     |
| Circulation - Juvenile                             | 74,245      | 83,174      | 87,151      | 80,931      | 83,263      | 72,223      | 76,021      | 67,441      | 75,789      | 95,543      |
| Internet use                                       | 153,092     | 141,924     | 115,637     | 106,848     | 104,318     | 98,238      | 81,805      | 50,373      | 57,751      | 63,834      |
| <b>Electric</b>                                    |             |             |             |             |             |             |             |             |             |             |
| Number of residential customers                    | 17,666      | 17,608      | 17,867      | 17,944      | 18,321      | 23,233      | 23,886      | 22,942      | 24,128      | 24,954      |
| Average daily consumption (KWh)                    | 32.65       | 25.74       | 30.89       | 30.56       | 31.66       | 31.76       | 29.99       | 30.90       | 32.84       | 32.74       |
| <b>Gas</b>   |             |             |             |             |             |             |             |             |             |             |
| Number of residential customers <sup>2</sup>       | 11,241      | 11,141      | 11,180      | 11,205      | 11,169      | 11,199      | 11,239      | 11,285      | 14,009      | 12,052      |
| Average daily consumption<br>(therms) <sup>3</sup> | 0.56        | 0.41        | 0.47        | 0.52        | 0.50        | 0.43        | 0.39        | 0.48        | 0.36        | 0.41        |
| <b>Water</b>                                       |             |             |             |             |             |             |             |             |             |             |
| Number of residential customers                    | 17,896      | 18,058      | 18,278      | 19,077      | 18,899      | 19,764      | 20,031      | 20,031      | 20,031      | 21,955      |
| Average daily consumption (gallons)                | 490.05      | 425.30      | 404.31      | 387.38      | 368.80      | 404.78      | 399.38      | 399.38      | 466.85      | 335.43      |
| <b>Wastewater</b>                                  |             |             |             |             |             |             |             |             |             |             |
| Number of residential customers                    | 13,243      | 13,319      | 13,487      | 13,529      | 13,743      | 15,714      | 15,732      | 16,146      | 17,630      | 15,249      |
| Average daily sewage treatment<br>(gallons)        | 175.18      | 195.21      | 177.95      | 229.14      | 203.74      | 178.19      | 203.41      | 198.19      | 181.51      | 209.85      |

Note: <sup>1</sup>Increase in participants using the pools in FY17 is the result of the addition of the Splash Pad in the summer of 2017.

<sup>2</sup>Increase in gas number of residential customers in FY19 is the result of installing new services in The Villages.

<sup>3</sup>Decrease in gas average daily consumption (therms) in FY19 is due to new customers in The Villages did not use gas for the entire year and are not using gas furnaces.

Source: Various City departments



**CITY OF LEESBURG, FLORIDA  
CAPITAL ASSET STATISTICS BY FUNCTION  
LAST TEN FISCAL YEARS**

| <b>Function</b>                                   | <b>2011</b> | <b>2012</b> | <b>2013</b> | <b>2014</b> | <b>2015</b> | <b>2016</b> | <b>2017</b> | <b>2018</b> | <b>2019</b> | <b>2020</b> |
|---|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| <b>Public Safety</b>                              |             |             |             |             |             |             |             |             |             |             |
| Police stations                                   | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 1           |
| Fire stations                                     | 4           | 4           | 4           | 4           | 4           | 4           | 4           | 4           | 4           | 4           |
| <b>Solid Waste</b>                                |             |             |             |             |             |             |             |             |             |             |
| Collection Trucks                                 | 17          | 18          | 15          | 15          | 18          | 18          | 20          | 20          | 19          | 19          |
| <b>Annexation Acres</b>                           | 316.65      | 18.88       | 11.91       | 19.68       | 34.46       | 474         | 712         | 359         | -           | -           |
| <b>Corporate Limits</b>                           |             |             |             |             |             |             |             |             |             |             |
| Acres   | 25,106      | 25,125      | 25,137      | 25,157      | 25,191      | 26,986      | 27,698      | 28,057      | 28,057      | 27,280      |
| Square Miles                                      | 39.23       | 39.26       | 39.27       | 39.31       | 39.36       | 42.17       | 43.27       | 43.84       | 43.84       | 42.62       |
| <b>Streets</b>                                    |             |             |             |             |             |             |             |             |             |             |
| Paved (miles)                                     | 83.1        | 83.1        | 83.1        | 83.1        | 83.1        | 83.1        | 83.1        | 83.1        | 83.2        | 83.2        |
| Unpaved (miles)                                   | 1.9         | 1.9         | 1.9         | 1.9         | 1.9         | 1.9         | 1.9         | 1.9         | 1.8         | 1.8         |
| <b>Culture and Recreation</b>                     |             |             |             |             |             |             |             |             |             |             |
| Rental facilities                                 | 225         | 25          | 25          | 25          | 25          | 25          | 25          | 25          | 25          | 25          |
| Museum  | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 1           |
| Parks facilities managed                          | 23          | 25          | 25          | 45          | 45          | 45          | 45          | 46          | 46          | 46          |
| Parks acreage                                     | 300         | 360         | 360         | 360         | 360         | 363         | 363         | 367         | 367         | 367         |
| Library facilities                                | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 1           |
| Volumes in collection                             | 135,996     | 142,441     | 145,961     | 132,656     | 132,960     | 138,570     | 141,159     | 136,997     | 129,492     | 123,323     |
| <b>Electric</b>                                   |             |             |             |             |             |             |             |             |             |             |
| Primary electric lines<br>within the city (miles) | 443         | 445         | 453         | 482         | 486         | 489         | 490         | 493         | 500         | 523         |
| Overhead conductor<br>replaced (feet)             | 59,000      | 2,000       | 2,000       | 6,000       | 1,100       | 5,000       | 9,580       | 4,800       | 5,090       | 13,772      |
| Underground primary conductor<br>replaced (feet)  | 12,000      | 2,500       | 7,400       | 5,000       | 9,000       | 12,530      | 7,000       | 1,000       | 6,907       | 73,866      |
| <b>Gas</b>  |             |             |             |             |             |             |             |             |             |             |
| Gas mains (miles)                                 | 240         | 240         | 240         | 240         | 243         | 243         | 245         | 246         | 250         | 252         |
| Gate stations                                     | 2           | 2           | 2           | 2           | 2           | 2           | 2           | 2           | 2           | 3           |
| <b>Water</b>                                      |             |             |             |             |             |             |             |             |             |             |
| Water mains (miles)                               | 375         | 332         | 332         | 332         | 332         | 335         | 335         | 337         | 333         | 333         |
| Maximum capacity<br>(millions of gallons)         | 28          | 28          | 28          | 28          | 28          | 28          | 29          | 29          | 29          | 29          |
| Deep wells  | 19          | 19          | 19          | 19          | 19          | 19          | 18          | 18          | 18          | 18          |
| <b>Wastewater</b>                                 |             |             |             |             |             |             |             |             |             |             |
| Sewers force mains (miles)                        | 81          | 87          | 88          | 88          | 88          | 89          | 85          | 86          | 86          | 86          |
| Sewers gravity lines (miles)                      | 169         | 178         | 179         | 179         | 182         | 182         | 175         | 176         | 180         | 180         |
| Lift stations                                     | 173         | 174         | 174         | 174         | 174         | 174         | 174         | 174         | 175         | 175         |
| Disposal plants                                   | 2           | 2           | 2           | 2           | 2           | 2           | 2           | 2           | 2           | 2           |
| Maximum capacity<br>(millions of gallons per day) | 6.50        | 6.50        | 6.50        | 6.50        | 6.50        | 6.50        | 6.50        | 6.50        | 6.50        | 6.50        |

Source: Various City departments



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## **COMPLIANCE SECTION**

**CITY OF LEESBURG, FLORIDA  
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

| <u>State Grantor/Pass-Through Grantor/Project Title</u>     | <u>CSFA<br/>Number</u> | <u>Grant Number/Pass Through<br/>Grantor's Number</u> | <u>State<br/>Expenditures</u> |
|---|------------------------|---|-------------------------------|
| <b><u>Florida Department of Transportation</u></b>          |                        |   |                               |
| Aviation Development Grants:                                |                        |   |                               |
| Direct:   |                        |   |                               |
| T-Hangers - Design & Bidding Services                       | 55.004                 | G1572   | \$ 726,428                    |
| Apron Rehabilitation Project                                | 55.004                 | G1L74   | 50,400                        |
| U.S. Customs and Border Patrol                              | 55.004                 | G1H86   | 26,840                        |
| Air Traffic Control Tower Equipment                         | 55.004                 | G1L69   | <u>73,896</u>                 |
| <b>Total Florida Department of Transportation</b>           |                        |   | <b><u>877,564</u></b>         |
| <br><b>Total Expenditures of State Financial Assurances</b> |                        |   | <br><b>\$ <u>877,564</u></b>  |

See notes to the Schedule of Expenditures of State Financial Assistance on the next page.

**CITY OF LEESBURG, FLORIDA**  
**SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE:**

**NOTE 1 - REPORTING ENTITY**

For reporting entity purposes, the Schedule of Expenditures of State Financial Assistance includes only the activities of the primary government of the City of Leesburg, Florida (the "City"). The information in this schedule is presented in accordance with the requirements of Chapter 10.550, Rules of the Auditor General.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Schedule of Expenditures of State Financial Assistance is prepared on the modified accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America as applicable to governmental organizations.

**NOTE 3 - CONTINGENCIES**

Grant monies received by the City are for specific purposes and are subject to review by the grantor agencies. Such audits may result in requests for reimbursement due to disallowed expenditures. Based upon prior experience, the City does not believe such disallowances, if any, would have a material effect on the financial position of the City. As of September 30, 2020, there were no material questioned or disallowed costs as a result of grant audits in process or completed of which management was aware. Any adjustments as a result of grant findings are recorded in the year the adjustment occurs.



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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***

The Honorable Mayor and  
Members of the City Commission  
City of Leesburg, Florida

We have audited, 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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Leesburg, Florida, (the City) as of and for the fiscal year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated March 16, 2021.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing 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 City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City'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 entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control 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 material weaknesses or significant deficiencies. 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.



The Honorable Mayor and  
Members of the City Commission  
City of Leesburg, Florida

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, grant agreements and contracts, noncompliance with which could have a direct and material effect on the financial statements. 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*.

We reported certain other matters to management of the City in a separate letter dated March 16, 2021.

### **Purpose of this Report**

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

**MSL, P.A.**

Certified Public Accountants

Orlando, Florida  
March 16, 2021



**INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR EACH MAJOR STATE  
PROJECT AND ON INTERNAL CONTROL OVER COMPLIANCE AND REPORT ON  
THE SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
REQUIRED BY CHAPTER 10.550, *RULES OF THE AUDITOR GENERAL***

The Honorable Mayor and  
Members of the City Commission  
City of Leesburg, Florida

**Report on Compliance for Each Major State Project**

We have audited the compliance of the City of Leesburg, Florida, (the City) with the types of compliance requirements described in the Florida Department of Financial Services *State Compliance Supplement* that could have a direct and material effect on each of the City’s major state projects for the fiscal year ended September 30, 2020. The City’s major state projects are identified in the Summary of Auditor’s Results section of the accompanying Schedule of Findings and Questioned Costs.

***Management’s Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its state projects.

***Auditor’s Responsibility***

Our responsibility is to express an opinion on the City’s compliance based on our audit. We conducted our audit of compliance 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*. Those standards and Chapter 10.550, *Rules of the Auditor General* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state project identified in the accompanying Schedule of Findings and Questioned Costs occurred. An audit includes examining, on a test basis, evidence about the City’s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major state project. However, our audit does not provide a legal determination of the City’s compliance.

***Opinion on Each Major State Project***

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state projects for the fiscal year ended September 30, 2020.

The Honorable Mayor and  
Members of the City Commission  
City of Leesburg, Florida

### **Report on Internal Control over Compliance**

The management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of requirements referred to above. In planning and performing our audit, we considered the City's internal control over compliance with the requirements that could have a direct and material effect on each major state project to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major state project and to test and report on internal control over compliance in accordance with Chapter 10.550, *Rules of the Auditor General*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of Chapter 10.550, *Rules of the Auditor General*. Accordingly, this report is not suitable for any other purpose.

### **Report on Schedule of Expenditures of State Financial Assistance Required by Chapter 10.550, Rules of the Auditor General**

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 City as of and for the fiscal year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We have issued our report thereon dated March 16, 2021, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of State Financial Assistance is presented for the purposes of additional analysis, as required by Chapter 10.550, *Rules of the Auditor General*, and is not a required part of the basic financial statements.

The Honorable Mayor and  
Members of the City Commission  
City of Leesburg, Florida

**Report on Schedule of Expenditures of State Financial Assistance Required by  
Chapter 10.550, Rules of the Auditor General (Cont.)**

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of State Financial Assistance is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**MSL, P.A.**

Certified Public Accountants

Orlando, Florida  
March 16, 2021

CITY OF LEESBURG, FLORIDA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended September 30, 2020

Section I - Summary of Independent Auditor's Results

Financial Statements

**Type of Auditor's Report Issued:**

**Unmodified Opinion**

Internal control over financial reporting:

- Material weakness(es) identified?  Yes  No
- Significant deficiency(ies) identified?  Yes  None reported

Noncompliance material to financial statements noted?  Yes  No

**State Financial Assistance**

Internal control over major projects:

- Material weakness(es) identified?  Yes  No
- Significant deficiency(ies)?  Yes  None reported

Type of report issued on compliance for major state projects:

**Unmodified Opinion**

Any audit findings disclosed that are required to be reported in accordance with Chapter 10.557, *Rules of the Auditor General*?  Yes  No

**Identification of Major Projects:**

**CSFA Number**  
55.004

**Name of State Project**  
Aviation Grant Programs

Dollar threshold used to distinguish between Type A and Type B projects: \$300,000

**CITY OF LEESBURG, FLORIDA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS *(Continued)***

**For the Year Ended September 30, 2020**

**Section II - Findings Related to the Financial Statement Audit, as required to be reported in accordance with *Government Auditing Standards***

No matters are reported.

**Section III - State Financial Assistance Findings and Questioned Costs Section reported in accordance with Chapter 10.550, *Rules of the Auditor General***

No matters are reported.

**CITY OF LEESBURG, FLORIDA**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
**For the Year Ended September 30, 2020**

**Prior Year Audit Findings**

No matters were reported over state financial assistance in the prior year.



## INDEPENDENT ACCOUNTANT'S REPORT

The Honorable Mayor and  
Members of the City Commission  
City of Leesburg, Florida

We have examined the compliance of the City of Leesburg, Florida (the City) with the requirements of Section 218.415, Florida Statutes, during the fiscal year ended September 30, 2020. Management is responsible for the City's compliance with those requirements. Our responsibility is to express an opinion on the City'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 City complied with those requirements. An examination involves performing procedures to obtain evidence about the City's compliance with those requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of noncompliance, 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 City's compliance with specified requirements.

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

**MSL, P.A.**

Certified Public Accountants

Orlando, Florida  
March 16, 2021





## INDEPENDENT AUDITOR'S MANAGEMENT LETTER

The Honorable Mayor and  
Members of the City Commission  
City of Leesburg, Florida

### Report on the Financial Statements

We have audited the financial statements of the City of Leesburg, Florida (the City) as of and for the fiscal year ended September 30, 2020, and have issued our report thereon dated March 16, 2021.

### Auditor's Responsibility

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

### Other Reporting Requirements

We have also issued our 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*; Independent Auditor's Report on Compliance for Each Major State Project and Report on Internal Control over Compliance and Report on the Schedule of Expenditures of State Financial Assistance Required by Chapter 10.550, *Rules of the Auditor General*; Schedule of Findings and Questioned Costs; 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 and schedule, which are dated March 16, 2021, should be considered in conjunction with this management letter.

### Prior Audit Findings

Section 10.554(1)(i)1., *Rules of the Auditor General*, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no recommendations made in the preceding annual financial audit report.

### Official Title and Legal Authority

Section 10.554(1)(i)4., *Rules of the Auditor General*, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The legal authority is disclosed in the notes to the financial statements.

The Honorable Mayor and  
Members of the City Commission  
City of Leesburg, Florida

### **Financial Condition and Management**

Sections 10.554(1)(i)5.a. and 10.556(7), *Rules of the Auditor General*, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the City has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the City did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), *Rules of the Auditor General*, we applied financial condition assessment procedures for the City. It is management's responsibility to monitor the City's financial condition, and our financial condition assessment was based, in part, on representations made by management and the review of financial information provided by same.

Section 10.554(1)(i)2., *Rules of the Auditor General*, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

### **Special District Component Units**

Section 10.554(1)(i)5.c., *Rules of the Auditor General*, requires, if appropriate, that we communicate the failure of a special district that is a component unit of a county, municipality, or special district, to provide the financial information necessary for proper reporting of the component unit, within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we did not note any special district component units that failed to provide the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

### **Additional Matters**

Section 10.554(1)(i)3., *Rules of the Auditor General*, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

### **Purpose of this Letter**

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, federal and other granting agencies, the Mayor, City Commission, and applicable management and is not intended to be, and should not be, used by anyone other than these specified parties.

**MSL, P.A.**

Certified Public Accountants

Orlando, Florida  
March 16, 2021



PO Box 490630 • Leesburg, Florida 34749-0630  
Ph 352-728-9720 • Fx 352-326-6632  
www.leesburgflorida.gov

May 20, 2021

BEFORE ME, the undersigned authority, personally appeared James Williams, Finance Director, who being duly sworn, deposes and says on oath that:

1. I am the Chief Financial Officer of City of Leesburg which is a local governmental entity of the State of Florida;
2. The City of Leesburg has not implemented any new impact fees for FY 2020.
3. The City of Leesburg has complied and, as of the date of this Affidavit, remains in compliance with Section 163.31801, Florida Statutes.

FURTHER AFFIANT SAYETH NAUGHT.

James A. Williams

STATE OF FLORIDA  
COUNTY OF LAKE

SWORN TO AND SUBSCRIBED before me this 20 day of May, 20XX.



Lisa Earl  
NOTARY PUBLIC  
Print Name Lisa Earl

Personally known  or produced identification \_\_\_\_\_

Type of identification produced: \_\_\_\_\_

My Commission Expires:

1/27/2025



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**DEBT DISCLOSURE SECTION  
(UNAUDITED)**



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**CITY OF LEESBURG, FLORIDA  
DEBT DISCLOSURE SECTION**

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**HISTORICAL OPERATING RESULTS - CAPITAL IMPROVEMENT  
(AMOUNTS EXPRESSED IN THOUSANDS)**

The historical operating results of the Capital Improvement Debt have been prepared pursuant to certain provisions of the Bond Resolution and therefore reflect certain differences from the City's audited financial statements.

| Description                                | 2011   | 2012   | 2013   | 2014     | 2015     | 2016     | 2017     | 2018     | 2019     | 2020     |
|--|--------|--------|--------|----------|----------|----------|----------|----------|----------|----------|
| Half-Cent Sales Tax                        | \$ 931 | \$ 913 | \$ 994 | \$ 1,069 | \$ 1,163 | \$ 1,163 | \$ 1,163 | \$ 1,366 | \$ 1,366 | \$ 1,402 |
| Guar. Entitlement                          | 309    | 309    | 309    | 309      | 309      | 309      | 309      | 309      | 309      | 309      |
| Misc. Revenues                             | -      | -      | -      | -        | -        | -        | -        | -        | -        | -        |
| Subtotal Revenues                          | 1,240  | 1,222  | 1,303  | 1,378    | 1,472    | 1,472    | 1,472    | 1,675    | 1,675    | 1,711    |
| Debt Service on<br>2009 Note <sup>1</sup>  | 523    | 474    | 474    | 473      | 351      | 477      | 480      | 478      | 480      | 481      |
| Revenues less<br>Debt Service              | 717    | 748    | 829    | 905      | 1121     | 995      | 992      | 1197     | 1195     | 1230     |
| Public Service Tax                         | 3,182  | 3,103  | 3,196  | 3,255    | 3,404    | 3,404    | 3,404    | 3,656    | 3,817    | 3,808    |
| Total                                      | 3,899  | 3,851  | 4,025  | 4,160    | 4,525    | 4,399    | 4,396    | 4,853    | 5,012    | 5,038    |
| Debt Service on<br>2004 Bonds <sup>2</sup> | 1,111  | 1,106  | 747    | -        | -        | -        | -        | -        | -        | -        |
| 2013 Bonds <sup>3</sup> 5                  | -      | -      | 203    | 1,047    | 753      | 753      | 753      | 1,013    | 1,012    | 1,015    |
| Debt Serv Coverage                         | 3.51 X | 3.48 X | 4.24 X | 3.98 X   | 6.01 X   | 5.84 X   | 5.84 X   | 4.79 X   | 4.95 X   | 4.96 X   |
| Required Coverage <sup>4</sup>             | 1.30 X | 1.30 X | 1.30 X | 1.30 X   | 1.30 X   | 1.30 X   | 1.30 X   | 1.30 X   | 1.30 X   | 1.30 X   |

**Notes:**

Small variances may exist in this schedule due to rounding.

<sup>1</sup>On November 30, 2009, the Series 1999 Bonds were refunded by the Capital Improvement Refunding Promissory Note, Series 2009 with the same pledged revenues and coverage requirements.

<sup>2</sup>On July 21, 2004, the Series 2004 Bonds were issued for the purpose of constructing certain Citywide capital improvements as defined in the Bond Resolution. This series was issued on parity with the Series 1999 Bonds with an additional pledged revenue of Public Services Tax.

<sup>3</sup>On May 2, 2013, the Series 2013 Bonds were issued to refund the Series 2004 Bonds with the same parity, pledged revenues and coverage requirements.

<sup>4</sup>On July 21, 2004, the required coverage changed based on the new Capital Improvement Revenue Bonds, Series 2004.

<sup>5</sup>In fiscal year 2015 the accounting method was changed from accruing interest for governmental debt to recording the payment when made. This resulted in only one interest payment recorded in fiscal year 2015.



**HISTORICAL OPERATING RESULTS - ELECTRIC UTILITY**  
**(AMOUNTS EXPRESSED IN THOUSANDS)**

The historical operating results of the Electric System have been prepared pursuant to certain provisions of the Bond Resolution and therefore reflect certain differences from the City's audited financial statements.

| Description   | 2011      | 2012      | 2013      | 2014      | 2015      | 2016      | 2017      | 2018      | 2019      | 2020      |
|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Operating Revenues  | \$ 61,960 | \$ 57,283 | \$ 62,149 | \$ 60,439 | \$ 59,075 | \$ 60,057 | \$ 63,072 | \$ 61,345 | \$ 62,183 | \$ 58,098 |
| Less: Operating Expenses <sup>1</sup>   | 49,170    | 45,244    | 47,864    | 50,744    | 46,454    | 46,454    | 46,454    | 48,254    | 49,535    | 46,588    |
| Net Operating Revenues  | 12,790    | 12,039    | 14,285    | 9,695     | 12,621    | 13,603    | 16,618    | 13,091    | 12,648    | 11,510    |
| Other Income <sup>2</sup>   | 396       | 136       | 660       | 485       | 512       | 1,012     | 251       | 420       | 1,133     | 728       |
| Total Available for Debt Service  | 13,186    | 12,175    | 14,945    | 10,180    | 13,133    | 14,615    | 16,869    | 13,511    | 13,781    | 12,238    |
| Debt Service  |           |           |           |           |           |           |           |           |           |           |
| Series 2004 Bonds <sup>3</sup>  | 1,103     | 1,105     | 1,105     | 347       | -         | -         | -         | -         | -         | -         |
| Series 2007A and 2007B Bonds <sup>4</sup>   | 1,512     | 1,510     | 1,511     | 1,512     | 1,516     | 1,573     | 935       | 935       | 933       | 935       |
| Series 2010 Note <sup>5</sup>   | 4         | 3         | 49        | -         | -         | -         | -         | -         | -         | -         |
| Series 2013 Note <sup>6</sup>   | -         | -         | 84        | 631       | 631       | 636       | -         | -         | -         | -         |
| Series 2014 Note <sup>7</sup>   | -         | -         | -         | 365       | 1,052     | 1,042     | -         | -         | -         | -         |
| Series 2016 Bonds <sup>8</sup>  | -         | -         | -         | -         | -         | 205       | 754       | 1,122     | 1,124     | 1,117     |
| Series 2016 Note <sup>9</sup>   | -         | -         | -         | -         | -         | 57        | 573       | 592       | 590       | 590       |
| Series 2020 Note <sup>11</sup>  | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         |
| Total Debt Service  | 2,619     | 2,618     | 2,749     | 2,855     | 3,199     | 3,251     | 2,262     | 2,649     | 2,647     | 2,642     |
| Capital Contribution/Impact Fees  | 72        | 220       | 165       | 727       | 202       | 429       | 420       | 577       | 824       | 914       |
| Amount Available for Working Capital, Transfer to General Fund & Capital Improvements | 10,639    | 9,777     | 12,361    | 8,052     | 10,136    | 11,793    | 15,027    | 11,439    | 11,958    | 10,510    |
| Total Transfers In/(Out)  | (5,751)   | (5,799)   | (6,546)   | (6,538)   | (6,478)   | (6,478)   | (6,478)   | (5,346)   | (5,402)   | (5,392)   |
| Net Available from Operations   | \$ 4,888  | \$ 3,978  | \$ 5,815  | \$ 1,514  | \$ 3,658  | \$ 5,315  | \$ 8,549  | \$ 6,093  | \$ 6,556  | \$ 5,118  |
| Debt Service Coverage: <sup>10</sup>  |           |           |           |           |           |           |           |           |           |           |
| Debt Service Coverage on Bonds  | 5.03 X    | 4.65 X    | 5.44 X    | 3.57 X    | 4.11 X    | 4.50 X    | 7.46 X    | 5.10 X    | 5.21 X    | 4.63 X    |
| Required Coverage Test  | 1.25 X    | 1.25 X    | 1.25 X    | 1.25 X    | 1.25 X    | 1.25 X    | 1.25 X    | 1.25 X    | 1.25 X    | 1.25 X    |

## HISTORICAL OPERATING RESULTS - ELECTRIC UTILITY (*continued*)

### Definitions:

**Gross Revenues** are defined pursuant to Resolution 7143 adopted June 14, 2004, as all income and earnings derived by the City from the ownership, operation, leasing, or use of the system, and investment income, excluding capital expansion and system improvement grants.

**Operation and Maintenance Expenses** are defined as the cost of operation and maintenance as current expenses, paid or accrued, less depreciation and amortization expenses.

**Net Revenues and Pledged Revenues** are defined as gross revenues less operation and maintenance expenses plus capacity charges.

### Notes:

<sup>1</sup> Amounts shown exclude depreciation and amortization expenses.

<sup>2</sup> The amounts shown are as defined in the Bond Resolution and exclude interest earnings on Construction Fund balances.

<sup>3</sup> **Series 2004** - First three years of payments for these bonds are interest only. Payments began on October 1, 2004, and are due semiannually April 1 and October 1 thereafter. The annualized interest payments for fiscal years 2004, 2005 and 2006 were \$166,793, \$779,813 and \$779,813 respectively, and were paid 100% from the Capitalized Interest fund of \$1,726,418.

<sup>4</sup> **Series 2007A & 2007B** - Resolution 7064, adopted July 23, 2007, the City amended Resolution 7141 for the purpose of authorizing the issuance of the Electric System Revenue Bonds, Series 2007A and Taxable Electric System Revenue Bonds, Series 2007B ("Series 2007 Bonds") on a parity with the City's outstanding Electric System Revenue Bonds, Series 2004. First two years of payments for these bonds were interest only and were paid 100% from the Capitalized Interest fund of \$1,341,602.

<sup>5</sup> **Series 2010** - Resolution 8692, adopted August 4, 2010, the City authorized the issuance of an "up to \$20,000,000" Note with a 3 year interest only drawdown facility.

<sup>6</sup> **Series 2013** - Resolution 9199, adopted May 28, 2013, the City authorized the issuance of a Note to refund the Series 2010 Note on parity with the City's outstanding Electric System Revenue Bonds, Series 2007A and Taxable Electric System Revenue Bonds, Series 2007B.

<sup>7</sup> **Series 2014** - Resolution 9366, adopted March 10, 2014, the City authorized the Series 2014 Electric System Refunding Revenue Note to refund the Electric System Revenue Bonds, Series 2004 on a parity with the existing Electric System Bonds & Note.

<sup>8</sup> **Series 2016** - Resolution 9792 and 9793, adopted May 9, 2016, the City authorized the issuance of the Series 2016 Electric System Refunding Revenue Bonds, for the purpose of advance refunding the Outstanding Electric System Revenue Bonds, Series 2007A, current refunding of the Outstanding Electric System Refunding Revenue Note, Series 2014, and paying the cost of issuance of the Series 2016 Bonds.

<sup>9</sup> **2016 Note** - Resolution 9816, adopted June 13, 2016, the City authorized the issue the 2016 Note, for the purpose of refunding all of the City's Outstanding Electric System Refunding Revenue Note, Series 2013.

<sup>10</sup> Excludes revenues from capacity charges per Bond Resolution.

<sup>11</sup> **Series 2020** - Resolution 10,683, adopted July 16, 2020, the City authorized the Series 2020 Electric System Note to use for the construction and installation of a feeder backbone line, underground residential distribution facilities and individual services and meters, reconductoring lines, and purchase of three substation transformers and other improvements to the City's Electric System. This note is on parity with Taxable Electric System Revenue Bonds, 2007B, Electric System Refunding Revenue Note, Series 2016, and the Electric Systems Refunding Revenue Bonds, Series 2016.

**HISTORICAL OPERATING RESULTS - GAS UTILITY**  
(AMOUNTS EXPRESSED IN THOUSANDS)

| Description   | 2011     | 2012     | 2013     | 2014     | 2015     | 2016     | 2017     | 2018     | 2019     | 2020     |
|---|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| Operating Revenues  | \$ 8,158 | \$ 6,898 | \$ 7,631 | \$ 7,691 | \$ 6,886 | \$ 6,886 | \$ 6,886 | \$ 6,800 | \$ 6,717 | \$ 6,731 |
| Less: Operating Expenses  | 5,701    | 4,472    | 6,251    | 5,198    | 4,391    | 4,391    | 4,391    | 4,627    | 5,254    | 4,378    |
| Net Operating Revenues  | 2,457    | 2,426    | 1,380    | 2,493    | 2,495    | 2,495    | 2,495    | 2,173    | 1,463    | 2,353    |
| Other Income  | 48       | 20       | 101      | 8        | 61       | 136      | 45       | 71       | 134      | 90       |
| Total Available for Debt Service  | 2,505    | 2,446    | 1,481    | 2,501    | 2,556    | 2,631    | 2,540    | 2,244    | 1,597    | 2,443    |
| <b>Debt Service</b>   |          |          |          |          |          |          |          |          |          |          |
| Series 2004 Bonds <sup>1</sup>  | 255      | 255      | 174      | -        | -        | -        | -        | -        | -        | -        |
| Series 2007A and 2007B Bonds <sup>2</sup>   | 153      | 154      | 153      | 153      | 153      | 159      | 59       | 50       | -        | -        |
| Series 2010 Note <sup>3</sup>   | 49       | 50       | 49       | 113      | 113      | 113      | 113      | 116      | 117      | 116      |
| Series 2013 Bonds <sup>4</sup>  | -        | -        | 166      | 234      | 234      | 232      | 231      | 229      | 231      | 229      |
| Series 2016 Bonds <sup>5</sup>  | -        | -        | -        | -        | -        | -        | 62       | 80       | 130      | 130      |
| Series 2020 Note <sup>8</sup>   | -        | -        | -        | -        | -        | -        | -        | -        | -        | 16       |
| Total Debt Service  | \$ 457   | \$ 459   | \$ 542   | \$ 500   | \$ 500   | \$ 504   | \$ 465   | \$ 475   | \$ 478   | \$ 491   |
| <b>Debt Service Coverage:<sup>6</sup></b>   |          |          |          |          |          |          |          |          |          |          |
| Debt Service Coverage on Bonds  | 5.48 X   | 5.33 X   | 2.73 X   | 5.00 X   | 5.11 X   | 5.22 X   | 5.46 X   | 4.72 X   | 3.34 X   | 4.98 X   |
| Required Coverage Test  | 1.15 X   | 1.15 X   | 1.15 X   | 1.15 X   | 1.15 X   | 1.15 X   | 1.15 X   | 1.15 X   | 1.15 X   | 1.15 X   |
| Capital Contribution/Impact Fees  | \$ -     | \$ -     | \$ -     | \$ -     | \$ -     | \$ -     | \$ -     | \$ -     | \$ -     | \$ -     |
| Amount Available for Working Capital, Transfer to General Fund & Capital Improvements | 2,048    | 1,987    | 939      | 2,001    | 2,056    | 2,127    | 2,075    | 1,769    | 1,119    | 1,952    |
| <b>Total Transfers In/(Out)</b>   | (977)    | (659)    | (1,848)  | (1,970)  | (1,830)  | (1,830)  | (1,830)  | (1,830)  | (722)    | (749)    |
| Net Available from Operations   | \$ 1,071 | \$ 1,328 | \$ (909) | \$ 31    | \$ 226   | \$ 296   | \$ 244   | \$ (61)  | \$ 397   | \$ 1,203 |
| <b>Debt Service Coverage:<sup>7</sup></b>   |          |          |          |          |          |          |          |          |          |          |
| Debt Service Coverage on Bonds  | 5.48 X   | 5.33 X   | 2.73 X   | 5.00 X   | 5.11 X   | 5.22 X   | 5.46 X   | 4.72 X   | 3.34 X   | 4.98 X   |
| Required Coverage Test  | 1.25 X   | 1.25 X   | 1.25 X   | 1.25 X   | 1.25 X   | 1.25 X   | 1.25 X   | 1.25 X   | 1.25 X   | 1.25 X   |

**Notes:**

See notes on Combined Totals Sheet, pg. 2

**HISTORICAL OPERATING RESULTS - WATER UTILITY**  
(AMOUNTS EXPRESSED IN THOUSANDS)

| Description   | 2011     | 2012     | 2013     | 2014     | 2015     | 2016     | 2017     | 2018     | 2019     | 2020     |
|---|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| Operating Revenues  | \$ 7,723 | \$ 7,165 | \$ 7,152 | \$ 6,851 | \$ 7,132 | \$ 8,036 | \$ 8,240 | \$ 7,865 | \$ 8,731 | \$ 8,947 |
| Less: Operating Expenses  | 4,367    | 3,965    | 3,975    | 3,836    | 3,734    | 3,734    | 3,734    | 4,444    | 4,880    | 4,317    |
| Net Operating Revenues  | 3,356    | 3,200    | 3,177    | 3,015    | 3,398    | 4,302    | 4,506    | 3,421    | 3,851    | 4,630    |
| Other Income  | 40       | 23       | 110      | 23       | 59       | 156      | 80       | 128      | 288      | 156      |
| Total Available for Debt Service  | 3,396    | 3,223    | 3,287    | 3,038    | 3,457    | 4,458    | 4,586    | 3,549    | 4,139    | 4,787    |
| <b>Debt Service</b>   |          |          |          |          |          |          |          |          |          |          |
| Series 2004 Bonds <sup>1</sup>  | 531      | 530      | 361      | -        | -        | -        | -        | -        | -        | -        |
| Series 2007A and 2007B Bonds <sup>2</sup>   | 878      | 882      | 876      | 876      | 876      | 908      | 340      | 285      | -        | -        |
| Series 2010 Note <sup>3</sup>   | 170      | 172      | 171      | 389      | 389      | 370      | 388      | 401      | 402      | 400      |
| Series 2013 Bonds <sup>4</sup>  | -        | -        | 344      | 487      | 486      | 483      | 481      | 477      | 481      | 476      |
| Series 2016 Bonds <sup>5</sup>  | -        | -        | -        | -        | -        | -        | 355      | 458      | 744      | 745      |
| Series 2020 Note <sup>8</sup>   | -        | -        | -        | -        | -        | -        | -        | -        | -        | 56       |
| Total Debt Service  | \$ 1,579 | \$ 1,584 | \$ 1,752 | \$ 1,752 | \$ 1,751 | \$ 1,761 | \$ 1,564 | \$ 1,621 | \$ 1,627 | \$ 1,677 |
| Debt Service Coverage: <sup>6</sup>   |          |          |          |          |          |          |          |          |          |          |
| Debt Service Coverage on Bonds  | 2.15 X   | 2.03 X   | 1.88 X   | 1.73 X   | 1.97 X   | 2.53 X   | 2.93 X   | 2.19 X   | 2.54 X   | 2.85 X   |
| Required Coverage Test  | 1.15 X   | 1.15 X   | 1.15 X   | 1.15 X   | 1.15 X   | 1.15 X   | 1.15 X   | 1.15 X   | 1.15 X   | 1.15 X   |
| Capital Contribution/Impact Fees  | \$ 14    | \$ 9     | \$ 8     | \$ 53    | \$ 82    | \$ 115   | \$ 247   | \$ 410   | \$ 332   | \$ 587   |
| Amount Available for Working Capital, Transfer to General Fund & Capital Improvements | 1,831    | 1,648    | 1,543    | 1,339    | 1,788    | 2,812    | 3,269    | 2,338    | 2,844    | 3,697    |
| Total Transfers In/(Out)  | (873)    | (861)    | (1,460)  | (930)    | (905)    | (905)    | (905)    | (988)    | (1,022)  | (1,011)  |
| Net Available from Operations   | \$ 958   | \$ 787   | \$ 83    | \$ 409   | \$ 883   | \$ 1,907 | \$ 2,364 | \$ 1,350 | \$ 1,822 | \$ 2,685 |
| Debt Service Coverage: <sup>7</sup>   |          |          |          |          |          |          |          |          |          |          |
| Debt Service Coverage on Bonds  | 2.16 X   | 2.04 X   | 1.88 X   | 1.76 X   | 2.02 X   | 2.60 X   | 3.09 X   | 2.44 X   | 2.75 X   | 3.20 X   |
| Required Coverage Test  | 1.25 X   | 1.25 X   | 1.25 X   | 1.25 X   | 1.25 X   | 1.25 X   | 1.25 X   | 1.25 X   | 1.25 X   | 1.25 X   |

**Notes:**

See notes on Combined Totals Sheet, pg. 2

**HISTORICAL OPERATING RESULTS - WASTEWATER UTILITY**  
(AMOUNTS EXPRESSED IN THOUSANDS)

| Description   | 2011     | 2012     | 2013     | 2014     | 2015      | 2016      | 2017      | 2018      | 2019      | 2020      |
|---|----------|----------|----------|----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Operating Revenues  | \$ 9,651 | \$ 9,595 | \$ 9,789 | \$ 9,927 | \$ 10,155 | \$ 11,119 | \$ 11,015 | \$ 11,124 | \$ 11,806 | \$ 12,176 |
| Less: Operating Expenses  | 5,859    | 5,945    | 5,850    | 5,801    | 5,476     | 5,476     | 5,476     | 6,068     | 6,118     | 6,740     |
| Net Operating Revenues  | 3,792    | 3,650    | 3,939    | 4,126    | 4,679     | 5,643     | 5,539     | 5,056     | 5,688     | 5,437     |
| Other Income  | 58       | 27       | 102      | 39       | 101       | 235       | 124       | 185       | 4,382     | 1,337     |
| Total Available for Debt Service  | 3,850    | 3,677    | 4,041    | 4,165    | 4,780     | 5,878     | 5,663     | 5,241     | 10,070    | 6,774     |
| Debt Service  |          |          |          |          |           |           |           |           |           |           |
| Series 2004 Bonds <sup>1</sup>  | 736      | 734      | 500      | -        | -         | -         | -         | -         | -         | -         |
| Series 2007A and 2007B Bonds <sup>2</sup>   | 403      | 404      | 405      | 404      | 407       | 418       | 125       | 186       | 83        | 86        |
| Series 2010 Note <sup>3</sup>   | 137      | 138      | 138      | 314      | 314       | 314       | 313       | 323       | 325       | 323       |
| Series 2013 Bonds <sup>4</sup>  | -        | -        | 477      | 675      | 674       | 669       | 667       | 661       | 667       | 659       |
| Series 2016 Bonds <sup>5</sup>  | -        | -        | -        | -        | -         | -         | 130       | 168       | 273       | 273       |
| Series 2020 Bonds <sup>8</sup>  | -        | -        | -        | -        | -         | -         | -         | -         | -         | 45        |
| Total Debt Service  | \$ 1,276 | \$ 1,276 | \$ 1,520 | \$ 1,393 | \$ 1,395  | \$ 1,401  | \$ 1,235  | \$ 1,338  | \$ 1,348  | \$ 1,386  |
| Debt Service Coverage: <sup>6</sup>   |          |          |          |          |           |           |           |           |           |           |
| Debt Service Coverage on Bonds  | 3.02 X   | 2.88 X   | 2.66 X   | 2.99 X   | 3.43 X    | 4.20 X    | 4.59 X    | 3.92 X    | 7.47 X    | 4.89 X    |
| Required Coverage Test  | 1.15 X   | 1.15 X   | 1.15 X   | 1.15 X   | 1.15 X    | 1.15 X    | 1.15 X    | 1.15 X    | 1.15 X    | 1.15 X    |
| Capital Contribution/Impact Fees  | \$ 32    | \$ 16    | \$ 18    | \$ 126   | \$ 197    | \$ 115    | \$ 614    | \$ 646    | \$ 1,038  | \$ 1,018  |
| Amount Available for Working Capital, Transfer to General Fund & Capital Improvements | 2,606    | 2,417    | 2,539    | 2,898    | 3,583     | 4,592     | 5,042     | 4,549     | 9,760     | 6,406     |
| Total Transfers In/(Out)  | (708)    | (763)    | (841)    | (860)    | (813)     | (813)     | (813)     | (879)     | (892)     | (971)     |
| Net Available from Operations   | \$ 1,898 | \$ 1,654 | \$ 1,698 | \$ 2,038 | \$ 2,770  | \$ 3,779  | \$ 4,229  | \$ 3,670  | \$ 8,868  | \$ 5,436  |
| Debt Service Coverage: <sup>7</sup>   |          |          |          |          |           |           |           |           |           |           |
| Debt Service Coverage on Bonds  | 3.04 X   | 2.89 X   | 2.67 X   | 3.08 X   | 3.57 X    | 4.28 X    | 5.08 X    | 4.40 X    | 8.24 X    | 5.62 X    |
| Required Coverage Test  | 1.25 X   | 1.25 X   | 1.25 X   | 1.25 X   | 1.25 X    | 1.25 X    | 1.25 X    | 1.25 X    | 1.25 X    | 1.25 X    |

**Notes:**  
See notes on Combined Totals Sheet, pg. 2

**HISTORICAL OPERATING RESULTS - COMBINED GAS, WATER & WASTEWATER UTILITY**  
(AMOUNTS EXPRESSED IN THOUSANDS)

The historical operating results of the Utilities System have been prepared by individual utility pursuant to certain provisions of the Bond Resolution and therefore reflect certain differences from the City's audited financial statements.

| Description   | 2011      | 2012      | 2013      | 2014      | 2015      | 2016      | 2017      | 2018      | 2019      | 2020      |
|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Operating Revenues  | \$ 25,533 | \$ 23,658 | \$ 24,572 | \$ 24,469 | \$ 24,173 | \$ 25,328 | \$ 25,738 | \$ 25,789 | \$ 27,254 | \$ 27,855 |
| Less: Operating Expenses  | 15,651    | 14,382    | 16,076    | 14,835    | 13,601    | 13,399    | 14,413    | 15,140    | 16,252    | 15,435    |
| Net Operating Revenues  | 9,882     | 9,276     | 8,496     | 9,634     | 10,572    | 11,929    | 11,325    | 10,649    | 11,002    | 12,420    |
| Other Income  | 146       | 70        | 313       | 70        | 221       | 527       | 249       | 383       | 4,804     | 1,584     |
| Total Available for Debt Service  | 10,028    | 9,346     | 8,809     | 9,704     | 10,793    | 12,456    | 11,574    | 11,032    | 15,806    | 14,004    |
| <b>Debt Service</b>   |           |           |           |           |           |           |           |           |           |           |
| Series 2004 Bonds <sup>1</sup>  | 1,522     | 1,519     | 1,035     | -         | -         | -         | -         | -         | -         | -         |
| Series 2007A and 2007B Bonds <sup>2</sup>   | 1,434     | 1,440     | 1,434     | 1,433     | 1,436     | 1,486     | 524       | 520       | 83        | 86        |
| Series 2010 Note <sup>3</sup>   | 186       | 360       | 358       | 816       | 816       | 797       | 815       | 841       | 844       | 839       |
| Series 2013 Bonds <sup>4</sup>  | -         | -         | 987       | 1,396     | 1,394     | 1,384     | 1,380     | 1,367     | 1,380     | 1,364     |
| Series 2016 Bonds <sup>5</sup>  | -         | -         | -         | -         | -         | -         | 547       | 706       | 1,147     | 1,148     |
| Series 2020 Bonds <sup>8</sup>  | -         | -         | -         | -         | -         | -         | -         | -         | -         | 117       |
| Total Debt Service  | \$ 3,142  | \$ 3,319  | \$ 3,814  | \$ 3,645  | \$ 3,646  | \$ 3,667  | \$ 3,266  | \$ 3,434  | \$ 3,454  | \$ 3,554  |
| Debt Service Coverage: <sup>6</sup>   |           |           |           |           |           |           |           |           |           |           |
| Debt Service Coverage on Bonds  | 3.19 X    | 2.82 X    | 2.31 X    | 2.66 X    | 2.96 X    | 3.40 X    | 3.54 X    | 3.21 X    | 4.58 X    | 3.94 X    |
| Required Coverage Test  | 1.15 X    | 1.15 X    | 1.15 X    | 1.15 X    | 1.15 X    | 1.15 X    | 1.15 X    | 1.15 X    | 1.15 X    | 1.15 X    |
| <b>Capital Contribution/Impact Fees</b>   | \$ 46     | \$ 25     | \$ 26     | \$ 179    | \$ 279    | \$ 312    | \$ 861    | \$ 1,056  | \$ 1,371  | \$ 1,605  |
| Amount Available for Working Capital, Transfer to General Fund & Capital Improvements | 6,932     | 6,052     | 5,021     | 6,238     | 7,426     | 9,101     | 9,169     | 8,654     | 13,723    | 12,055    |
| <b>Total Transfers In/(Out)</b>   | (2,558)   | (2,283)   | (4,149)   | (3,760)   | (3,548)   | (3,589)   | (3,793)   | (2,685)   | (2,636)   | (2,731)   |
| Net Available from Operations   | \$ 4,374  | \$ 3,769  | \$ 872    | \$ 2,478  | \$ 3,878  | \$ 5,512  | \$ 5,376  | \$ 5,969  | \$ 11,087 | \$ 9,324  |
| Debt Service Coverage: <sup>7</sup>   |           |           |           |           |           |           |           |           |           |           |
| Debt Service Coverage on Bonds  | 3.21 X    | 2.82 X    | 2.32 X    | 2.71 X    | 3.04 X    | 3.48 X    | 3.81 X    | 3.52 X    | 4.97 X    | 4.39 X    |
| Required Coverage Test  | 1.25 X    | 1.25 X    | 1.25 X    | 1.25 X    | 1.25 X    | 1.25 X    | 1.25 X    | 1.25 X    | 1.25 X    | 1.25 X    |

**Notes:**

**Gross Revenues** are defined pursuant to Resolution 7143 adopted June 14, 2004, as all income and earnings derived by the City from the ownership, operation, leasing, or use of the system, and investment income, excluding capital expansion and system improvement grants.

**Operation and Maintenance Expenses** are defined as the cost of operation and maintenance as current expenses, paid or accrued, less depreciation and amortization expense.

**Net Revenues and Pledged Revenues** are defined as gross revenues less operation and maintenance expenses plus capacity charges.

<sup>1</sup> **Series 2004** - The annualized interest payments for fiscal years 2004, 2005 and 2006 were paid 100% from the Capitalized Interest Fund of \$2,380,265. This series was refunded by the Series 2013 Bonds as discussed in note 5 below.

<sup>2</sup> **Series 2007A & 2007B** - Resolution 7965, adopted July 23, 2007, the City amended Resolution 7143 for the purpose of authorizing the issuance of the Utility System Revenue Bonds, Series 2007A and Taxable Utility System Revenue Bonds, Series 2007B ("Series 2007 Bonds") on a parity with the City's outstanding Utility System Revenue Bonds, Series 2004. First two years payments for these bonds were interest only and were paid 100% from the Capitalized Interest fund of \$1,341,602.

<sup>3</sup> **Series 2010** - Resolution 8673, adopted June 28, 2010, the City authorized the issuance of an \$8,000,000 note that fully paid off a prior \$8,000,000 Plantation System seller's note. This prior note was part of the purchase price for this \$15,000,000 utility and the 2010 note is on parity with the 2004 and 2007A&B bonds.

<sup>4</sup> **Series 2013** - Resolutions 9183 and 9184, adopted April 22, 2013, the City authorized the issuance of the Utility System Refunding Revenue Bonds, Series 2013 to refund the Series 2004 Utility Bonds with the same parity and pledged revenues as the Series 2004.

<sup>5</sup> **Series 2016** - Resolutions 9794 and 9795, adopted May 9, 2016, the City authorized the issuance of the Utility System Refunding Revenue Bonds, Series 2016 to refund all or a portion of the City's outstanding Utility System Revenue Bonds, Series 2007A, on parity with the outstanding Taxable Utility System Revenue, Series 2007B, Utility System Revenue Refunding Note 2010 and Utility System Refunding Revenue Bonds, Series 2013.

<sup>6</sup> Excludes revenues from capacity charges per Bond Resolution.

<sup>7</sup> Includes revenues from capacity charges per Bond Resolution.

<sup>8</sup> **Series 2020** - Resolution 10,625, adopted on April 16, 2020, the City authorized the issuance of an \$15,000,000 note. This note is payable from and secured solely by net revenues of the City's utility system on parity with the City's outstanding Taxable Utility System Revenue Bonds 2007B, Utility System Revenue Refunding Note 2010, and Utility System Refunding Revenue Bonds Series 2016. Proceeds from the note were used for the expansion of the Turnpike Wastewater Plant and other improvements to the City's Water and Wastewater System.



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## Electric System

For the Fiscal Year Ending September 30, 2020

### Schedule of Rates

|   | Customer<br>Charge<br>(\$/Cust/mo) | Energy Charge<br>(\$/kWh) | Demand<br>Charge (\$/kW) |
|---|------------------------------------|---------------------------|--------------------------|
| Residential (RS) (First 1,000 kWh)          | 12.20                              | \$ 0.089879               |                          |
| Residential (RS) (Over 1,000 kWh)           | 12.20                              | 0.111688                  |                          |
| General Service Non-Demand (GSND)           | 12.20                              | 0.098622                  |                          |
| Municipal Service (MS)                      | 12.20                              | 0.098622                  |                          |
| Municipal Service (MS - greater than 20 kw) | 25.92                              | 0.046575                  | \$ 13.50                 |
| General Service Demand (GSD)                | 25.92                              | 0.046575                  | 13.50                    |

### Ten Largest Customers (Revenue Based)

|   | Electric             |                | % of Total     |                |
|---|----------------------|----------------|----------------|----------------|
|   | Revenues             | Volume (MWh)   | Revenues       | Volume         |
| UF Health (fka Central Florida Health Alliance) | \$ 1,611,170         | 19,727         | 2.82%          | 4.02%          |
| Centrale Citrus Juices USA, Inc.                | 1,538,766            | 12,085         | 2.69%          | 2.46%          |
| Lake County School District                     | 1,061,210            | 8,749          | 1.85%          | 1.78%          |
| City of Leesburg                                | 729,205              | 8,825          | 1.27%          | 1.80%          |
| CCRC-Lake Port Square, LLC                      | 570,540              | 5,958          | 1.00%          | 1.21%          |
| Lake-Sumter State College                       | 430,209              | 4,796          | 0.75%          | 0.98%          |
| Publix Super Markets, Inc. #0815                | 361,292              | 4,457          | 0.63%          | 0.91%          |
| Coca-Cola North America                         | 359,037              | 4,544          | 0.63%          | 0.93%          |
| Centurylink                                     | 358,574              | 4,299          | 0.63%          | 0.88%          |
| Walmart Stores Inc.                             | 319,288              | 3,902          | 0.56%          | 0.79%          |
| Total 10 Largest Electric Customers             | \$ 7,339,291         | 77,342         | 12.82%         | 15.75%         |
| <b>Total Electric System Revenues</b>           | <b>\$ 57,227,865</b> | <b>491,167</b> | <b>100.00%</b> | <b>100.00%</b> |

**Rate Comparison**

The tables on this and following pages provide a comparison of the rates of the City Electric System with those of neighboring utilities.

| <b>Electric Residential Services</b>           |                                   | <b>Monthly Usage<br/>(kWh)</b> |             |             |
|--|-----------------------------------|--------------------------------|-------------|-------------|
| <b>Comparable Utility</b>                      | <b>Fuel Adj.<br/>(\$/1000kWh)</b> | <b>1000</b>                    | <b>1200</b> | <b>2500</b> |
| City of Leesburg - Existing Rates              | \$ 2.50 *                         | \$ 104.58                      | \$ 127.42   | \$ 275.86   |
| <b><u>Surveyed Florida Utilities:</u></b>      |                                   |                                |             |             |
| <b>Florida Municipalities or Cooperatives:</b> |                                   |                                |             |             |
| City of Jacksonville Beach                     | \$ 21.84                          | \$ 109.91                      | \$ 130.99   | \$ 268.03   |
| City of Lakeland                               | 30.00                             | 94.87                          | 113.08      | 234.57      |
| City of Mount Dora                             | 47.13                             | 103.11                         | 121.70      | 242.52      |
| City of Ocala                                  | 14.00                             | 120.64                         | 141.37      | 276.10      |
| City of Winter Park                            | 17.08                             | 100.30                         | 123.40      | 273.53      |
| Gainesville Regional Utilities                 | 30.00                             | 123.13                         | 148.88      | 316.19      |
| <b>Florida Investor-Owned Utilities:</b>       |                                   |                                |             |             |
| Florida Power and Light                        | \$ 18.84                          | \$ 94.02                       | \$ 115.28   | \$ 253.48   |
| Duke Energy                                    | 30.67                             | 127.00                         | 155.65      | 341.89      |
| Tampa Electric Company                         | 22.85                             | 95.25                          | 115.29      | 245.56      |
| <b><u>Surveyed Florida Utilities:</u></b>      |                                   |                                |             |             |
| Average  | \$ 25.82                          | \$ 107.58                      | \$ 129.52   | \$ 272.43   |
| Minimum  | 14.00                             | 94.02                          | 113.08      | 234.57      |
| Maximum  | 47.13                             | 127.00                         | 155.65      | 341.89      |

\*The City's fuel adjustment is \$2.50 at the time of this report; however, it is adjusted periodically.

Note: Amounts shown are based on the rates for single phase service and reflect, when applicable, inside City service. Amounts shown include the energy conservation, capacity and environmental cost recovery charges where appropriate, as filed with the PSC.

**Rate Comparison (cont.)**

| <b>Electric General Service (Non-Demand)</b>   |                                   | <b>Monthly Usage<br/>(kWh)</b> |              |
|--|-----------------------------------|--------------------------------|--------------|
| <b>Comparable Utility</b>                      | <b>Fuel Adj.<br/>(\$/1000kWh)</b> | <b>750</b>                     | <b>1,500</b> |
| City of Leesburg - Existing Rates              | \$ 2.50 *                         | \$ 113.32                      | \$ 163.88    |
| <b><u>Surveyed Florida Utilities:</u></b>      |                                   |                                |              |
| <b>Florida Municipalities or Cooperatives:</b> |                                   |                                |              |
| City of Jacksonville Beach                     | \$ 21.84                          | \$ 85.06                       | \$ 164.12    |
| City of Lakeland                               | 30.00                             | 75.28                          | 137.54       |
| City of Mount Dora                             | 47.13                             | 79.88                          | 149.58       |
| City of Ocala                                  | 14.00                             | 98.58                          | 177.16       |
| City of Winter Park                            | 17.08                             | 88.58                          | 159.62       |
| Gainesville Regional Utilities                 | 30.00                             | 127.31                         | 223.60       |
| <b>Florida Investor-Owned Utilities:</b>       |                                   |                                |              |
| Florida Power and Light                        | \$ 18.84                          | \$ 76.20                       | \$ 141.78    |
| Duke Energy                                    | 30.67                             | 106.31                         | 198.54       |
| Tampa Electric Company                         | 22.85                             | 82.79                          | 147.49       |
| <b><u>Surveyed Florida Utilities:</u></b>      |                                   |                                |              |
| Average  | \$ 25.82                          | \$ 91.11                       | \$ 166.60    |
| Minimum  | 14.00                             | 75.28                          | 137.54       |
| Maximum  | 47.13                             | 127.31                         | 223.60       |

\*The City's fuel adjustment is \$2.50 at the time of this report; however, it is adjusted periodically.

Note: Amounts shown are based on the rates for single phase service and reflect, when applicable, inside City service. Amounts shown include the energy conservation, capacity and environmental cost recovery charges where appropriate, as filed with the PSC.

**Rate Comparison (cont.)**

| Comparable Utility                             | Electric General Service (Demand) |                     |                     |                      |                      | Monthly Usage       |                      |                      |
|--|-----------------------------------|---------------------|---------------------|----------------------|----------------------|---------------------|----------------------|----------------------|
|  | Fuel Adj.<br>(\$/1000kWh)         | 75 KW<br>15,000 kWh | 75 KW<br>30,000 kWh | 150 KW<br>30,000 kWh | 150 KW<br>60,000 kWh | 75 KW<br>30,000 kWh | 150 KW<br>30,000 kWh | 150 KW<br>60,000 kWh |
| <b>City of Leesburg - Existing Rates</b>       | \$ 2.50 *                         | \$ 1,774.62         | \$ 2,510.82         | \$ 3,523.32          | \$ 4,995.72          |                     |                      |                      |
| <b><u>Surveyed Florida Utilities:</u></b>      |                                   |                     |                     |                      |                      |                     |                      |                      |
| <b>Florida Municipalities or Cooperatives:</b> |                                   |                     |                     |                      |                      |                     |                      |                      |
| City of Jacksonville Beach                     | \$ 21.84                          | \$ 2,020.40         | \$ 3,387.05         | \$ 4,024.55          | \$ 6,757.85          |                     |                      |                      |
| City of Lakeland                               | 30.00                             | 1,454.34            | 2,238.17            | 2,866.67             | 4,434.35             |                     |                      |                      |
| City of Mount Dora                             | 47.13                             | 1,243.90            | 2,046.40            | 2,464.90             | 4,069.90             |                     |                      |                      |
| City of Ocala                                  | 14.00                             | 1,665.95            | 2,764.40            | 3,352.10             | 5,517.20             |                     |                      |                      |
| City of Winter Park                            | 17.08                             | 1,344.88            | 2,292.73            | 2,671.48             | 4,567.18             |                     |                      |                      |
| Gainesville Regional Utilities                 | 30.00                             | 2,290.75            | 3,720.25            | 4,481.50             | 7,340.50             |                     |                      |                      |
| <b>Florida Investor-Owned Utilities:</b>       |                                   |                     |                     |                      |                      |                     |                      |                      |
| Florida Power and Light                        | \$ 18.84                          | \$ 1,553.05         | \$ 2,239.60         | \$ 3,079.60          | \$ 4,452.70          |                     |                      |                      |
| Duke Energy                                    | 30.67                             | 1,847.22            | 2,858.37            | 3,680.37             | 5,702.67             |                     |                      |                      |
| Tampa Electric Company                         | 22.85                             | 1,487.35            | 2,258.35            | 2,944.60             | 4,486.60             |                     |                      |                      |
| <b><u>Surveyed Florida Utilities:</u></b>      |                                   |                     |                     |                      |                      |                     |                      |                      |
| Average  | \$ 25.82                          | \$ 1,656.43         | \$ 2,645.04         | \$ 3,285.09          | \$ 5,258.77          |                     |                      |                      |
| Minimum  | 14.00                             | 1,243.90            | 2,046.40            | 2,464.90             | 4,069.90             |                     |                      |                      |
| Maximum  | 47.13                             | 2,290.75            | 3,720.25            | 4,481.50             | 7,340.50             |                     |                      |                      |

\*The City's fuel adjustment is \$2.50 at the time of this report; however, it is adjusted periodically.

Note: Amounts shown are based on the rates for single phase service and reflect, when applicable, inside City service. Amounts shown include the energy conservation, capacity and environmental cost recovery charges where appropriate, as filed with the PSC.

**The Utility Debt is supported by revenues from three funds:**

**Natural Gas Utility Fund**

**Water Utility Fund**

**Wastewater Utility Fund**

**Information is listed by individual fund on the following pages.**

**Natural Gas System**

For the Fiscal Year Ending September 30, 2020

**Schedule of Rates**

|  |    |       |
|--|----|-------|
| <b>Monthly Available Charge (per account)</b>            |    |       |
| Residential Standard (Year-Round) Service                | \$ | 8.65  |
| Residential Heat-Only Service                            |    | 12.99 |
| Public Building, Commercial and Small Industrial Service |    | 12.99 |

|                                    |    |         |
|------------------------------------|----|---------|
| <b>Delivery Charge (per therm)</b> |    |         |
| All Services                       | \$ | 0.59340 |

|  |    |         |
|--|----|---------|
| <b>Purchased Gas Adjustment Charge (per therm)</b> |    |         |
| Adjusted monthly to pass through the actual costs  |    |         |
| All Services                                       | \$ | 0.32731 |

**Ten Largest Customers**  
(Revenue Based)

| Gas   | Revenues     | % of Total Revenues | Volume (therms) | % of Total Volume |
|---|--------------|---------------------|-----------------|-------------------|
| UF Health (fka Central Florida Health Alliance) | \$ 616,863   | 9.45%               | 611,283         | 11.89%            |
| Federal Correctional Complex                    | 369,625      | 5.66%               | 404,522         | 7.87%             |
| Covanta Energy Corp II                          | 290,903      | 4.46%               | 322,823         | 6.28%             |
| DAB Constructors                                | 201,462      | 3.09%               | 385,659         | 7.50%             |
| Cutrale Citrus Juices USA, Inc.                 | 141,541      | 2.17%               | NM              | NM                |
| Universal Aggregate Solutions                   | 131,963      | 2.02%               | 145,691         | 2.83%             |
| CCRC-Lake Port Square, LLC                      | 72,898       | 1.12%               | 79,180          | 1.54%             |
| Lifestream Behavioral Center                    | 59,794       | 0.92%               | 64,853          | 1.26%             |
| The Villages Land Company, LLC                  | 58,030       | 0.89%               | 46,323          | 0.90%             |
| Coreslab Structures Inc.                        | 41,450       | 0.64%               | 44,631          | 0.87%             |
| <b>Total 10 Largest Gas Customers</b>           | \$ 1,984,529 | 30.41%              | 2,104,965       | 40.93%            |

|                                  |    |                  |                |                  |                |
|----------------------------------|----|------------------|----------------|------------------|----------------|
| <b>Total Gas System Revenues</b> | \$ | <b>6,526,365</b> | <b>100.00%</b> | <b>5,143,153</b> | <b>100.00%</b> |
|----------------------------------|----|------------------|----------------|------------------|----------------|

NM (Not Meaningful) - A majority of Cutrale's volume is for transportation charges only. This volume of natural gas was independently purchased.

**Rate Comparison**

The tables on this and following pages provide a comparison of the rates of the City Utility System with those of neighboring utilities.

| Comparable Utility                             | Natural Gas Residential Services |          |          |           |           |           |
|--|----------------------------------|----------|----------|-----------|-----------|-----------|
|  | 10                               | 30       | 50       | 70        | 100       |           |
|  | Monthly Usage<br>(therms)        |          |          |           |           |           |
| City of Leesburg - Existing Rates              | \$ 17.86                         | \$ 36.27 | \$ 54.69 | \$ 73.10  | \$ 91.51  | \$ 100.72 |
| <b>Surveyed Florida Utilities:</b>             |                                  |          |          |           |           |           |
| <b>Florida Municipalities or Cooperatives:</b> |                                  |          |          |           |           |           |
| City of Clearwater                             | \$ 26.40                         | \$ 55.20 | \$ 84.00 | \$ 112.80 | \$ 141.60 | \$ 156.00 |
| City of Jacksonville Beach                     | 22.20                            | 42.60    | 63.00    | 83.40     | 103.80    | 114.00    |
| City of Tallahassee                            | 30.77                            | 72.10    | 113.43   | 154.75    | 196.08    | 216.74    |
| Energy Services of Pensacola                   | 30.80                            | 72.51    | 114.23   | 155.95    | 197.66    | 218.52    |
| Gainesville Regional Utilities                 | 18.95                            | 37.34    | 55.73    | 74.12     | 92.51     | 101.71    |
| <b>Regulated Natural Gas Companies:</b>        |                                  |          |          |           |           |           |
| Peoples Gas System                             | \$ 24.95                         | \$ 52.05 | \$ 79.15 | \$ 106.25 | \$ 133.35 | \$ 149.75 |
| Florida Public Utilities                       | 25.88                            | 55.65    | 85.41    | 115.18    | 144.95    | 159.83    |
| St. Joe Natural Gas Co.                        | 40.53                            | 95.60    | 150.67   | 205.74    | 260.81    | 288.34    |
| <b>Surveyed Florida Utilities:</b>             |                                  |          |          |           |           |           |
| Average  | \$ 27.56                         | \$ 60.38 | \$ 93.20 | \$ 126.02 | \$ 158.85 | \$ 175.61 |
| Minimum  | 18.95                            | 37.34    | 55.73    | 74.12     | 92.51     | 101.71    |
| Maximum  | 40.53                            | 95.60    | 150.67   | 205.74    | 260.81    | 288.34    |

**Rate Comparison (cont.)**

| <b>Natural Gas Commerical Services</b>         |                                   |            |            |             |              |              |
|--|-----------------------------------|------------|------------|-------------|--------------|--------------|
| <b>Comparable Utility</b>                      | <b>Monthly Usage<br/>(therms)</b> |            |            |             |              |              |
|  | <b>100</b>                        | <b>300</b> | <b>500</b> | <b>700</b>  | <b>1,000</b> | <b>2,000</b> |
| City of Leesburg - Existing Rates              | \$ 105.06                         | \$ 289.20  | \$ 473.34  | \$ 657.48   | \$ 933.70    | \$ 1,854.40  |
| <b><u>Surveyed Florida Utilities:</u></b>      |                                   |            |            |             |              |              |
| <b>Florida Municipalities or Cooperatives:</b> |                                   |            |            |             |              |              |
| City of Clearwater                             | \$ 166.00                         | \$ 448.00  | \$ 730.00  | \$ 1,012.00 | \$ 1,435.00  | \$ 2,845.00  |
| City of Jacksonville Beach                     | 114.00                            | 318.00     | 522.00     | 726.00      | 1,032.00     | 2,080.00     |
| City of Tallahassee                            | 126.31                            | 342.80     | 559.29     | 775.78      | 1,100.51     | 2,182.95     |
| Energy Services of Pensacola                   | 211.55                            | 599.49     | 987.43     | 1,375.37    | 1,957.28     | 3,896.98     |
| Gainesville Regional Utilities                 | 117.82                            | 263.46     | 409.10     | 554.74      | 773.20       | 1,501.40     |
| <b><u>Regulated Natural Gas Companies:</u></b> |                                   |            |            |             |              |              |
| Peoples Gas System                             | \$ 136.64                         | \$ 362.41  | \$ 588.17  | \$ 813.94   | \$ 1,152.59  | \$ 2,631.58  |
| Florida Public Utilities                       | 158.14                            | 434.41     | 710.68     | 999.96      | 1,414.37     | 2,795.74     |
| St. Joe Natural Gas Co.                        | 181.89                            | 505.66     | 829.44     | 1,153.21    | 1,638.87     | 3,257.74     |
| <b><u>Surveyed Florida Utilities:</u></b>      |                                   |            |            |             |              |              |
| Average  | \$ 151.54                         | \$ 409.28  | \$ 667.01  | \$ 926.37   | \$ 1,312.98  | \$ 2,648.92  |
| Minimum  | 114.00                            | 263.46     | 409.10     | 554.74      | 773.20       | 1,501.40     |
| Maximum  | 211.55                            | 599.49     | 987.43     | 1,375.37    | 1,957.28     | 3,896.98     |



**Water System**

For the Fiscal Year Ending September 30, 2020

**Schedule of Rates**

Effective November 1, 2020

|   |             |
|---|-------------|
| <b>Capacity Impact Charge</b>                 | \$ 1,175.00 |
| Residential Single Family Home (1.000 ERU)    |             |
| <b>Monthly Customer Charge (per account)</b>  | \$ 9.39     |
| Residential, Master-Meter and Commercial      |             |
| <b>Consumption Charge (per 1,000 gallons)</b> |             |
| <b>Residential Service:</b>                   |             |
| 0-4,000                                       | \$ 1.051965 |
| 5,000-8,000                                   | 1.303003    |
| 9,000-15,000                                  | 1.828985    |
| 16,000-33,000                                 | 2.474509    |
| Over 33,000                                   | 4.542576    |

|                   |            |
|-------------------|------------|
| <b>Commercial</b> | \$ 1.75726 |
| All gallons       |            |

**Ten Largest Customers**  
(Revenue Based)

|   | Revenues   | % of Total Revenues | Volume (gallons) | % of Total Volume |
|---|------------|---------------------|------------------|-------------------|
| <b>Water &amp; Irrigation</b>                   |            |                     |                  |                   |
| UF Health (fka Central Florida Health Alliance) | \$ 129,723 | 1.47%               | 88,008           | 2.52%             |
| City of Leesburg                                | 122,666    | 1.39%               | 53,741           | 1.54%             |
| CRCC-Lake Port Square, LLC                      | 79,488     | 0.90%               | 18,711           | 0.54%             |
| Community Housing Partners                      | 44,412     | 0.50%               | 23,425           | 0.67%             |
| Beacon College                                  | 42,770     | 0.49%               | 14,536           | 0.42%             |
| Lake County School Board                        | 36,805     | 0.42%               | 20,135           | 0.58%             |
| Highland Lakes Property Owners                  | 35,926     | 0.41%               | 12,620           | 0.36%             |
| Sleepy Hollow Phase II                          | 35,679     | 0.41%               | 16,854           | 0.48%             |
| Florida Rock Industries, Inc.                   | 34,080     | 0.39%               | 19,489           | 0.56%             |
| AMH Development, LLC                            | 27,417     | 0.31%               | 10,365           | 0.30%             |
| Total 10 Largest Water Customers                | \$ 588,966 | 6.69%               | 277,884          | 7.96%             |

|                                    |              |         |           |         |
|------------------------------------|--------------|---------|-----------|---------|
| <b>Total Water System Revenues</b> | \$ 8,807,910 | 100.00% | 3,492,977 | 100.00% |
|------------------------------------|--------------|---------|-----------|---------|

**Rate Comparison**

The tables on this and following pages provide a comparison of the rates of the City Utility System with those of neighboring utilities.

|   | <b>Water Residential Services</b> |                      |              |              |               |               |
|---|-----------------------------------|----------------------|--------------|--------------|---------------|---------------|
|   | <b>Comparable Utility</b>         | <b>Monthly Usage</b> |              |              |               |               |
|   |                                   | <b>3,000</b>         | <b>5,000</b> | <b>7,500</b> | <b>10,000</b> | <b>15,000</b> |
|   | \$                                | \$                   | \$           | \$           | \$            | \$            |
| City of Leesburg - Existing Rates         | \$ 12.55                          | \$ 14.65             | \$ 23.11     | \$ 27.68     | \$ 36.82      | \$ 58.88      |
| <b><u>Surveyed Florida Utilities:</u></b> |                                   |                      |              |              |               |               |
| City of Clearwater                        | \$ 24.09                          | \$ 43.61             | \$ 68.01     | \$ 94.96     | \$ 156.51     | \$ 218.06     |
| City of Clermont                          | 9.32                              | 11.66                | 14.59        | 17.51        | 28.61         | 36.21         |
| City of DeLand                            | 14.86                             | 19.46                | 36.46        | 45.96        | 97.96         | 150.76        |
| City of Eustis                            | 18.67                             | 23.47                | 29.47        | 41.37        | 56.32         | 71.27         |
| City of Jacksonville Beach                | 25.16                             | 38.72                | 51.25        | 63.77        | 88.82         | 320.07        |
| City of Mount Dora                        | 15.72                             | 19.32                | 23.82        | 46.33        | 64.34         | 118.35        |
| City of Ocala                             | 13.00                             | 15.06                | 17.63        | 20.20        | 49.21         | 62.32         |
| City of Sanford                           | 14.36                             | 19.04                | 30.37        | 38.04        | 66.89         | 86.74         |
| City of Sunrise                           | 33.14                             | 41.32                | 51.55        | 61.77        | 82.22         | 102.67        |
| City of Tallahassee                       | 14.26                             | 18.20                | 28.60        | 35.35        | 48.85         | 76.35         |
| City of Tavares                           | 21.41                             | 27.14                | 40.94        | 48.79        | 80.84         | 101.99        |
| City of Wildwood                          | 14.97                             | 18.39                | 29.19        | 35.64        | 48.54         | 61.44         |
| Gainesville Regional Utilites             | 16.86                             | 28.30                | 37.73        | 47.15        | 66.00         | 130.25        |
| <b><u>Surveyed Florida Utilites:</u></b>  |                                   |                      |              |              |               |               |
| Average                                   | \$ 18.14                          | \$ 24.90             | \$ 35.35     | \$ 45.91     | \$ 71.93      | \$ 118.19     |
| Minimum                                   | 9.32                              | 11.66                | 14.59        | 17.51        | 28.61         | 36.21         |
| Maximum                                   | 33.14                             | 43.61                | 68.01        | 94.96        | 156.51        | 320.07        |

Rate Comparison (cont.)

|   |    | Water Commercial Services           |             |             |             |
|---|----|-------------------------------------|-------------|-------------|-------------|
| Comparable Utility                        |    | Monthly Usage<br>2" Meter (gallons) |             |             |             |
|   |    | 50,000                              | 150,000     | 200,000     | 500,000     |
| City of Leesburg - Existing Rates         | \$ | 97.25                               | \$ 272.98   | \$ 360.84   | \$ 888.02   |
| <b><u>Surveyed Florida Utilities:</u></b> |    |                                     |             |             |             |
| City of Clearwater                        | \$ | 1,870.99                            | \$ 1,870.99 | \$ 1,870.99 | \$ 4,877.26 |
| City of Clermont                          |    | 164.81                              | 482.81      | 641.81      | 1,595.81    |
| City of DeLand                            |    | 253.72                              | 1,134.72    | 1,491.72    | 3,633.72    |
| City of Eustis                            |    | 171.96                              | 469.96      | 618.96      | 1,512.96    |
| City of Jacksonville Beach                |    | 337.40                              | 838.40      | 1,088.90    | 2,591.90    |
| City of Mount Dora                        |    | 313.23                              | 883.86      | 1,169.17    | 2,881.07    |
| City of Ocala                             |    | 387.84                              | 1,691.99    | 2,214.05    | 5,346.40    |
| City of Sanford                           |    | 351.28                              | 936.28      | 1,228.78    | 2,983.78    |
| City of Sunrise                           |    | 480.90                              | 912.90      | 1,128.90    | 2,424.90    |
| City of Tallahassee                       |    | 107.11                              | 342.11      | 459.61      | 1,164.61    |
| City of Tavares                           |    | 350.62                              | 773.62      | 985.12      | 2,254.12    |
| City of Wildwood                          |    | 153.45                              | 382.45      | 496.95      | 1,183.95    |
| Gainesville Regional Utilities            |    | 213.50                              | 600.50      | 794.00      | 1,955.00    |
| <b><u>Surveyed Florida Utilities:</u></b> |    |                                     |             |             |             |
| Average                                   | \$ | 396.68                              | \$ 870.81   | \$ 1,091.46 | \$ 2,646.57 |
| Minimum                                   |    | 107.11                              | 342.11      | 459.61      | 1,164.61    |
| Maximum                                   |    | 1,870.99                            | 1,870.99    | 2,214.05    | 5,346.40    |



**Rate Comparison**

The tables on this and following page provide a comparison of the rates of the City Utility System with those of neighboring utilities.

|   |    | <b>Wastewater Residential Services</b> |              |              |               |               |               |
|---|----|--|--------------|--------------|---------------|---------------|---------------|
| <b>Comparable Utility</b>                 |    | <b>Monthly Usage</b>                   |              |              |               |               |               |
|   |    | <b>3,000</b>                           | <b>5,000</b> | <b>7,500</b> | <b>10,000</b> | <b>15,000</b> | <b>20,000</b> |
|   |    | <b>5/8" Meter (gallons)</b>            |              |              |               |               |               |
| City of Leesburg - Existing Rates         | \$ | 30.33                                  | 33.81        | 38.16        | 42.52         | 51.22         | 51.22         |
| <b><u>Surveyed Florida Utilities:</u></b> |    |  |              |              |               |               |               |
| City of Clearwater                        | \$ | 33.18                                  | 55.30        | 82.95        | 110.60        | 165.20        | 221.20        |
| City of Clermont                          |    | 23.30                                  | 27.70        | 33.20        | 38.70         | 49.70         | 51.90         |
| City of DeLand                            |    | 38.90                                  | 48.56        | 60.64        | 72.71         | 72.71         | 72.71         |
| City of Eustis                            |    | 37.13                                  | 43.89        | 52.34        | 60.79         | 60.79         | 60.79         |
| City of Jacksonville Beach                |    | 34.98                                  | 48.42        | 79.32        | 100.82        | 143.82        | 143.82        |
| City of Mount Dora                        |    | 42.16                                  | 51.66        | 63.54        | 75.42         | 99.17         | 122.92        |
| City of Ocala                             |    | 33.38                                  | 39.61        | 47.40        | 54.33         | 54.33         | 54.33         |
| City of Sanford                           |    | 29.92                                  | 41.98        | 57.06        | 72.13         | 96.25         | 96.25         |
| City of Sunrise                           |    | 42.16                                  | 50.48        | 60.88        | 71.28         | 92.08         | 100.40        |
| City of Tallahassee                       |    | 39.95                                  | 52.99        | 69.29        | 85.59         | 118.19        | 150.79        |
| City of Tavares                           |    | 36.19                                  | 44.37        | 54.60        | 64.82         | 97.54         | 97.54         |
| City of Wildwood                          |    | 30.09                                  | 38.50        | 49.00        | 59.51         | 80.53         | 101.54        |
| Gainesville Regional Utilities            |    | 28.09                                  | 40.75        | 56.58        | 72.40         | 104.05        | 135.70        |
| <b><u>Surveyed Florida Utilities:</u></b> |    |  |              |              |               |               |               |
| Average                                   | \$ | 34.57                                  | 44.94        | 58.98        | 72.24         | 95.00         | 108.45        |
| Minimum                                   |    | 23.30                                  | 27.70        | 33.20        | 38.70         | 49.70         | 51.90         |
| Maximum                                   |    | 42.16                                  | 55.30        | 82.95        | 110.60        | 165.90        | 221.20        |

Rate Comparison (cont.)

|                                    |  | Wastewater Commercial Services      |             |             |             |
|------------------------------------|--|-------------------------------------|-------------|-------------|-------------|
| Comparable Utility                 |  | Monthly Usage<br>2" Meter (gallons) |             |             |             |
|                                    |  | 50,000                              | 150,000     | 200,000     | 500,000     |
| City of Leesburg - Existing Rates  |  | \$ 330.92                           | \$ 774.43   | \$ 996.19   | \$ 2,326.71 |
| <b>Surveyed Florida Utilities:</b> |  |                                     |             |             |             |
| City of Clearwater                 |  | \$ 2,576.98                         | \$ 2,576.98 | \$ 2,576.98 | \$ 5,530.00 |
| City of Clermont                   |  | 243.75                              | 463.75      | 573.75      | 1,233.75    |
| City of DeLand                     |  | 436.78                              | 919.78      | 1,161.28    | 2,610.28    |
| City of Eustis                     |  | 240.79                              | 646.79      | 849.79      | 2,067.79    |
| City of Jacksonville Beach         |  | 625.04                              | 1,682.04    | 2,210.54    | 5,381.54    |
| City of Mount Dora                 |  | 313.23                              | 883.86      | 1,169.17    | 2,881.07    |
| City of Ocala                      |  | 552.59                              | 864.09      | 1,019.83    | 1,954.33    |
| City of Sanford                    |  | 396.24                              | 999.24      | 1,300.74    | 3,109.74    |
| City of Sunrise                    |  | 585.02                              | 1,001.02    | 1,209.02    | 2,457.02    |
| City of Tallahassee                |  | 489.08                              | 1,141.08    | 1,467.08    | 3,423.08    |
| City of Tavares                    |  | 395.86                              | 804.86      | 1,009.36    | 2,236.36    |
| City of Wildwood                   |  | 273.66                              | 693.96      | 904.11      | 2,165.01    |
| Gainesville Regional Utilities     |  | 325.60                              | 958.60      | 1,275.10    | 3,174.10    |
| <b>Surveyed Florida Utilities:</b> |  |                                     |             |             |             |
| Average                            |  | \$ 573.43                           | \$ 1,048.93 | \$ 1,286.67 | \$ 2,940.31 |
| Minimum                            |  | 240.79                              | 463.75      | 573.75      | 1,233.75    |
| Maximum                            |  | 2,576.98                            | 2,576.98    | 2,576.98    | 5,530.00    |

AN ORDINANCE OF THE CITY OF LEESBURG, FLORIDA, AMENDING §22-246 OF THE CODE OF ORDINANCES PERTAINING TO NATURAL GAS RATES; INCREASING MONTHLY CHARGES FOR ALL CLASSIFICATIONS OF CUSTOMER; PROVIDING FOR ANNUAL INFLATION ADJUSTMENT; CHANGING THE GROSS PROFIT MARGIN OF THE CITY; CHANGING THE CALCULATION METHOD FOR THE FUEL ADJUSTMENT CHARGE; REPEALING CONFLICTING ORDINANCES; PROVIDING A SEVERANCE CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

BE IT ENACTED BY THE PEOPLE OF THE CITY OF LEESBURG, FLORIDA:

SECTION I.

§22-246 of the Code of Ordinances for the City of Leesburg, Florida, is hereby amended in its entirety to read as set forth below:

**Sec. 22-246. Gas service rate schedule.**

The rates for the furnishing of gas service by the city shall be as set forth below. Rates shown shall be subject to periodic adjustment under §22-166 of this Code. The automatic annual adjustment described by 22-166 shall not apply to the Energy Conservation Adjustment. Rates described herein shall be effective for all utility bills rendered on or after the first day of the month following adoption of this Ordinance.

(1) Residential.

- a. Applicable. Service under the rate shall apply only to gas service used in a single private dwelling unit and its appurtenances and used for other than heating only and shall not be resold. Each dwelling unit in an apartment house shall be separately metered. Housing projects in which gas service is furnished by the lessor may be singularly metered and billed.
- b. Deposits. Deposits for each account shall be required as set forth more particularly in § 22-181 of this Code.
- c. Monthly rate.  
Availability charge exclusive of use . . . \$6.78  
Delivery Charge per therm, effective 6-1-2007 . . . . . 0.464400

(2) Heating only, residential.

- a. Applicable. Service under this rate shall apply only to gas service used for heating only in a single private dwelling unit and its appurtenances and shall

not be resold. Each dwelling unit in an apartment shall be separately metered. Housing projects in which gas service is furnished by the lessor may be singularly metered and billed.

- b. Deposits. Deposits for each account shall be required as set forth more particularly in § 22-181 of this Code.
- c. Monthly rate.  
Availability charge, exclusive of use . . . \$10.17  
  
Delivery Charge per therm, effective 6-1-2007 . . . . .0.464400

(3) Public building, commercial and small industrial (not contract).

- a. Applicable. To all publicly owned buildings, school buildings, commercial and industrial consumers.
- b. Monthly rate.  
Availability charge, exclusive of use . . . \$10.17  
Energy Charge per therm, effective 6-1-2007 . . . . . 0.464400

(4) Large industrial--Contract.

- a. Applicable. Gas service under this rate shall apply to large consumers of gas.
- b. Rate. The rate shall be as fixed by contract between the city and the consumer, negotiated by the city manager, with the approval of the city commission.

(5) Reconnection charge. When any service is cut off for nonpayment of bill, and when connection service is requested to be performed after normal business hours, the reconnection charge shall be pursuant to the Utility Service Fee Schedule described in §22-6 of this Code. Service will not be restored after it is cut off for nonpayment until the account is paid current and the reconnection charge is paid.

(6) Fuel adjustment charge. All non-contract natural gas rates shall include a fuel adjustment charge. The fuel adjustment charge is the average cost of natural gas, per delivered therm. The calculation of the fuel adjustment charge shall be based upon past and estimated future costs. The fuel adjustment charge shall be calculated by the Finance Director, or his delegate, and revised as frequently as necessary to assure that the City recovers the total cost of all natural gas purchased.

(7) Turn-off and turn-on fee for gas service interrupted at customer's request. Any gas service interrupted at the request of the customer and restored for the same customer at the same address shall have the fees assessed according to the Utility Service Fee Schedule pursuant to §22-6 of this Code.

(8) Master metering. Where natural gas service charges are measured, in whole or in part, by a master meter, the availability charge on the master meter shall be the number of units served by the master meter times the rate per month availability charge. All consumption on the master meter shall be billed at the monthly rate per therm, as applicable, plus all other charges. The master meter shall be classified to the rate schedule which yields the highest



revenue consistent with the applicability clauses of the rate classes. Each and every user served by the master meter may be billed, at the discretion of the city, for the fixed charge assessed for each user within the particular user's service classification, and the person or entity in whose name the master meter is registered on the city's records shall in such event be billed for the variable charge assessed for the service being provided. As used in this subsection, the following terms shall have the meanings indicated:

- a. Master meter: Shall refer to a meter measuring the service provided to two (2) or more occupancy units being served by a single meter.
- b. Occupancy unit: Shall refer to that portion of any commercial establishment, single- or multi-unit residential building, or trailer, mobile home, manufactured housing, or recreational vehicle park, or marina which is set apart from the rest of such facility by clearly determinable boundaries, as described in the rental, lease or ownership agreement for such unit, or in the absence of such an agreement, where that portion of the facility is clearly set apart from the rest of the facility in a manner which evidences an intent to render the unit suitable for occupancy as a residential, commercial or other space as a discrete unit, separate and apart from the use or occupancy of other units within the same facility.
- c. User: Shall refer to the occupant(s) of any individual occupancy unit served by a master meter.
- d. Fixed charge: Shall refer to the minimum charge imposed by the city during a billing period, in the particular customer's service classification, for the availability of the service, if no service is actually used by the customer in a given billing period.
- e. Variable charge: Shall refer to that portion of the bill for the utility service which is assessed in addition to the fixed charge and which is based on actual usage in a given billing period.

(9) Initial connection fee. An initial connection fee per utility shall be charged according to the Utility Service Fee Schedule described in §22-6 of this Code.

(10) Energy conservation adjustment (Rider ECA). A rider applicable to all firm standard natural gas therm rates to recover the cost of energy conservation programs undertaken by the Leesburg Gas System and approved by the city manager. The ECA will not be applied to interruptible natural gas or contract rates. The currently calculated ECA rate is:

Natural gas rate schedule ECA, per therm . . . \$0.05

The above ECA rate is based on twelve (12) months projected expense levels. This ECA rate will normally be reviewed semi-annually in April and October and may be adjusted upward or downward based on actual and projected energy conservation program costs and projected consumption levels in order to recover the total cost of applicable gas system programs, including energy conservation incentive payments as well as the labor and other costs attributable to such energy conservation programs. The over and under recovery of these ECA costs will be computed and an adjustment in the ECA rate will be made. However, the ECA rate will be adjusted anytime the over or under recovery for a 12-month

period exceeds or is projected to exceed fifty thousand dollars (\$50,000.00) Any adjustment must be approved by the city manager and will be reported to the city commission at the first regularly scheduled commission meeting following the adjustment.

(11) Tax adjustment clause, TAC.

- a. Applicability. Tax adjustment clause shall be applicable to the monthly rate of each filed rate schedule as indicated with reference to billing adjustment.
- b. Calculation of tax adjustment. Calculation shall be minus or plus the applicable proportionate part of any taxes and assessments imposed by any governmental authority below or in excess of those in effect on the effective date hereof including, but not limited to, the City of Leesburg's Utility Service Tax, which are assessed on the basis of revenues from natural gas or service sold or the volume of natural gas purchased for sale or sold. Such taxes and assessments are to be reflected on the bills of only those customers within the jurisdiction of the governmental authority imposing the taxes and assessments.

SECTION II.

If any portion of this ordinance is declared invalid or unenforceable, then to the extent it is possible to do so without destroying the overall intent and effect of this ordinance, the portion deemed invalid or unenforceable shall be severed herefrom and the remainder of this ordinance shall continue in full force and effect as if it were enacted without including the portion found to be invalid or unenforceable.

SECTION III.

All ordinances or parts of ordinances which are in conflict with this ordinance are hereby repealed, to the extent necessary to alleviate the conflict, but shall continue in effect insofar as they are not in conflict herewith, unless repeal of the conflicting portion destroys the overall intent and effect of any of the conflicting ordinance, in which case those ordinances so affected shall be hereby repealed in their entirety.

SECTION IV.

This ordinance shall become effective immediately upon its passage.

THE CITY OF LEESBURG, FLORIDA

By: *Sanna Henderson*  
Mayor

Attest: *Jetty M. Richardson*  
City Clerk

**ORDINANCE NO. 08-14**

**AN ORDINANCE OF THE CITY OF LEESBURG, FLORIDA, AMENDING SECTION 22-227 OF THE CODE OF ORDINANCES PERTAINING TO POLLUTION ABATEMENT CHARGES; ESTABLISHING NEW RATE SCHEDULES FOR POLLUTION ABATEMENT CHARGES; PROVIDING FOR RATES EFFECTIVE MARCH 1, 2008; PROVIDING NEW PROPOSED BLOCK RATES; PROVIDING FOR RATES INSIDE AND OUTSIDE CITY LIMITS; PROVIDING FOR CONFLICTS; PROVIDING A SAVINGS CLAUSE; AND PROVIDING AN EFFECTIVE DATE.**

**BE IT ENACTED BY THE PEOPLE OF THE CITY OF LEESBURG, FLORIDA, that:**

**SECTION 1.**

Section 22-227, of the Code of Ordinances of the City of Leesburg, Florida, is hereby amended in its entirety to read as:

Each classification of user shall be assessed the following charges for pollution abatement:

**(1) Inside the City Wastewater Rates (CCF):**

|   |                    | Proposed Rates<br>Rates Effective<br>03/01/2008 | New Proposed<br>Block Rates<br>03/01/2008 |
|---|--------------------|---|---|
| <u>Customer Charge Residential and Master-Meter</u>       |                    |   |   |
| <u>Line</u>   | <u>Description</u> |   |   |
| <u>No.</u>  |                    |   |   |
| <hr/>   |                    |   |   |
|   | <u>Meter Size</u>  |   |   |
| 1.  | ALL METER SIZES    | \$ 20.10  |   |
| Consumption Charge (Per 1 CCF = Cubic Feet = 748 Gallons) |                    |   |   |
| <u>Consumption Charge Wastewater Residential</u>          |                    |   | <u>New Proposed</u>                       |
| <u>Block Rates (Per CCF)</u>                              |                    |   | <u>Block Rates CCF)</u>                   |
| 2.  | Usage Up to 15 CCF | \$ 1.04200                                      | Up to 21 CCF                              |
| <u>Customer Charge Commercial and Municipal</u>           |                    |   |   |
| <u>Commercial and Municipal Classes</u>                   |                    |   |   |
| 3.  | COMMERCIAL I       | \$ 20.91  |   |
| 4.  | COMMERCIAL II      | \$ 35.59  |   |
| 5.  | COMMERCIAL III     | \$ 87.43  |   |
| 6.  | COMMERCIAL IV      | \$ 20.10  |   |

Consumption Charge (Per 1 CCF = 100 Cubic Feet = 748 Gallons)

Consumption Charge Wastewater Commercial and Municipal  
Block Rates (Per CCF)

|     |                                    |            |
|-----|------------------------------------|------------|
| 7.  | COMMERCIAL I<br>All CCF (No CAP)   | \$ 1.71900 |
| 8.  | COMMERCIAL II<br>All CCF (No CAP)  | \$ 2.13600 |
| 9.  | COMMERCIAL III<br>All CCF (No CAP) | \$ 2.65700 |
| 10. | COMMERCIAL IV<br>All CCF (No CAP)  | \$ 1.04200 |

**(2) Inside the City Wastewater rates (1,000 Gallons):**

Customer Charge Residential and Master-Meter

|    |                   |          |
|----|-------------------|----------|
|    | <u>Meter Size</u> |          |
| 1. | ALL METER SIZES   | \$ 20.10 |

Consumption Charge (Per 1,000 Gallons)  
Consumption Charge Wastewater Residential  
Block Rates (Per 1,000 Gallons)

|    |                            |            |  |
|----|----------------------------|------------|--|
| 2. | Usage Up to 11,000 Gallons | \$ 1.39400 | New Proposed<br><u>Blocks(Th. Gall.)</u><br>Up to 15,000 Gall. |
|----|----------------------------|------------|--|

Customer Charge Commercial and Municipal  
Commercial and Municipal Classes

|    |                |          |
|----|----------------|----------|
| 3. | COMMERCIAL I   | \$ 20.91 |
| 4. | COMMERCIAL II  | \$ 35.59 |
| 5. | COMMERCIAL III | \$ 87.43 |
| 6. | COMMERCIAL IV  | \$ 20.10 |

Consumption Charge Wastewater Commercial and Municipal  
Block Rates (Per 1,000 Gallons)

|    |                                   |            |
|----|-----------------------------------|------------|
| 7. | COMMERCIAL I<br>All CCF (No CAP)  | \$ 2.29800 |
| 8. | COMMERCIAL II<br>All CCF (No CAP) | \$ 3.85600 |

9. COMMERCIAL III  
All CCF (No CAP) \$ 3.55200

10. COMMERCIAL IV  
All CCF (No CAP) \$ 1.39400

**(3) Outside the City Wastewater Rates (CCF):**

Customer Charge Residential and Master-Meter

| Line No. | Description | Proposed Rates<br>Rates Effective<br>03/01/2008 | New Proposed<br>Block Rates<br>03/01/2008 |
|----------|-------------|---|---|
|----------|-------------|---|---|

Meter Size

1. ALL METER SIZES \$ 25.13

Consumption Charge (Per 1 CCF = 100 Cubic Feet = 748 Gallons)

| Consumption Charge Wastewater Residential<br>Block Rates (Per CCF) | New Proposed<br>Block Rates Th. Gall. |
|--|---------------------------------------|
|--|---------------------------------------|

2. Usage Up to 15 CCF \$ 1.30300 Up to 21 CCF

Customer Charge Commercial and Municipal  
Commercial and Municipal Classes

|                   |           |
|-------------------|-----------|
| 3. COMMERCIAL I   | \$ 26.14  |
| 4. COMMERCIAL II  | \$ 44.49  |
| 5. COMMERCIAL III | \$ 109.29 |
| 6. COMMERCIAL IV  | \$ 25.13  |

Consumption Charge (Per 1 CCF = 100 Cubic Feet = 748 Gallons)

Consumption Charge Wastewater Commercial and Municipal  
Block Rates (Per CCF)

7. COMMERCIAL I  
All CCF (No CAP) \$ 2.14900

8. COMMERCIAL II  
All CCF (No CAP) \$ 2.67000

9. COMMERCIAL III  
All CCF (No CAP) \$ 3.32100

10. COMMERCIAL IV  
All CCF (No CAP) \$ 1.30300

**(4) Outside the City Wastewater Rates (1,000 Gallons):**

Customer Charge Residential and Master-Meter

| Line No.   | Description   | Proposed Rates<br>Rates Effective<br>03/01/2008 | New Proposed<br>Block Rates<br>03/01/2008 |
|--|---|---|---|
| <u>Meter Size</u>                                      |   |   |   |
| 1.   | ALL METER SIZE<br>Consumption Charge (Per 1,000 Gallons)<br>Consumption Charge Wastewater Residential | \$ 25.13  |   |
| <u>Block Rates (Per 1,000 Gallons)</u>                 |   |   | New Proposed                              |
| Usage Up to 11,000 Gallons                             |   |   | <u>Block Rates (Th. Gall.)</u>            |
| 2.   | Usage Up to 11,000 Gallons  | \$ 1.74200                                      | Up to 15,000 Gall.                        |
| Customer Charge Commercial and Municipal               |   |   |   |
| <u>Commercial and Municipal Classes</u>                |   |   |   |
| 3.   | COMMERCIAL I  | \$ 26.14  |   |
| 4.   | COMMERCIAL II   | \$ 44.49  |   |
| 5.   | COMMERCIAL III  | \$ 109.29                                       |   |
| 6.   | COMMERCIAL IV   | \$ 25.13  |   |
| Consumption Charge Wastewater Commercial and Municipal |   |   |   |
| <u>Block Rates (Per 1,000 Gallons)</u>                 |   |   |   |
| 7.   | COMMERCIAL I<br>All CCF (No CAP)  | \$ 2.87300                                      |   |
| 8.   | COMMERCIAL II<br>All CCF (No CAP)   | \$ 3.57000                                      |   |
| 9.   | COMMERCIAL III<br>All CCF (No CAP)  | \$ 4.44000                                      |   |
| 10.  | COMMERCIAL IV<br>All CCF (No CAP)   | \$ 1.74200                                      |   |

**SECTION 2.**

All ordinances or part of ordinances which are in conflict with this Ordinance are hereby repealed, to the extent necessary to alleviate the conflict, but shall continue in effect insofar as they are not in conflict herewith, unless repeal of the conflicting portion destroys the overall intent and effect of any of the conflicting ordinance, in which case those ordinances so affected shall be hereby repealed in their entirety.

**SECTION 3.**

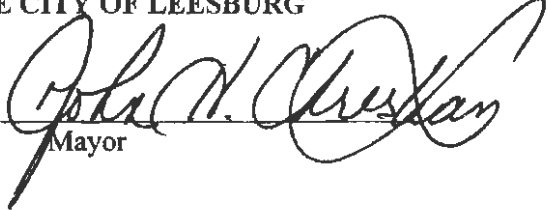
If any portion of this Ordinance is declared invalid or unenforceable, and to the extent that it is possible to do so without destroying the overall intent and effect of this Ordinance, the portion deemed invalid or unenforceable shall be severed herefrom and the remainder of the ordinance shall continue in full force and effect as if it were enacted without including the portion found to be invalid or unenforceable.

**SECTION 4.**

This Ordinance shall become effective upon its passage and adoption according to law.

**PASSED AND ADOPTED** at the regular meeting of the City Commission of the City of Leesburg, Florida, held on the 11th day of February, 2008.

**THE CITY OF LEESBURG**

By:   
Mayor

**ATTEST:**

  
City Clerk

**ORDINANCE NO. 09- 89**

**AN ORDINANCE OF THE CITY OF LEESBURG, FLORIDA, AMENDING SECTION 22-211 OF THE CODE OF ORDINANCES PERTAINING TO WATER SERVICE RATES, AS AMENDED PREVIOUSLY BY ORDINANCE 09 - 64; ESTABLISHING A NEW RATE SCHEDULE FOR WATER; PROVIDING FOR RATES EFFECTIVE AS OF NOVEMBER 1, 2009; PROVIDING FOR RATES EFFECTIVE AS OF NOVEMBER 1, 2010; PROVIDING FOR RATES INSIDE AND OUTSIDE THE CITY LIMITS; PROVIDING FOR ADOPTION OF RECONNECTION CHARGES BY RESOLUTION; PROVIDING FOR CONTINUOUS SERVICE TO FIRE PROTECTION SYSTEMS FOR SAFETY REASONS IN THE EVENT OF A CUTOFF OF SERVICE; PROVIDING FOR CONFLICTS; PROVIDING A SAVINGS CLAUSE; AND PROVIDING AN EFFECTIVE DATE.**

**BE IT ENACTED BY THE PEOPLE OF THE CITY OF LEESBURG, FLORIDA, that:**

**SECTION 1.**

Section 22-211, of the Code of Ordinances of the City of Leesburg, Florida, is hereby amended in its entirety to read as:

(a) *Water conservation service rate:*

(1) *Inside The City Water Rates (CCF):*

| Line<br>No. | <u>Description</u>   | <u>Proposed Rates<br/>Effective 11/01/2009</u> | <u>Proposed Rates<br/>Effective 11/01/2010</u> |
|-------------|--|--|--|
|             | Customer Charge Residential, Master-Meter, Commercial, and Sprinklers        |  |  |
| 1.          | All Meter Sizes  | \$7.70   | \$7.85   |
|             | Customer Charge Irrigation   |  |  |
| 2.          | All Meter Sizes  | \$4.03   | \$4.31   |
|             | Consumption Charge (Per 1 CCF = 100 Cubic Feet = 748 Gallons)                |  |  |
|             | Consumption Charge Potable Water Residential<br><u>Block Rates (Per CCF)</u> |  |  |
| 3.          | BAS1 (0 - 6)   | \$0.64   | \$0.65   |
| 4.          | BAS2 (7 - 12)  | \$0.77   | \$0.82   |



|    |                |        |        |
|----|----------------|--------|--------|
| 5. | BAS3 (13 – 21) | \$1.07 | \$1.14 |
| 6. | BAS4 (22 – 45) | \$1.45 | \$1.55 |
| 7. | BAS5 (Over 45) | \$2.66 | \$2.84 |

Consumption Charge Potable Water Commercial  
Block Rates (Per CCF)

|    |                  |        |        |
|----|------------------|--------|--------|
| 8. | All CCF (No Cap) | \$1.03 | \$1.10 |
|----|------------------|--------|--------|

Consumption Charge Irrigation Residential  
Block Rates (Per CCF)

|     |                |        |        |
|-----|----------------|--------|--------|
| 9.  | BAS1 (0 – 9)   | \$1.07 | \$1.14 |
| 10. | BAS2 (10 – 33) | \$1.45 | \$1.55 |
| 11. | BAS3 (Over 33) | \$2.66 | \$2.84 |

Consumption Charge Irrigation Commercial and Common Area  
Block Rates (Per CCF)

|     |                |        |        |
|-----|----------------|--------|--------|
| 12. | BAS1 (0 – 33)  | \$1.07 | \$1.14 |
| 13. | BAS2 (Over 33) | \$1.45 | \$1.55 |

(2) *Inside The City Water Rates (TGAL):*

| Line No. | Description | Proposed Rates Effective 11/01/2009 | Proposed Rates Effective 11/01/2010 |
|----------|-------------|-------------------------------------|-------------------------------------|
|----------|-------------|-------------------------------------|-------------------------------------|

Customer Charge Residential, Master-Meter, Commercial, and Sprinklers

|     |                 |        |        |
|-----|-----------------|--------|--------|
| 14. | All Meter Sizes | \$7.70 | \$7.85 |
|-----|-----------------|--------|--------|

Customer Charge Irrigation

|     |                 |        |        |
|-----|-----------------|--------|--------|
| 15. | All Meter Sizes | \$4.03 | \$4.31 |
|-----|-----------------|--------|--------|

Consumption Charge (Per 1 TGAL = 1000 Gallons)

Consumption Charge Potable Water Residential  
Block Rates (Per TGAL)

|     |                |        |        |
|-----|----------------|--------|--------|
| 16. | BAS1 (0 – 4)   | \$0.86 | \$0.88 |
| 17. | BAS2 (5 – 8)   | \$1.02 | \$1.09 |
| 18. | BAS3 (9 – 15)  | \$1.43 | \$1.53 |
| 19. | BAS4 (16 – 33) | \$1.94 | \$2.07 |
| 20. | BAS5 (Over 33) | \$3.56 | \$3.80 |

Consumption Charge Potable Water Commercial  
Block Rates (Per TGAL)

|     |                  |        |        |
|-----|------------------|--------|--------|
| 21. | All CCF (No Cap) | \$1.38 | \$1.47 |
|-----|------------------|--------|--------|

Consumption Charge Irrigation Residential  
Block Rates (Per TGAL)

|     |                |        |        |
|-----|----------------|--------|--------|
| 22. | BAS1 (0 – 7)   | \$1.43 | \$1.53 |
| 23. | BAS2 (8 – 25)  | \$1.94 | \$2.07 |
| 24. | BAS3 (Over 25) | \$3.56 | \$3.80 |

Consumption Charge Irrigation Commercial and Common Area  
Block Rates (Per TGAL)

|     |                |        |        |
|-----|----------------|--------|--------|
| 25. | BAS1 (0 – 25)  | \$1.43 | \$1.53 |
| 26. | BAS2 (Over 25) | \$1.94 | \$2.07 |

(3) Outside The City Water Rates (CCF):

| Line No. | Description | Proposed Rates Effective 11/01/2009 | Proposed Rates Effective 11/01/2010 |
|----------|-------------|-------------------------------------|-------------------------------------|
|----------|-------------|-------------------------------------|-------------------------------------|

Customer Charge Residential, Master-Meter, Commercial, and Sprinklers

|     |                 |        |        |
|-----|-----------------|--------|--------|
| 27. | All Meter Sizes | \$9.63 | \$9.81 |
|-----|-----------------|--------|--------|

Customer Charge Irrigation

|     |                 |        |        |
|-----|-----------------|--------|--------|
| 28. | All Meter Sizes | \$5.04 | \$5.39 |
|-----|-----------------|--------|--------|

Consumption Charge (Per 1 CCF = 100 Cubic Feet = 748 Gallons)

Consumption Charge Potable Water Residential  
Block Rates (Per CCF)

|     |                |        |        |
|-----|----------------|--------|--------|
| 29. | BAS1 (0 – 6)   | \$0.80 | \$0.81 |
| 30. | BAS2 (7 – 12)  | \$0.96 | \$1.03 |
| 31. | BAS3 (13 – 21) | \$1.34 | \$1.43 |
| 32. | BAS4 (22 – 45) | \$1.81 | \$1.94 |
| 33. | BAS5 (Over 45) | \$3.33 | \$3.55 |

Consumption Charge Potable Water Commercial  
Block Rates (Per CCF)

|     |                  |        |        |
|-----|------------------|--------|--------|
| 34. | All CCF (No Cap) | \$1.29 | \$1.38 |
|-----|------------------|--------|--------|

Consumption Charge Irrigation Residential  
Block Rates (Per CCF)

|     |                |        |        |
|-----|----------------|--------|--------|
| 35. | BAS1 (0 – 9)   | \$1.34 | \$1.43 |
| 36. | BAS2 (10 – 33) | \$1.81 | \$1.94 |
| 37. | BAS3 (Over 33) | \$3.33 | \$3.55 |

Consumption Charge Irrigation Commercial and Common Area  
Block Rates (Per CCF)

|     |                |        |        |
|-----|----------------|--------|--------|
| 38. | BAS1 (0 – 33)  | \$1.34 | \$1.43 |
| 39. | BAS2 (Over 33) | \$1.81 | \$1.94 |

(4) *Outside The City Water Rates (TGAL):*

| Line No. | Description | Proposed Rates Effective 11/01/2009 | Proposed Rates Effective 11/01/2010 |
|----------|-------------|-------------------------------------|-------------------------------------|
|----------|-------------|-------------------------------------|-------------------------------------|

Customer Charge Residential, Master-Meter, Commercial, and Sprinklers

|     |                 |        |        |
|-----|-----------------|--------|--------|
| 40. | All Meter Sizes | \$9.63 | \$9.81 |
|-----|-----------------|--------|--------|

Customer Charge Irrigation

|     |                 |        |        |
|-----|-----------------|--------|--------|
| 41. | All Meter Sizes | \$5.04 | \$5.39 |
|-----|-----------------|--------|--------|

Consumption Charge (Per 1 TGAL = 1000 Gallons)

Consumption Charge Potable Water Residential  
Block Rates (Per TGAL)

|     |                |        |        |
|-----|----------------|--------|--------|
| 42. | BAS1 (0 – 4)   | \$1.08 | \$1.10 |
| 43. | BAS2 (5 – 8)   | \$1.28 | \$1.36 |
| 44. | BAS3 (9 – 15)  | \$1.79 | \$1.91 |
| 45. | BAS4 (16 – 33) | \$2.43 | \$2.59 |
| 46. | BAS5 (Over 33) | \$4.45 | \$4.75 |

Consumption Charge Potable Water Commercial  
Block Rates (Per TGAL)

|     |                  |        |        |
|-----|------------------|--------|--------|
| 47. | All CCF (No Cap) | \$1.73 | \$1.84 |
|-----|------------------|--------|--------|

Consumption Charge Irrigation Residential  
Block Rates (Per TGAL)

|     |                |        |        |
|-----|----------------|--------|--------|
| 48. | BAS1 (0 – 7)   | \$1.79 | \$1.91 |
| 49. | BAS2 (8 – 25)  | \$2.43 | \$2.59 |
| 50. | BAS3 (Over 25) | \$4.45 | \$4.75 |

Consumption Charge Irrigation Commercial and Common Area  
Block Rates (Per TGAL)

|     |               |        |        |
|-----|---------------|--------|--------|
| 51. | BAS1 (0 – 25) | \$1.79 | \$1.91 |
|-----|---------------|--------|--------|

52. BAS2 (Over 25)

\$2.43

\$2.59

In all categories, for installations which have fire protection systems utilizing city water, whether or not metered, there shall be imposed a monthly availability charge, regardless of actual usage, in the amount of \$2.00 per inch diameter of service pipe serving the fire protection system.

(b) Deposits for each account shall be required as set forth more particularly in section 22-181 of this Code.

(c) A reconnection charge, when service is cut off for nonpayment of bill, and when connection service is requested to be performed after normal business hours, will be imposed as provided in the utility service fee schedule adopted or amended from time to time by Resolution of the City Commission.

(d) Service will not be turned on after it is cut off for nonpayment until the account is paid current and cut-on charge is paid. In those installations which have fire protection systems which are operated by city water, service shall remain turned on to the fire protection system as a matter of public safety, however there shall be charged, in addition to the normal reconnection charge, a reconnection surcharge of two dollars (\$2.00) per month per inch diameter of service pipe serving the installation.

(e) Where water service charges are measured, in whole or in part, by a master meter, the availability charge on the master meter shall be the number of units served by the master meter times the rate per month availability charge. All consumption on the master meter shall be billed at the charge per one hundred (100) cubic feet, as applicable, plus all other charges. The master meter shall be classified to the rate schedule which yields the highest revenue consistent with the applicability clauses of the rate classes. Each and every user served by the master meter may be billed, at the discretion of the city, for the fixed charge assessed for each user within the particular user's service classification, and the person or entity in whose name the master meter is registered on the city's records shall in such event be billed for the variable charge assessed for the service being provided. As used in this subsection, the following terms shall have the meanings indicated:

(1) *Master meter*: Shall refer to a meter measuring the service provided to two (2) or more occupancy units being served by a single meter.

(2) *Occupancy unit*: Shall refer to that portion of any commercial establishment, single- or multi-unit residential building, or trailer, mobile home, manufacture housing, or recreational vehicle park, or marina which is set apart from the rest of such facility by clearly determinable boundaries, as described in the rental, lease or ownership agreement for such unit, or in the absence of such an agreement, where that portion of the facility is clearly set apart from the rest of the facility in a manner which evidences an intent to render the unit suitable for occupancy as a residential, commercial or other space as a discrete unit, separate and apart from the use or occupancy of other units within the same facility.

(3) *User*: Shall refer to the occupant(s) of any individual occupancy unit served by a master meter.

(4) *Fixed charge*: Shall refer to the minimum charge imposed by the city during a billing period, in the particular customer's service classification, for the availability of the service, whether or not service is actually used by the customer in a given billing period.

(5) *Variable charge*: Shall refer to that portion of the bill for the utility service which is assessed in addition to the fixed charge and which is based on actual usage in a given billing period.

## SECTION 2.

All ordinances or parts of ordinances which are in conflict with this ordinance are hereby repealed, to the extent necessary to alleviate the conflict, but shall continue in effect insofar as they are not in conflict herewith, unless repeal of the conflicting portion destroys the overall intent and effect of any of the conflicting ordinances, in which case those ordinances so effected shall be hereby repealed in their entirety. Except as specifically modified by this Ordinance, the provisions of Ordinance 09 – 64 are hereby ratified and confirmed as originally enacted and shall be and remain in full force *nunc pro tunc* to its original adoption date of October 26, 2009.

## SECTION 3.

If any portion of this ordinance is declared invalid or unenforceable, and to the extent it is possible to do so without destroying the overall intent and effect of this ordinance, the portion deemed invalid or unenforceable shall be severed herefrom and the remainder of this ordinance shall continue in full force and effect as if it were enacted without including the portion found to be invalid or unenforceable.

## SECTION 4.

This ordinance shall become effective upon passage.

**PASSED AND ADOPTED** at the regular meeting of the City Commission of the City of Leesburg, Florida, held on the 21 day of December, 2009.

**THE CITY OF LEESBURG**

By: \_\_\_\_\_

Mayor

ATTEST:

Betty Richardson  
City Clerk

AN ORDINANCE OF THE CITY OF LEESBURG, FLORIDA, AMENDING §22 – 211 OF THE CODE OF ORDINANCES PERTAINING TO WATER RATES, PROVIDING NEW RATE TABLES FOR CUSTOMERS CONNECTED TO THE ROYAL HIGHLANDS WATER TREATMENT PLANT; AMENDING SUBSECTIONS (a)(3) AND (a)(4) OF §22 – 211 TO EXCLUDE FROM THE RATE TABLES IN THOSE SUBSECTIONS ANY CUSTOMERS CONNECTED TO THE ROYAL HIGHLANDS WATER TREATMENT PLANT; CREATING SUBSECTIONS (a)(5) AND (a)(6) OF §22 – 211 TO SPECIFY THE RATES FOR CUSTOMERS CONNECTED TO THE ROYAL HIGHLANDS WATER TREATMENT PLANT; LIMITING CONNECTIONS TO THE ROYAL HIGHLANDS WATER TREATMENT PLANT TO CONFORM TO THE WITHDRAWAL LIMITATIONS FOR THAT FACILITY IN THE CITY'S CONSUMPTIVE USE PERMIT; SETTING FOR LEGISLATIVE FINDINGS; REPEALING CONFLICTING ORDINANCES; AND PROVIDING AN EFFECTIVE DATE.

NOW THEREFORE, BE IT ENACTED BY THE PEOPLE OF THE CITY OF LEESBURG, FLORIDA:

SECTION I.

The City Commission of the City of Leesburg, Florida, makes the following legislative findings with respect to the rates charged for water supplied by the City's Royal Highlands Water Treatment Plant:

- The City of Leesburg provides potable water to its customers under the provisions of Consumptive Use Permit (CUP) # 94, issued by St. Johns River Water Management District (SJRWMD).
- CUP # 94 was issued by SJRWMD on November 16, 2010.
- SJRWMD has previously established Minimum Flows and Levels (MFL's) for Lake Apshawa (North and South).
- The MFL's for Lake Apshawa have been violated in the historic period since establishment of the MFL's for that body of water.
- CUP permitting rules prohibit issuance of a permit which will impact an MFL which has been violated.
- Hydrogeologic modeling of ground water withdrawals from the Royal Highlands Wellfield demonstrated that the MFL's for Lake Apshawa would be impacted by then-current withdrawals, necessitating a reduction of ground water withdrawals from the Royal Highlands Wellfield.
- CUP # 94 contains Condition # 24, which allocates maximum annual groundwater withdrawals from the Royal Highlands Wellfield as follows:
  - 354.05 million gallons (0.97 million gallons per day (mgd) average) in 2010,
  - 321.20 million gallons (0.88 mgd average) in 2011,
  - 292.00 million gallons (0.80 mgd average) in 2012,
  - 277.40 million gallons (0.76 mgd average) in 2013,
  - 266.45 million gallons (0.73 mgd average) in 2014,

- 259.15 million gallons (0.71 mgd average) in 2015 and,
- 251.85 million gallons (0.69 mgd average) in 2016 through 2030.
- 2010 groundwater withdrawals from the Royal Highlands Wellfield were 0.94 mgd, which is acceptable under condition # 24 but exceeds the allocation for 2011.
- Implementation of an enhanced conservation rate structure is necessary to discourage high water consumption that would cause overwithdrawal from the Royal Highlands Wellfield and therefore violate Condition 24 of CUP # 94 in 2011 and succeeding years.
- The enhanced conservation rate structure should be applied to all residential customers attached to the Royal Highlands Water Treatment Plant.

## SECTION II.

§22 – 211(a) of the Code of Ordinances of the City of Leesburg, Florida, is hereby amended to read as follows:

(a) *Water conservation service rate:*

(1) *Inside the city water rates (CCF):*

TABLE INSET:

| Line No. | Description   | Rates Effective<br>11/01/2009 | Rates Effective<br>11/01/2010 |
|----------|---|-------------------------------|-------------------------------|
|          | Customer Charge Residential, Master-Meter, Commercial, and Sprinklers |                               |                               |
|          | Meter Size  |                               |                               |
| 1.       | ALL METER SIZES   | \$7.70                        | \$7.85                        |
|          | Customer Charge Irrigation  |                               |                               |
|          | Meter Size  |                               |                               |
| 2.       | ALL METER SIZES   | \$4.03                        | 4.31                          |
|          | Consumption Charge (Per 1 CCF = 100 Cubic Feet = 748 Gallons)         |                               |                               |
|          | Consumption Charge Potable Water Residential                          |                               |                               |
|          | Block Rates (Per CCF)   |                               |                               |
| 3.       | BAS1 (0--6)   | \$0.64                        | \$0.65                        |
| 4.       | BAS2 (7--12)  | \$0.77                        | \$0.82                        |
| 5.       | BAS3 (13--21)   | \$1.07                        | \$1.14                        |
| 6.       | BAS4 (22--45)   | \$1.45                        | \$1.55                        |
| 7.       | BAS5 (Over 45)  | \$2.66                        | \$2.84                        |
|          | Consumption Charge Potable Water Commercial                           |                               |                               |
|          | Block Rates (Per CCF)   |                               |                               |
| 8.       | All CCF (No Cap)  | \$1.03                        | \$1.10                        |
|          | Consumption Charge Residential Irrigation                             |                               |                               |
|          | Block Rates (Per  |                               |                               |

|  | CCF)                  |        |        |
|--|-----------------------|--------|--------|
| 9.   | BAS1 (0--9)           | \$1.07 | \$1.14 |
| 10.  | BAS2 (10--33)         | \$1.45 | \$1.55 |
| 11.  | BAS3 (Over 33)        | \$2.66 | \$2.84 |
| Consumption Charge Commercial and Common Area Irrigation |                       |        |        |
|  | Block Rates (Per CCF) |        |        |
| 12.  | BAS1 (0--33)          | \$1.07 | \$1.14 |
| 13.  | BAS2 (Over 33)        | \$1.45 | \$1.55 |

(2) *Inside the city water rates (TGAL):*

TABLE INSET:

| Line No.  | Description      | Rates Effective 11/01/2009 | Rates Effective 11/01/2010 |
|---|------------------|----------------------------|----------------------------|
| Customer Charge Residential, Master-Meter, Commercial, and Sprinklers |                  |                            |                            |
|   | Meter Size       |                            |                            |
| 14.   | ALL METER SIZES  | \$7.70                     | \$7.85                     |
| Customer Charge Irrigation  |                  |                            |                            |
| 15.   | ALL METER SIZES  | \$4.03                     | \$4.31                     |
| Consumption Charge (Per 1,000 Gallons)                                |                  |                            |                            |
| Consumption Charge Potable Water Residential                          |                  |                            |                            |
| Block Rates (Per TGAL)  |                  |                            |                            |
| 16.   | BAS1 (0--4)      | \$0.86                     | \$0.88                     |
| 17.   | BAS2 (5--8)      | \$1.02                     | \$1.09                     |
| 18.   | BAS3 (9--15)     | \$1.43                     | \$1.53                     |
| 19.   | BAS4 (16--33)    | \$1.94                     | \$2.07                     |
| 20.   | BAS5 (Over 33)   | \$3.56                     | \$3.80                     |
| Consumption Charge Potable Water Commercial                           |                  |                            |                            |
| Block Rates (Per TGAL)  |                  |                            |                            |
| 21.   | All CCF (No Cap) | \$1.38                     | \$1.47                     |
| Consumption Charge Irrigation Residential                             |                  |                            |                            |
| Block Rates (Per TGAL)  |                  |                            |                            |
| 22.   | BAS1 (0--7)      | \$1.43                     | \$1.53                     |
| 23.   | BAS2 (8--25)     | \$1.94                     | \$2.07                     |
| 24.   | BAS3 (Over 25)   | \$3.56                     | \$3.80                     |



| Consumption Charge Irrigation Commercial and Common Area |                |        |        |
|--|----------------|--------|--------|
| Block Rates (Per TGAL)                                   |                |        |        |
| 25.  | BAS1 (0--25)   | \$1.43 | \$1.53 |
| 26.  | BAS2 (Over 25) | \$1.94 | \$2.07 |

(3) Outside the city water rates excluding customers connected to the Royal Highlands Water Treatment Plant (CCF):

TABLE INSET:

| Line No. | Description  | Rates Effective<br>11/01/2009 | Rates Effective<br>11/01/2010 |
|----------|--|-------------------------------|-------------------------------|
|          | Customer Charge Residential, Master-Meter, Commercial, Irrigation and Sprinklers |                               |                               |
|          | Meter Size   |                               |                               |
| 27.      | ALL METER SIZES  | \$9.63                        | \$9.81                        |
|          | Customer Charge<br>Irrigation  |                               |                               |
| 28.      | ALL METER SIZES  | \$5.04                        | \$5.39                        |
|          | Consumption Charge (Per 1 CCF = 100 Cubic Feet = 748 Gallons)                    |                               |                               |
|          | Consumption Charge Potable Water Residential                                     |                               |                               |
|          | Block Rates (Per CCF)  |                               |                               |
| 29.      | BAS1 (0--6)  | \$0.80                        | \$0.81                        |
| 30.      | BAS2 (7--12)   | \$0.96                        | \$1.03                        |
| 31.      | BAS3 (13--21)  | \$1.34                        | \$1.43                        |
| 32.      | BAS4 (22--45)  | \$1.81                        | \$1.94                        |
| 33.      | BAS5 (Over 45)   | \$3.33                        | \$3.55                        |
|          | Consumption Charge Potable Water Commercial                                      |                               |                               |
|          | Block Rates (Per CCF)  |                               |                               |
| 34.      | All CCF (No Cap)   | \$1.29                        | \$1.38                        |
|          | Consumption Charge Irrigation Residential  |                               |                               |
|          | Block Rates (Per CCF)  |                               |                               |
| 35.      | BAS1 (0--9)  | \$1.34                        | \$1.43                        |
| 36.      | BAS2 (10--33)  | \$1.81                        | \$1.94                        |
| 37.      | BAS3 (Over 33)   | \$3.33                        | \$3.55                        |
|          | Consumption Charge Irrigation Commercial and Common Area                         |                               |                               |
|          | Block Rates (Per CCF)  |                               |                               |
|          |  |                               |                               |
| 38.      | BAS1 (0--33)   | \$1.34                        | \$1.43                        |
| 39.      | BAS2 (Over 33)   | \$1.81                        | \$1.94                        |

(4) Outside the city water rates excluding customers connected to the Royal Highlands Water Treatment Plant (TGAL):

TABLE INSET:

| Line No. | Description   | Rates Effective 11/01/2009 | Rates Effective 11/01/2010 |
|----------|---|----------------------------|----------------------------|
|          | Customer Charge Residential, Master-Meter, Commercial, and Sprinklers |                            |                            |
|          | Meter Size  |                            |                            |
| 40.      | ALL METER SIZES   | \$9.63                     | \$9.81                     |
|          | Customer Charge Irrigation  |                            |                            |
|          | Meter Size  |                            |                            |
| 41.      | ALL METER SIZES   | \$5.04                     | \$5.39                     |
|          | Consumption Charge (Per 1 TGAL = 1000 Gallons)                        |                            |                            |
|          | Consumption Charge (Per 1,000 Gallons)                                |                            |                            |
|          | Consumption Charge Potable Water Residential                          |                            |                            |
|          | Block Rates (Per TGAL)  |                            |                            |
| 42.      | BAS1 (0--4)   | \$1.08                     | \$1.10                     |
| 43.      | BAS2 (5--8)   | \$1.28                     | \$1.36                     |
| 44.      | BAS3 (9--15)  | \$1.79                     | \$1.91                     |
| 45.      | BAS4 (16--33)   | \$2.43                     | \$2.59                     |
| 46.      | BAS5 (Over 33)  | \$4.45                     | \$4.75                     |
|          | Consumption Charge Potable Water Commercial                           |                            |                            |
|          | Block Rates (Per TGAL)  |                            |                            |
| 47.      | All CCF (No Cap)  | \$1.73                     | \$1.84                     |
|          | Consumption Charge Irrigation Residential                             |                            |                            |
|          | Block Rates (Per TGAL)  |                            |                            |
| 48.      | BAS1 (0--7)   | \$1.79                     | \$1.91                     |
| 49.      | BAS2 (8--25)  | \$2.43                     | \$2.59                     |
| 50.      | BAS3 (Over 25)  | \$4.45                     | \$4.75                     |
|          | Consumption Charge Commercial and Common Area Irrigation              |                            |                            |
|          | Block Rates (Per TGAL)  |                            |                            |
| 51.      | BAS1 (0--25)  | \$1.79                     | \$1.91                     |
| 52.      | BAS2 (Over 25)  | \$2.43                     | \$2.59                     |

(3) Outside the city water rates only for customers connected to the Royal Highlands Water Treatment Plant (CCF):

TABLE INSET:

| Line No. | Description  | Rates Effective 08/01/2011 |
|----------|--|----------------------------|
|          | Customer Charge Residential, Master-Meter, Commercial, Irrigation and Sprinklers |                            |
|          | Meter Size   |                            |
| 27.      | ALL METER SIZES  | \$9.81                     |
|          | Customer Charge Irrigation   |                            |
| 28.      | ALL METER SIZES  | \$5.39                     |
|          | Consumption Charge (Per 1 CCF = 100 Cubic Feet = 748 Gallons)                    |                            |
|          | Consumption Charge Potable Water Residential                                     |                            |
|          | Block Rates (Per CCF)  |                            |
| 29.      | BAS1 (0--6)  | \$0.81                     |
| 30.      | BAS2 (7--12)   | \$1.03                     |
| 31.      | BAS3 (13--21)  | \$1.43                     |
| 32.      | BAS4 (22--45)  | \$3.88                     |
| 33.      | BAS5 (Over 45)   | \$10.65                    |
|          | Consumption Charge Potable Water Commercial                                      |                            |
|          | Block Rates (Per CCF)  |                            |
| 34.      | All CCF (No Cap)   | \$1.38                     |
|          | Consumption Charge Irrigation Residential  |                            |
|          | Block Rates (Per CCF)  |                            |
| 35.      | BAS1 (0--9)  | \$1.43                     |
| 36.      | BAS2 (10--33)  | \$3.88                     |
| 37.      | BAS3 (Over 33)   | \$10.65                    |
|          | Consumption Charge Irrigation Commercial and Common Area                         |                            |
|          | Block Rates (Per CCF)  |                            |
|          |  |                            |
| 38.      | BAS1 (0--33)   | \$1.43                     |
| 39.      | BAS2 (Over 33)   | \$1.94                     |

(4) Outside the city water rates only for customers connected to the Royal Highlands Water Treatment Plant (TGAL):

TABLE INSET:

| Line No. | Description   | Rates Effective 11/01/2010 |
|----------|---|----------------------------|
|          | Customer Charge Residential, Master-Meter, Commercial, and Sprinklers |                            |
|          | Meter Size  |                            |
| 40.      | ALL METER SIZES   | \$9.81                     |
|          | Customer Charge Irrigation  |                            |
|          | Meter Size  |                            |
| 41.      | ALL METER SIZES   | \$5.39                     |
|          | Consumption Charge (Per 1 TGAL = 1000 Gallons)                        |                            |
|          | Consumption Charge (Per 1,000 Gallons)                                |                            |
|          | Consumption Charge Potable Water Residential                          |                            |
|          | Block Rates (Per TGAL)  |                            |
| 42.      | BAS1 (0--4)   | \$1.10                     |
| 43.      | BAS2 (5--8)   | \$1.36                     |
| 44.      | BAS3 (9--15)  | \$1.91                     |
| 45.      | BAS4 (16--33)   | \$5.18                     |
| 46.      | BAS5 (Over 33)  | \$14.25                    |
|          | Consumption Charge Potable Water Commercial                           |                            |
|          | Block Rates (Per TGAL)  |                            |
| 47.      | All CCF (No Cap)  | \$1.84                     |
|          | Consumption Charge Irrigation Residential                             |                            |
|          | Block Rates (Per TGAL)  |                            |
| 48.      | BAS1 (0--7)   | \$1.91                     |
| 49.      | BAS2 (8--25)  | \$5.18                     |
| 50.      | BAS3 (Over 25)  | \$14.25                    |
|          | Consumption Charge Commercial and Common Area Irrigation              |                            |
|          | Block Rates (Per TGAL)  |                            |
| 51.      | BAS1 (0--25)  | \$1.91                     |
| 52.      | BAS2 (Over 25)  | \$2.59                     |

If the withdrawals from the Royal Highlands Wellfield have been within limits established in Condition 24 of Consumptive Use Permit 94 for two consecutive full calendar years after the effective date of this Ordinance, the BAS4 rates shown in subsections (3) and (4) above, for customers connected to the Royal Highlands Water Treatment Plant only, as those rates may have been adjusted under §22 – 166 of this Code, shall decrease by 25%, and BAS5 rates shown in those same subsections (as adjusted under §22 – 166) shall decrease by 33%. However, if in any calendar year withdrawals exceed the limits of Condition 24, the BAS4 and BAS5 rates in those subsections

shall revert to the higher rate for BAS4 and BAS5, computed based on the rates shown in those subsections as adjusted under §22 – 166 up to the time of the increase.

No additional connections shall be made to the Royal Highlands Water Treatment Plant following the effective date of this Ordinance, except for the following:

- (i) Lots within the following plats comprising the development Royal Highlands, which have never been connected to the Royal Highlands Water Treatment Plant before the effective date of this Ordinance: Plat Book 37, Page 3; Plat Book 43, Page 66; Plat Book 39, Page 32; Plat Book 40, Page 34; Plat Book 41, Page 49; Plat Book 44, Page 31; Plat Book 44, Page 91; Plat Book 46, Page 59; Plat Book 50, Page 30; and Plat Book 38, Page 16; all in the Public Records of Lake County, Florida.
- (ii) Lots within the plat of Whitemarsh, according to the plat thereof recorded in Plat Book 61, Page 22, Public Records of Lake County, Florida, which have never been connected to the Royal Highlands Water Treatment Plant before the effective date of this Ordinance.
- (iii) Such other connections as are approved by Resolution adopted by the Leesburg City Commission.

In all categories, for installations which have fire protection systems utilizing City water, whether or not metered, there shall be imposed a monthly availability charge, regardless of actual usage, in the amount of two dollars (\$2.00) per inch diameter of service pipe serving the fire protection system.

### SECTION III.

All ordinances or part of ordinances which are in conflict with this Ordinance are hereby repealed, to the extent necessary to alleviate the conflict, but shall continue in effect insofar as they are not in conflict herewith, unless repeal of the conflicting portion destroys the overall intent and effect of any of the conflicting ordinance, in which case those ordinances so affected shall be hereby repealed in their entirety.

### SECTION IV.

If any portion of this Ordinance is declared invalid or unenforceable, and to the extent that it is possible to do so without destroying the overall intent and effect of this Ordinance, the portion deemed invalid or unenforceable shall be severed herefrom and the remainder of the ordinance shall continue in full force and effect as if it were enacted without including the portion found to be invalid or unenforceable.

SECTION V.

This Ordinance shall become effective upon its passage and adoption according to law.

PASSED AND ADOPTED at the regular meeting of the City Commission of the City of Leesburg, Florida, held on the 25 day of July, 2011.

THE CITY OF LEESBURG, FLORIDA

BY: Bill Polk  
MAYOR

Attest: Betty Richardson  
CITY CLERK

AN ORDINANCE OF THE CITY OF LEESBURG, FLORIDA, AMENDING CERTAIN SUBSECTIONS OF §22 – 196 OF THE CODE OF ORDINANCES, PERTAINING TO ELECTRIC RATES, INCREASING THE RATES IN SCHEDULES RS (RESIDENTIAL SERVICE), GS (GENERAL SERVICE NON \_ DEMAND), GSD (GENERAL SERVICE DEMAND), AND TOU (TIME OF USE); PROVIDING FOR AUTOMATIC ANNUAL INCREASES OF 5% PER YEAR FOR 2014 AND 2015; SPECIFYING HOW THE ANNUAL 5% RATE INCREASES IN 2013, 2014 AND 2015 ARE TO BE APPLIED IN CONJUNCTION WITH THE AUTOMATIC INCREASES SPECIFIED IN §22 – 166 OF THE CODE OF ORDINANCES; PRESERVING §22 – 196 EXCEPT AS AMENDED HEREBY; REPEALING ANY CONFLICTING ORDINANCES; PROVIDING A SAVINGS CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE PEOPLE OF THE CITY OF LEESBURG, FLORIDA:

SECTION I.

§22 – 196 of the Code of Ordinances of the City of Leesburg, Florida, is hereby amended so that the subsections thereof listed below shall, following the effective date of this Ordinance, read as follows (NOTE: provisions in ~~strikeout~~ are being deleted from the existing ordinance, provisions in double underline are being added or amended by this Ordinance, and text not marked remains the same as in the existing ordinance):

(1) *Rate schedule RS, residential service.*

- a. *Availability:* This rate is available to all applicable customers in the service area.
- b. *Applicability:* The residential electric rate applies to an electrical service supplying electricity to a single-family residence. Service provided under this section shall not be shared with or resold to others.
- c. *Character of service:* Service shall be single-phase, sixty (60) cycles and approximately 120/240 volts. If three (3) phases are desired, additional charges must be paid by the customer.
- d. *Limitations:* Service is subject to all of the rules and regulations of this tariff and general rules and regulations of the utility. Standby or resale service is not permitted.
- e. Rate per month.

Customer charge .....~~\$10.62~~ 11.77  
 All kwh, per kwh .....~~0.08429~~ 0.090108

The rates per month shall become effective with all bills rendered on or after the first day ~~of the month subsequent to adoption~~ November 1, 2013. Such rates per month are subject to the

annual inflation adjustment component pursuant to section 22-166, beginning as of October 1, 2016.

f. *Minimum charge:* The minimum monthly bill shall be the customer charge plus other applicable charges, covered by ordinance, state statutes or federal law.

g. *Terms of payment:* All bills and charges for electric current are due and payable twenty (20) days following date of billing. If not paid within twenty (20) days a carrying charge equal to five (5) percent of the total bill is added. Service is discontinued if bill and carrying charge are not paid on or before thirty (30) days succeeding that in which electricity shall have been furnished by the city as stated in all bills rendered.

h. *Billing adjustments:* See "Bulk Power Cost Adjustment," "Energy Conservation Cost Recovery," and "Tax Adjustment Clause".

i. *Deposits.* Deposits for each account shall be required as set forth more particularly in section 22-181 of this Code.

j. *Reconnection charge:* When service is cut off for nonpayment of bill, and when connection service is requested to be performed after normal business hours, the reconnection fee shall be as prescribed by the utility service fee schedule pursuant to section 22-6 of this Code. When service is cut off for meter-tampering, the charge to reconnect shall be as prescribed by the utility service fee schedule pursuant to section 22-6 of this Code plus damages and penalties allowed by state statutes.

**(2) Rate schedule GS, general service, nondemand.**

a. *Availability.* This rate is available to all applicable customers in the service area.

b. *Applicability.* This rate shall be applicable to all electrical services not covered by any of the other rate categories, residential electrical rate, general service demand rate and flat service rate.

c. *Limitation.* Service is subject to all of the rules and regulations of this tariff and general rules and regulations of the utility. Standby or resale is not permitted.

d. *Rate per month.*

Customer charge .....~~\$40.62~~ 11.77  
All kwh .....~~0.08847~~ 0.098067

The rates per month shall become effective with all bills rendered on or after the first day of ~~the month subsequent to adoption~~ November 1, 2013. Such rates per month are subject to the annual inflation adjustment component pursuant to section 22-166, beginning as of October 2, 2016.

c. *Minimum charge:* The minimum monthly bill shall be the customer charge plus other applicable charges, covered by ordinance, state statutes or federal law.



f. *Terms of payment:* All bills and charges for electric current are due and payable twenty (20) days following date of billing. If not paid within twenty (20) days a carrying charge equal to five (5) percent of the total bill is added. Service is discontinued if bill and carrying charge are not paid on or before thirty (30) days succeeding that in which electricity shall have been furnished by the city as stated in all bills rendered.

g. *Billing adjustments:* See "Bulk Power Cost Adjustment," "Energy Conservation Cost Recovery," and "Tax Adjustment Clause".

h. *Deposits.* Deposits for each account shall be required as set forth more particularly in section 22-181 of this Code.

i. *Reconnection charge:* When service is cut off for nonpayment of bill, and when connection service is requested to be performed after normal business hours, the reconnection fee shall be as prescribed by the utility service fee schedule pursuant to section 22-6 of this Code. When service is cut off for meter tampering, such reconnection charge shall be as prescribed by the utility service fee schedule pursuant to section 22-6 of this Code plus damages and penalties allowed by state statutes.

### **(3) Rate schedule GSD, general service, demand.**

a. *Availability.* This rate is available to all applicable customers in the service area.

b. *Application.*

1. *GSD-1:* For electric service for commercial or industrial lighting, power and any other purpose to any customer with a measured demand in excess of 20 kW and less than 500 kW. Customers with a demand of 20 kW or less may enter into an agreement for service under this schedule based on a demand charge for a minimum of 21 kW.
2. *GSD-2:* For electric service for commercial or industrial lighting, power and any other purpose to any customer with a measured demand of 500 kW and less than 2,000 kW. Customers with a demand of less than 500 kW may enter into an agreement for service under this schedule based on a demand charge for a minimum of 500 kW.
3. *GSD-3:* For electric service for commercial or industrial lighting, power and any other purpose to any customer with a measured demand of 2,000 kW or more. Customers with a demand of less than 2,000 kW may enter into an agreement for service under this schedule based on a demand charge for a minimum of 2,000 kW.

c. *Special provisions.* Any customer whose demand is greater than twenty (20) kw, but less than fifty (50) kw, may at the option of the customer elect to be billed at the general service rate schedule, GS Code 444.2. If the customer modifies electrical usage to the extent the general service demand rate, GSD Code 444.3, produces lower billing, customer may at its option rescind the election to be billed at the general service rate schedule, GS Code 444.2, provided however, that the option of being billed at the general service rate schedule, GS Code 444.2 shall then no longer be available to such customer.

d. *Character of service.* The service shall be three-phase, sixty (60) cycles and approximately one hundred twenty (120) volts or higher, at utility option.

e. *Limitations.* Standby or resale is not permitted.

f. *Rate per month.*

1. *GSD-1.* Billing demand of 21kW—499kW:

Customer charge .....~~\$22.66~~ 25.02

Demand charge .....~~10.55~~ 11.38

Energy rate .....~~0.04165~~ 0.045991

2. *GDS-2.* Billing demand of 500—1,999 kW:

Customer charge .....~~\$40.16~~ 44.34

Demand charge .....~~12.05~~ 12.99

Energy rate .....~~0.03806~~ 0.042024

3. *GSD-3.* Billing demand of 2,000 kW or more:

Customer charge .....~~\$80.32~~ 88.68

Demand charge .....~~14.96~~ 16.13

Energy rate .....~~0.03304~~ 0.036481

The rates per month shall become effective with all bills rendered on or after the first day of the ~~month subsequent to adoption~~ November, 2013. Such rates per month are subject to the annual inflation adjustment component pursuant to section 22-166, beginning as of October 2, 2016.

g. *Minimum charge.* The minimum monthly charge shall be not less than the sum of customer charge and the demand charge for the currently effective billing demand, plus other applicable charges covered by ordinances, state statutes or federal law.

h. *Billing demand.* The maximum fifteen-minute integrated demand established during the current billing period.

i. *Power factor.* When the power factor is less than ninety (90) percent, the billing demand may be determined upon the basis of ninety (90) percent of the calculated kVa, demand.

j. *Deposits.* Deposits for each account shall be required as set forth more particularly in section 22-181 of this Code.

k. *Reconnection charge.* When service is cut off for nonpayment of bill, and when connection service is requested to be performed after normal business hours, the reconnection charge shall be as prescribed by the utility service fee schedule pursuant to section 22-6 of this Code. When service is cut off for meter tampering, there shall be a reconnection charge as prescribed by the utility service fee schedule pursuant to section 22-6 of this Code, plus damages and penalties allowed by state statute.

l. *Terms of payment.* All bills and charges for electric current are due and payable twenty (20) days following date of billing. If not paid within twenty (20) days a carrying charge equal to five (5) percent of the total bill is added. Service is discontinued if bill and carrying charge are not paid on or before thirty (30) days succeeding that in which electricity shall have been furnished by the city as stated in all bills rendered.

m. *Term of service.* Service under this rate shall be for a minimum initial term of twelve (12) months from commencement of service and shall continue thereafter until receipt of notice by the city from the customer to disconnect, or upon disconnect by the city as provided by ordinance, or until the customer's demand is below twenty (20) kw for a consecutive twelve-month period. Customers taking service under another rate schedule who elect to transfer to this rate must remain on this rate for a minimum of twelve (12) months. Where special equipment to serve the customer is required, the city may require a specified term of service contract.

n. *Special provisions.*

1. Any customer other than residential whose monthly demand is greater than twenty (20) kw but does not exceed forty-nine (49) kw for more than two (2) months out of the preceding twelve (12) consecutive months ending with the current billing period may, at the option of the customer, elect to be billed at the General Service Rate Schedule, GS Code 4442. Provided, that once a customer has exceeded forty-nine (49) for more than two (2) months out of the preceding twelve (12) consecutive months, no rate change option is available. If the customer modifies electrical usage to the extent the General Service Demand Rate (GSD Code 4443) produces lower billing, customer may, at its option, rescind the election to be billed at the General Service Rate Schedule, GS Code 4442; provided, that the option of being billed at the General Service Rate Schedule, GS Code 4442, shall then no longer be available to such customer.
2. The city may, under the provisions of this rate, require a contract with the customer. Whenever the customer increases his electrical load, which increase requires the city to increase facilities installed for the specific use of the customer, a new term of service may be required.
3. Any church or religious institution may, at their option, regardless of their demand, elect to be billed at the General Service Non Demand Rate and may not rescind such election thereafter for a period of twelve (12) months. This election may be for the sanctuary and related Sunday School or religious educational buildings.

o. *Billing adjustments.* See "Bulk Power Cost Adjustment," "Energy Conservation Cost Recovery," and "Tax Adjustment Clause".

**(13)           *Rate Schedules TOU – 1 and TOU – 2, Time of Use Rates.***

- a. *Availability.* Available throughout the entire territory served by the City subject to equipment availability. This is an optional service available at the customer's request. Customer may choose either rate schedule TOU-R1 or TOU-R2.

- b. *Applicability.* The residential electric rate applies to an electrical service supplying electricity to a single-family residence. Service provided under this section shall not be shared with or resold to others.
- c. *Character of Service.* Service shall be single-phase, sixty (60) cycles and approximately 120/240 volts. If three (3) phases are desired, additional charges must be paid by the customer.
- d. *Limitations.* Service is subject to all of the rules and regulations of this ordinance and the general rules and regulations of the City's electric utility. Standby or resale service is not permitted. No customer who elects to obtain service under this TOU rate schedule shall be eligible for any other load management credits offered by the City to residential customers.
- e. *Rates per month.* The following rate schedules shall apply to this TOU rate:

Customer Charge \$~~41.40~~ 11.77

Rate per kWh:

|                   | <u>TOU-R1</u>                              | <u>TOU-R2</u>                              |
|-------------------|--|--|
| Winter – On-peak  | <del>\$0.404134</del><br><u>\$0.424341</u> | <del>\$0.265005</del><br><u>\$0.278255</u> |
| Winter – Off-peak | <del>0.060165</del><br><u>0.063173</u>     | <del>0.070985</del><br><u>0.074534</u>     |
| Summer – On-peak  | <del>0.352527</del><br><u>0.370153</u>     | <del>0.230715</del><br><u>0.242251</u>     |
| Summer – Off-peak | <del>0.062573</del><br><u>0.065702</u>     | <del>0.072777</del><br><u>0.076416</u>     |

Winter – On-peak is defined as the hours from 7 a.m. to 9 a.m. on Monday through Friday during the months of December, January and February, excluding any federal holiday occurring on those days. Winter – Off-peak is defined as all other hours during the months of December, January and February.

Summer – On-peak is defined as the hours from 3 p.m. to 5 p.m. on Monday through Friday during the months of March through October, excluding any federal holiday occurring on those days. Summer – Off-peak is defined as all other hours during the months of March through October.

The rate per month is subject to the annual inflation adjustment component pursuant to §22 - 166. Promptly after each annual inflation adjustment, the City will for informational purposes notify the Florida Public Services Commission in writing of its then current rates including any annual inflation adjustment.

- f. *Minimum Charge.* The minimum monthly bill shall be the customer charge plus other applicable charges, covered by ordinance, state statutes or federal law.

- g. *Maximum Charge.* After the customer's first three billing months under this rate schedule, at the customer's request, the City will calculate the total billings the customer would have been charged under the basic residential rate, Rate RS, and refund to the customer any excess of the actual billings under this rate over such calculated amount.
- h. *Term of Service.* Service under this TOU rate schedule shall be for a minimum initial term of twelve (12) months from commencement of service and shall continue thereafter until receipt of notice by the City from the customer to disconnect, or upon disconnect by the City as provided by City ordinance. Customers taking service under another rate schedule who elect to transfer to this rate must remain on this rate for a minimum of twelve (12) months. A customer taking service under this rate schedule who elects to transfer to another rate will be prohibited from taking service on this rate schedule again for a minimum of twelve (12) months.

## SECTION II.

The rates set by this Ordinance shall take effect November 1, 2013, and remain in effect until October 31, 2014. On November 1, 2014, those rates each shall increase by 5%, and the increased rate shall remain in effect until October 31, 2015. Beginning November 1, 2015, the rates in effect from November 1, 2014 through October 31, 2015, each shall increase by 5%, and those increased rates shall remain in effect until September 30, 2016. On October 1, 2016, and each year thereafter, the automatic increases specified by §22 – 166 of the Code of Ordinances shall be applied to each rate schedule listed above. Between the effective date of this Ordinance and October 1, 2016, the annual increases specified in this Ordinance shall take the place of the automatic increases provided by §22 – 166.

## SECTION III.

Except as specifically amended by this Ordinance, the provisions of §22 – 196 of the Code of Ordinances shall continue in full force and effect in the form existing prior to this Ordinance, and the rate increases specified in §22 – 166 shall continue to apply annually to any rates not specifically increased by this Ordinance.

## SECTION IV.

All ordinances or part of ordinances which are in conflict with this Ordinance are hereby repealed, to the extent necessary to alleviate the conflict, but shall continue in effect insofar as they are not in conflict herewith, unless repeal of the conflicting portion destroys the overall intent and effect of any of the conflicting ordinance, in which case those ordinances so affected shall be hereby repealed in their entirety.

## SECTION V.


If any portion of this Ordinance is declared invalid or unenforceable, and to the extent that it is possible to do so without destroying the overall intent and effect of this Ordinance, the portion deemed invalid or unenforceable shall be severed herefrom and the remainder of the ordinance shall continue in full force and effect as if it were enacted without including the portion found to be invalid or unenforceable.

**SECTION VI.**

This Ordinance shall become effective upon its passage and adoption according to law, provided that the rate increases hereby imposed shall not take effect until November 1, 2013.

**PASSED AND ADOPTED** at the regular meeting of the City Commission of the City of Leesburg, Florida, held on the 22 day of July, 2013.

THE CITY OF LEESBURG, FLORIDA

BY:   
MAYOR

Attest:   
CITY CLERK

ORDINANCE NO. 16-32

AN ORDINANCE OF THE CITY OF LEESBURG, FLORIDA, AMENDING §22-166 OF THE CODE OF ORDINANCES PERTAINING TO ANNUAL UTILITY RATE INCREASES BASED ON AN INDEX; CHANGING THE INCREASES BASED ON THE INDEX SO THEY ARE NOT IMPOSED AUTOMATICALLY ON AN ANNUAL BASIS BUT ARE INSTEAD IMPOSED AT THE DISCRETION OF THE CITY MANAGER; REPEALING CONFLICTING ORDINANCES; PROVIDING A SAVINGS CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

BE IT ENACTED BY THE PEOPLE OF THE CITY OF LEESBURG:

**SECTION I.**

§22-166 of the Code of Ordinances of the City of Leesburg, Florida, is hereby amended to read as set forth below:

**Sec. 22-166. - Annual rate adjustments based on index.**

All utility rates and charges established in or through procedures set forth in divisions 3, 4, 5, 6, 7 and 9 of this article V, except for the effects of automatic pass-through rate components such as the bulk power cost adjustment and purchased gas adjustment mechanisms, may at the discretion of the City Manager be adjusted annually on October 1 according to the percentage increase or decrease in the gross domestic product implicit price deflator index (the "Index"). This increase or decrease shall be measured by comparing the final revision of the Index for the second quarter of the current calendar year to the Index at the same time during the previous year. Rates so adjusted shall go into effect as of the next billing cycle following October 1 of the year in which the increase is imposed. This adjustment shall be implemented by written action of the City Manager issued no later than September 1 of any year in which an adjustment is to be made under this Section. The City Manager may apply such an adjustment to any one or more of the utility rates and is not required to increase all rates simultaneously. For any year a rate is not adjusted according to the Index, the amount by which the rate could have been increased may be applied cumulatively with future increases at a later date if the City Manager so determines.

**SECTION II.**

All ordinances or part of ordinances which are in conflict with this Ordinance are hereby repealed, to the extent necessary to alleviate the conflict, but shall continue in effect insofar as they are not in conflict herewith, unless repeal of the conflicting portion destroys the overall intent and effect of any of the conflicting ordinance, in which case those ordinances so affected shall be hereby repealed in their entirety.

**SECTION III.**

If any portion of this Ordinance is declared invalid or unenforceable, and to the extent that it is possible to do so without destroying the overall intent and effect of this Ordinance, the portion deemed invalid or unenforceable shall be severed herefrom and the remainder of the ordinance shall continue in full force and effect as if it were enacted without including the portion found to be invalid or unenforceable.

**SECTION IV.**

This Ordinance shall become effective upon its passage and adoption according to law.

**PASSED AND ADOPTED** at the regular meeting of the City Commission of the City of Leesburg, Florida, held on the 12th day of September, 2016.

THE CITY OF LEESBURG, FLORIDA

BY: \_\_\_\_\_

  
JAY HURLEY, Mayor

Attest: \_\_\_\_\_

  
J. ANDI PURVIS, City Clerk



AN ORDINANCE OF THE CITY OF LEESBURG, FLORIDA, CREATING SECTION 22-250 OF THE CODE OF ORDINANCES, SETTING FORTH RATE PARAMETERS FOR PROVIDING NATURAL GAS SERVICE WITHIN THE VILLAGES SERVICE AREA, PROVIDING FOR THE APPLICABILITY OF THIS ORDINANCE, DEFINING THE VILLAGES SERVICE AREA, REPEALING ORDINANCES IN DIRECT CONFLICT, PROVIDING A SAVINGS CLAUSE, AND PROVIDING AN EFFECTIVE DATE.

BE IT ENACTED BY THE PEOPLE OF THE CITY OF LEESBURG, FLORIDA:

SECTION I.

Section 22-250 of the Code of Ordinances of the City of Leesburg, Florida, is created to read as set forth below:

**Sec. 22-250 Villages Natural Gas Rate Structure and Method of Setting Rates**

- A. Villages Monthly Customer Charge. The amount charged to natural gas customers within the Villages Service Area ("Villages Monthly Customer Charge") shall, except as provided below, be equal to the total monthly customer charge as issued by the company currently doing business as TECO People's Gas, (hereafter "Peoples") and its successors, from time to time; *provided however*, the City shall not be required to reduce the Villages Monthly Customer Charge for residential or commercial customers below the monthly customer charges imposed against similarly situated customers served by Peoples on January 1, 2018, even if Peoples subsequently reduces its monthly customer charges.
  
- B. Villages Aggregate Charge. There shall be a total aggregate charge per therm, which shall generally consist of a distribution charge, other surcharges, and a fuel charge. Subject to the proviso in subsection (A) that the Villages Monthly Customer Charge is not to be reduced below the amount charged by Peoples on January 1, 2018, the Villages Aggregate Charge ("Villages Aggregate Charge") shall be equal to the total aggregate charges per therm for distribution, other surcharges and fuel as issued by Peoples, and its successors, as amended from time to time, with any changes in the monthly fuel charge by either Peoples or the City to be reflected in the distribution charge component of the Villages Aggregate Charge. Notwithstanding the foregoing, the City may request that SSGC consent to a temporary increase in the Villages Aggregate Charge so that the difference between the Villages Aggregate Charge, and the "Native Rate" (as defined in the Agreement), is maintained at the minimum levels described in Paragraph 7(C) of the Agreement.
  
- C. Service Charges. The City shall not offer transportation service to any customer, residential, commercial, industrial or other, located in the Service Area. Fees for service turn-on and turnoff shall not exceed those charged by Peoples, unless the fee

charged by Peoples is less than the fee charged to City's natural gas customers outside the Villages Service Area, in which case the charge within the Villages Service Area shall equal the charge imposed on City's natural gas customers outside the Villages Service Area. The City may also charge customers for other miscellaneous non-recurring charges and fees, such as Collection Charges and Late Fees, at the same level and method as the City charges for its customers outside the Villages Service Area. The City shall apply its existing natural gas deposit ordinance for its customers outside the Villages Service Area, as modified from time to time by the Leesburg City Commission, to all customers served under this rate structure. Fees and service charges for services required in this section shall be as set forth in the city's adopted utility service fee schedule, then in effect.

- D. This Ordinance shall apply only to natural gas rates within the "Villages Service Area," as that term is defined in the Natural Gas System Construction, Purchase, and Sale Agreement between the City of Leesburg and South Sumter Gas Company, LLC (referred to elsewhere in this Ordinance as "SSGC"), as amended from time to time (referred to elsewhere in this Ordinance as the "Agreement"), and not to rates for natural gas sold by the City of Leesburg outside the Villages Service Area.

## SECTION II.

If any portion of this ordinance is declared invalid or unenforceable, then to the extent it is possible to do so without destroying the overall intent and effect of this ordinance, the portion deemed invalid or unenforceable shall be severed herefrom and the remainder of this ordinance shall continue in full force and effect as if it were enacted without including the portion found to be invalid or unenforceable.

## SECTION III.

All ordinances or parts of ordinances which are in direct conflict with this ordinance are hereby repealed, to the extent necessary to alleviate the conflict, but shall continue in effect insofar as they are not in direct conflict herewith, unless repeal of the conflicting portion destroys the overall intent and effect of any of the conflicting ordinances, in which case those ordinances so affected shall be hereby repealed in their entirety.

## SECTION V.

This ordinance shall become effective upon its passage and adoption according to law.

**PASSED AND ADOPTED** at the regular meeting of the City Commission of the City of Leesburg, Florida, held on the 26th day of February 2018.

THE CITY OF LEESBURG, FLORIDA



Attest:

  
\_\_\_\_\_  
J. Andi Purvis, City Clerk

**CITY OF LEESBURG, FLORIDA  
ANTI-DILUTION TEST - BASE METHOD**

| First Test   | 2010/2011              | 2011/2012        | 2012/2013        | 2013/2014        | 2014/2015        | 2015/2016        | 2016/2017        | 2017/2018        | 2018/2019        | 2019/2020        |
|--|------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| 2 Year Average Legally Available Non-Ad Valorem Revenues     | \$ 19,194,767          | \$ 19,303,298    | \$ 19,207,024    | \$ 19,976,401    | \$ 19,675,488    | \$ 19,579,056    | \$ 19,577,066    | \$ 22,331,136    | \$ 23,393,939    | \$ 21,652,178    |
| Maximum Annual Debt Service on Non-Ad Valorem Revenue Debt   | 3,686,634              | 3,650,239        | 3,650,239        | 3,670,954        | 3,751,298        | 3,762,022        | 2,749,721        | 2,479,569        | 2,479,569        | 2,479,569        |
| <b>Coverage<sup>1</sup></b>                                  | <b>5.21</b>            | <b>5.29</b>      | <b>5.26</b>      | <b>5.44</b>      | <b>5.24</b>      | <b>5.20</b>      | <b>7.12</b>      | <b>9.01</b>      | <b>9.43</b>      | <b>8.73</b>      |
| <b>Second Test</b>   | <b>2010/2011</b>       | <b>2011/2012</b> | <b>2012/2013</b> | <b>2013/2014</b> | <b>2014/2015</b> | <b>2015/2016</b> | <b>2016/2017</b> | <b>2017/2018</b> | <b>2018/2019</b> | <b>2019/2020</b> |
| Legally Available Non-Ad Valorem Revenues                    | <b>A</b> \$ 18,966,378 | \$ 18,387,621    | \$ 20,026,427    | \$ 19,926,376    | \$ 19,829,043    | \$ 19,696,313    | \$ 19,457,820    | \$ 25,204,453    | \$ 21,583,425    | \$ 21,720,933    |
| Non-Enterprise Fund Revenues <sup>2</sup>                    | <b>B</b> 24,556,338    | 23,245,644       | 24,971,210       | 24,882,991       | 24,320,976       | 24,673,750       | 24,662,759       | 30,882,891       | 27,812,020       | 28,534,127       |
| Costs of Essential Services                                  | <b>C</b> 16,607,201    | 16,735,293       | 15,732,311       | 16,613,455       | 15,585,278       | 16,134,474       | 16,944,409       | 17,909,853       | 18,961,889       | 18,921,833       |
| MADS Secured by a Lien on Pledgeable Non-Ad Valorem Revenues | <b>D</b> 1,850,718     | 1,786,841        | 1,786,841        | 1,789,085        | 1,789,086        | 1,496,694        | 1,496,694        | 1,496,694        | 1,496,694        | 1,496,694        |
| Maximum Annual Debt Service on Covenant Debt                 | <b>E</b> 1,881,869     | 1,866,059        | 1,866,059        | 1,881,869        | 1,977,024        | 1,977,024        | 1,255,791        | 991,424          | 991,424          | 991,424          |
| Available Revenues - [ A - ((B/E) * C) - D ] =               | <b>F</b> 4,288,892     | 3,362,935        | 5,622,577        | 4,833,185        | 5,333,182        | 5,319,952        | 4,592,741        | 9,090,991        | 5,371,421        | 5,820,439        |
| <b>Coverage [ F / E ]<sup>3</sup></b>                        | <b>2.28</b>            | <b>1.80</b>      | <b>3.01</b>      | <b>2.57</b>      | <b>2.70</b>      | <b>2.69</b>      | <b>3.66</b>      | <b>9.17</b>      | <b>5.42</b>      | <b>5.87</b>      |

<sup>1</sup> 1.10 times coverage required - Additional Bonds Test  
<sup>2</sup> line A plus Ad Valorem Taxes from the Historical Non-Ad Valorem Revenues Worksheet on the next page  
<sup>3</sup> 2.00 times coverage required - Additional Bonds Test

**CITY OF LEESBURG, FLORIDA  
HISTORICAL NON-AD VALOREM REVENUES WORKSHEET**

|   | 2011           | 2012           | 2013           | 2014           | 2015           | 2016           | 2017           | 2018           | 2019           | 2020           |
|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| <b>CB&amp;A Worksheet -</b>                                   |                |                |                |                |                |                |                |                |                |                |
| <b>CB&amp;A Non-Ad Valorem Revenues</b>                       |                |                |                |                |                |                |                |                |                |                |
| 1. Charges for Services <sup>1</sup>                          | \$ 594,690     | \$ 540,735     | \$ 587,243     | \$ 895,084     | \$ 1,022,235   | \$ 551,697     | \$ 680,077     | \$ 726,039     | \$ 840,324     | \$ 885,765     |
| 2. Intergovernmental <sup>1</sup>                             | 2,258,348      | 2,084,254      | 2,220,336      | 2,144,512      | 2,280,813      | 2,383,900      | 2,521,105      | 2,600,258      | 2,797,579      | 2,982,821      |
| 3. Licenses, Permits & Assessments <sup>1</sup>               | 112,255        | 133,435        | 133,374        | 166,926        | 258,885        | 1,480,640      | 1,527,224      | 1,540,698      | 1,605,500      | 1,634,859      |
| 4. Fines and Forfeitures <sup>1</sup>                         | 101,084        | 122,391        | 151,693        | 119,059        | 115,092        | 105,829        | 158,906        | 356,383        | 168,245        | 146,227        |
| 5. Investment Income <sup>1</sup>                             | 68,429         | 24,094         | 115,408        | 48,987         | 118,194        | 301,546        | 121,133        | 177,462        | 441,577        | 271,894        |
| 6. Miscellaneous <sup>1</sup>                                 | 4,562,502      | 4,455,952      | 1,316,156      | 1,371,047      | 552,022        | 600,826        | 622,212        | 936,474        | 740,158        | 799,710        |
| 7. Non Advalorem Taxes <sup>1</sup>                           | 4,426,503      | 6,053,869      | 6,180,065      | 6,263,159      | 6,514,005      | 6,865,741      | 6,961,624      | 6,996,821      | 6,996,821      | 6,969,307      |
|   |                |                |                |                |                |                |                |                |                |                |
|   | 9,347,764      | 9,168,459      | 10,341,723     | 10,051,357     | 9,891,736      | 9,516,319      | 9,022,790      | 13,973,265     | 10,280,444     | 10,593,887     |
| 8. Utility Taxes and Other Taxes less restricted <sup>3</sup> |                |                |                |                |                |                |                |                |                |                |
| 9. Utility and Business Unit Transfers <sup>1</sup>           |                |                |                |                |                |                |                |                |                |                |
| 9. Less funds detailed in worksheet:                          |                |                |                |                |                |                |                |                |                |                |
| "Diverse General Fund Revenue Sources" <sup>4</sup>           | (1,252,598)    | (4,195,568)    | (1,019,571)    | (1,133,755)    | (1,291,183)    | (2,110,186)    | (2,157,251)    | (2,110,502)    | (2,287,222)    | (2,563,537)    |
| <b>Legally Available Non-Ad Valorem Revenues</b>              | \$ 20,218,977  | \$ 18,387,621  | \$ 20,026,427  | \$ 19,926,376  | \$ 19,461,799  | \$ 19,696,312  | \$ 19,457,820  | \$ 25,196,898  | \$ 21,583,426  | \$ 21,720,933  |
| Two Year Average  | 19,817,348     | 19,303,299     | 19,207,024     | 19,976,402     | 19,694,087     | 19,579,055     | 19,577,065     | 22,327,358     | 23,390,162     | 21,652,180     |
|   |                |                |                |                |                |                |                |                |                |                |
| Ad Valorem Taxes <sup>2</sup>                                 | \$ 5,361,571   | \$ 4,858,023   | \$ 4,944,783   | \$ 4,956,615   | \$ 5,022,163   | \$ 4,977,437   | \$ 5,204,939   | \$ 6,228,595   | \$ 6,228,595   | \$ 6,493,470   |
| <b>Total Revenue</b>  | \$ 25,580,548  | \$ 23,245,644  | \$ 24,971,210  | \$ 24,882,991  | \$ 24,483,962  | \$ 24,673,749  | \$ 24,662,759  | \$ 31,425,493  | \$ 27,812,021  | \$ 28,214,403  |
|   |                |                |                |                |                |                |                |                |                |                |
| <b>Cost of Essential Services</b>                             |                |                |                |                |                |                |                |                |                |                |
| General Government <sup>1</sup>                               | \$ 2,851,945   | \$ 2,730,096   | \$ 1,891,217   | \$ 3,257,326   | \$ 3,242,396   | \$ 3,601,492   | \$ 3,515,915   | \$ 3,869,799   | \$ 3,869,799   | \$ 3,678,770   |
| Public Safety <sup>1</sup>                                    | 13,755,256     | 14,005,197     | 13,841,094     | 13,356,129     | 12,342,882     | 12,532,982     | 13,428,494     | 15,092,090     | 15,092,090     | 15,230,727     |
| <b>Total Cost of Essential Services</b>                       | \$ 16,607,201  | \$ 16,735,293  | \$ 15,732,311  | \$ 16,613,455  | \$ 15,585,278  | \$ 16,134,474  | \$ 16,944,409  | \$ 18,961,889  | \$ 18,961,889  | \$ 18,909,497  |
| <b>Legally Available Non-Ad Valorem Revenues</b>              | \$ 20,218,977  | \$ 18,387,621  | \$ 20,026,427  | \$ 19,926,376  | \$ 19,461,799  | \$ 19,696,312  | \$ 19,457,820  | \$ 25,196,898  | \$ 21,583,426  | \$ 21,720,933  |
|   |                |                |                |                |                |                |                |                |                |                |
| Less MADS on Senior Lien                                      | \$ (1,850,718) | \$ (1,786,841) | \$ (1,786,841) | \$ (1,789,085) | \$ (1,789,086) | \$ (1,799,811) | \$ (1,793,410) | \$ (1,496,694) | \$ (1,496,694) | \$ (1,496,694) |
| Less Allocable Essential Services <sup>4</sup>                | (13,126,404)   | (13,237,845)   | (12,617,009)   | (13,304,106)   | (12,388,418)   | (12,879,666)   | (13,368,385)   | (15,203,605)   | (14,715,311)   | (14,557,526)   |
| Available Revenues  | 5,241,855      | 3,362,935      | 5,622,577      | 4,833,185      | 5,284,295      | 5,016,835      | 4,296,025      | 8,496,599      | 5,371,421      | 5,666,713      |
| MADS on Covenant Debt   | 1,881,869      | 1,866,059      | 1,866,059      | 1,881,869      | 1,977,024      | 1,977,024      | 1,255,791      | 991,424        | 991,424        | 991,424        |
| <b>Coverage</b>   | <b>2.79</b>    | <b>1.80</b>    | <b>3.01</b>    | <b>2.57</b>    | <b>2.67</b>    | <b>2.54</b>    | <b>3.42</b>    | <b>8.57</b>    | <b>5.42</b>    | <b>5.72</b>    |

<sup>1</sup> Source is the Statement of Revenues - the current year CAFR

<sup>2</sup> Source is the Statement of Activities - the current year CAFR

<sup>3</sup> This is a calculation: General Fund taxes less ad valorem taxes

<sup>4</sup> This is a calculation: Total Cost of Essential Services multiplied by (Legally Available Non-Ad Valorem Revenues divided by Total Revenues)

**CITY OF LEESBURG, FLORIDA  
DIVERSE GENERAL FUND REVENUE SOURCES**

|   | 2011                 | 2012                 | 2013                 | 2014                 | 2015                 | 2016                 | 2017                 | 2018                 | 2019                 | 2020                 |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
|   | ACTUAL               | ACTUAL               | ACTUAL               | ACTUAL               | ACTUAL               | ACTUAL               | ACTUAL               | ACTUAL               | ACTUAL               | ACTUAL               |
| <b>Revenues Available for CB&amp;A</b>      | <b>\$ 20,218,976</b> | <b>\$ 18,387,620</b> | <b>\$ 20,026,423</b> | <b>\$ 19,926,376</b> | <b>\$ 19,461,798</b> | <b>\$ 19,696,311</b> | <b>\$ 19,457,820</b> | <b>\$ 25,204,453</b> | <b>\$ 21,583,424</b> | <b>\$ 21,720,933</b> |
| <b>Revenues not available for CB&amp;A:</b> |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Ad Valorem Revenues                         | \$ 5,361,571         | \$ 4,858,024         | \$ 4,474,125         | \$ 4,466,447         | \$ 4,491,933         | \$ 4,513,817         | \$ 4,612,604         | \$ 4,754,422         | \$ 4,970,770         | \$ 5,290,494         |
| <b>Non-Ad Valorem Revenues:</b>             |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Grant Revenue                               | 336,265              | 630,350              | 736,319              | 566,155              | 599,120              | 650,735              | 104,388              | 58,334               | 234,826              | 423,496              |
| Charges For Services                        | 150,954              | 171,100              | 46,843               | 330,867              | 467,402              | -                    | 287,807              | 296,094              | 304,753              | 316,358              |
| Miscellaneous Revenues                      | 765,379              | 3,394,119            | 236,409              | 236,734              | 224,661              | 262,770              | 554,040              | 543,670              | 523,544              | 589,465              |
| Fire Assessment Fees                        | -                    | -                    | -                    | -                    | -                    | 1,196,681            | 1,211,016            | 1,212,405            | 1,224,099            | 1,234,217            |
| <b>Total not available for CB&amp;A</b>     | <b>\$ 6,614,169</b>  | <b>\$ 9,053,593</b>  | <b>\$ 5,493,696</b>  | <b>\$ 5,600,203</b>  | <b>\$ 5,783,116</b>  | <b>\$ 6,624,003</b>  | <b>\$ 6,769,855</b>  | <b>\$ 6,864,925</b>  | <b>\$ 7,257,992</b>  | <b>\$ 7,854,030</b>  |

**CITY OF LEESBURG, FLORIDA**  
**SUMMARY OF MAXIMUM ANNUAL NON-AD VALOREM DEBT SERVICE**

| Fiscal<br>Year | Series 2009<br>Capital<br>Improvement | Series 2013<br>Capital<br>Improvement | Series 2015<br>TIF -<br>GL CRA | Series 2016<br>TIF -<br>CRA 441/27 | Aggregate<br>Debt<br>Service |
|----------------|---------------------------------------|---------------------------------------|--------------------------------|------------------------------------|------------------------------|
| 2020           | \$ 481,357                            | \$ 1,015,337                          | \$ 100,715                     | \$ 489,042                         | \$ 2,086,451                 |
| 2021           | 477,167                               | 1,010,262                             | 100,329                        | 498,992                            | 2,086,750                    |
| 2022           | 477,386                               | 1,008,537                             | 100,870                        | 890,554                            | 2,477,347                    |
| 2023           | 476,895                               | 1,002,662                             | 100,338                        | 889,832                            | 2,469,727                    |
| 2024           | 475,695                               | 1,005,287                             | 100,734                        | 889,722                            | 2,471,438                    |
| 2025           | 478,667                               | 1,009,662                             | 101,042                        | 890,198                            | 2,479,569                    |
| 2026           | 475,811                               | 1,006,162                             | 100,277                        | 890,234                            | 2,472,484                    |
| 2027           | 477,128                               | 1,010,337                             | 100,440                        | 889,828                            | 2,477,733                    |
| 2028           | 472,617                               | 1,006,903                             | -                              | 889,984                            | 2,369,504                    |
| 2029           | 472,278                               | 1,006,794                             | -                              | 889,672                            | 2,368,744                    |
| 2030           | 473,336                               | 1,009,269                             | -                              | 889,894                            | 2,372,499                    |
| 2031           | -                                     | 1,009,694                             | -                              | 890,626                            | 1,900,320                    |
| 2032           | -                                     | 1,009,069                             | -                              | 889,838                            | 1,898,907                    |
| 2033           | -                                     | 1,001,910                             | -                              | 890,558                            | 1,892,468                    |
| 2034           | -                                     | 1,008,016                             | -                              | 889,734                            | 1,897,750                    |
| 2035           | -                                     | 1,002,853                             | -                              | 890,392                            | 1,893,245                    |
| 2036           | -                                     | -                                     | -                              | 890,482                            | 890,482                      |
|                | <u>\$ 5,238,337</u>                   | <u>\$ 16,122,754</u>                  | <u>\$ 804,745</u>              | <u>\$ 14,339,582</u>               | <u>\$ 36,505,418</u>         |

**Maximum: \$ 2,479,569**

**CITY OF LEESBURG, FLORIDA  
 AGGREGATE SENIOR LIEN EXISTING DEBT SERVICE  
 BONDS SECURED BY EXPRESS LIEN ON NON-AD VALOREM REVENUES**

| Fiscal<br>Year | Series 2009<br>Cap Improv | Series 2013<br>Cap Improv | Aggregate<br>Debt<br>Service |
|----------------|---------------------------|---------------------------|------------------------------|
| 2020           | \$ 481,357                | \$ 1,015,337              | \$ 1,496,694                 |
| 2021           | 477,167                   | 1,010,262                 | 1,487,429                    |
| 2022           | 477,386                   | 1,008,537                 | 1,485,923                    |
| 2023           | 476,895                   | 1,002,662                 | 1,479,557                    |
| 2024           | 475,695                   | 1,005,287                 | 1,480,982                    |
| 2025           | 478,667                   | 1,009,662                 | 1,488,329                    |
| 2026           | 475,811                   | 1,006,162                 | 1,481,973                    |
| 2027           | 477,128                   | 1,010,337                 | 1,487,465                    |
| 2028           | 472,617                   | 1,006,903                 | 1,479,520                    |
| 2029           | 472,278                   | 1,006,794                 | 1,479,072                    |
| 2030           | 473,336                   | 1,009,269                 | 1,482,605                    |
| 2031           | -                         | 1,009,694                 | 1,009,694                    |
| 2032           | -                         | 1,009,069                 | 1,009,069                    |
| 2033           | -                         | 1,001,910                 | 1,001,910                    |
| 2034           | -                         | 1,008,016                 | 1,008,016                    |
| 2035           | -                         | 1,002,853                 | 1,002,853                    |
|                | <u>\$ 5,238,337</u>       | <u>\$ 16,122,754</u>      | <u>\$ 21,361,091</u>         |

**Maximum: \$ 1,496,694**

**CITY OF LEESBURG, FLORIDA  
 AGGREGATE CB&A DEBT SERVICE  
 MAXIMUM ANNUAL COVENANT DEBT SERVICE**

| Fiscal<br>Year | Series 2015<br>GL CRA | Series 2016<br>CRA<br>Highway 441/27 | Aggregate<br>Debt<br>Service |
|----------------|-----------------------|--------------------------------------|------------------------------|
| 2020           | \$ 100,715            | \$ 489,042                           | \$ 589,757                   |
| 2021           | 100,329               | 498,992                              | 599,321                      |
| 2022           | 100,870               | 890,554                              | 991,424                      |
| 2023           | 100,338               | 889,832                              | 990,170                      |
| 2024           | 100,734               | 889,722                              | 990,456                      |
| 2025           | 101,042               | 890,198                              | 991,240                      |
| 2026           | 100,277               | 890,234                              | 990,511                      |
| 2027           | 100,440               | 889,828                              | 990,268                      |
| 2028           | -                     | 889,984                              | 889,984                      |
| 2029           | -                     | 889,672                              | 889,672                      |
| 2030           | -                     | 889,894                              | 889,894                      |
| 2031           | -                     | 890,626                              | 890,626                      |
| 2032           | -                     | 889,838                              | 889,838                      |
| 2033           | -                     | 890,558                              | 890,558                      |
| 2034           | -                     | 889,734                              | 889,734                      |
| 2035           | -                     | 890,392                              | 890,392                      |
| 2036           | -                     | 890,482                              | 890,482                      |
|                | <u>\$ 804,745</u>     | <u>\$ 14,339,582</u>                 | <u>\$ 15,144,327</u>         |

Maximum: \$ 991,424



**CITY OF LEESBURG, FLORIDA**  
**CAPITAL IMPROVEMENT REFUNDING PROMISSORY NOTE, SERIES 2009**

| Date       | Principal           | Interest            | Debt Service        | Annual<br>Debt Service |
|------------|---------------------|---------------------|---------------------|------------------------|
| 10/01/2019 | \$ 295,000          | \$ 96,667           | \$ 391,667          | \$ -                   |
| 04/01/2020 | -                   | 89,690              | 89,690              | 481,357                |
| 10/01/2020 | 305,000             | 89,690              | 394,690             | -                      |
| 04/01/2021 | -                   | 82,477              | 82,477              | 477,167                |
| 10/01/2021 | 320,000             | 82,477              | 402,477             | -                      |
| 04/01/2022 | -                   | 74,909              | 74,909              | 477,386                |
| 10/01/2022 | 335,000             | 74,909              | 409,909             | -                      |
| 04/01/2023 | -                   | 66,986              | 66,986              | 476,895                |
| 10/01/2023 | 350,000             | 66,986              | 416,986             | -                      |
| 04/01/2024 | -                   | 58,709              | 58,709              | 475,695                |
| 10/01/2024 | 370,000             | 58,709              | 428,709             | -                      |
| 04/01/2025 | -                   | 49,958              | 49,958              | 478,667                |
| 10/01/2025 | 385,000             | 49,958              | 434,958             | -                      |
| 04/01/2026 | -                   | 40,853              | 40,853              | 475,811                |
| 10/01/2026 | 405,000             | 40,853              | 445,853             | -                      |
| 04/01/2027 | -                   | 31,275              | 31,275              | 477,128                |
| 10/01/2027 | 420,000             | 31,275              | 451,275             | -                      |
| 04/01/2028 | -                   | 21,342              | 21,342              | 472,617                |
| 10/01/2028 | 440,000             | 21,342              | 461,342             | -                      |
| 04/01/2029 | -                   | 10,936              | 10,936              | 472,278                |
| 10/01/2029 | 462,400             | 10,936              | 473,336             | 473,336                |
|            | <u>\$ 4,087,400</u> | <u>\$ 1,150,937</u> | <u>\$ 5,238,337</u> | <u>\$ 5,238,337</u>    |

**CITY OF LEESBURG, FLORIDA**  
**CAPITAL IMPROVEMENT REFUNDING REVENUE BONDS, SERIES 2013**

| <b>Date</b> | <b>Principal</b>     | <b>Interest</b>     | <b>Debt Service</b>  | <b>Annual<br/>Debt Service</b> |
|-------------|----------------------|---------------------|----------------------|--------------------------------|
| 10/01/2019  | \$ 565,000           | \$ 229,406          | \$ 794,406           | \$ -                           |
| 04/01/2020  | -                    | 220,931             | 220,931              | 1,015,337                      |
| 10/01/2020  | 580,000              | 220,931             | 800,931              | -                              |
| 04/01/2021  | -                    | 209,331             | 209,331              | 1,010,262                      |
| 10/01/2021  | 605,000              | 209,331             | 814,331              | -                              |
| 04/01/2022  | -                    | 194,206             | 194,206              | 1,008,537                      |
| 10/01/2022  | 630,000              | 194,206             | 824,206              | -                              |
| 04/01/2023  | -                    | 178,456             | 178,456              | 1,002,662                      |
| 10/01/2023  | 665,000              | 178,456             | 843,456              | -                              |
| 04/01/2024  | -                    | 161,831             | 161,831              | 1,005,287                      |
| 10/01/2024  | 700,000              | 161,831             | 861,831              | -                              |
| 04/01/2025  | -                    | 147,831             | 147,831              | 1,009,662                      |
| 10/01/2025  | 725,000              | 147,831             | 872,831              | -                              |
| 04/01/2026  | -                    | 133,331             | 133,331              | 1,006,162                      |
| 10/01/2026  | 755,000              | 133,331             | 888,331              | -                              |
| 04/01/2027  | -                    | 122,006             | 122,006              | 1,010,337                      |
| 10/01/2027  | 775,000              | 122,006             | 897,006              | -                              |
| 04/01/2028  | -                    | 109,897             | 109,897              | 1,006,903                      |
| 10/01/2028  | 800,000              | 109,897             | 909,897              | -                              |
| 04/01/2029  | -                    | 96,897              | 96,897               | 1,006,794                      |
| 10/01/2029  | 830,000              | 96,897              | 926,897              | -                              |
| 04/01/2030  | -                    | 82,372              | 82,372               | 1,009,269                      |
| 10/01/2030  | 860,000              | 82,372              | 942,372              | -                              |
| 04/01/2031  | -                    | 67,322              | 67,322               | 1,009,694                      |
| 10/01/2031  | 890,000              | 67,322              | 957,322              | -                              |
| 04/01/2032  | -                    | 51,747              | 51,747               | 1,009,069                      |
| 10/01/2032  | 915,000              | 51,747              | 966,747              | -                              |
| 04/01/2033  | -                    | 35,163              | 35,163               | 1,001,910                      |
| 10/01/2033  | 955,000              | 35,163              | 990,163              | -                              |
| 04/01/2034  | -                    | 17,853              | 17,853               | 1,008,016                      |
| 10/01/2034  | 985,000              | 17,853              | 1,002,853            | 1,002,853                      |
|             | <u>\$ 12,235,000</u> | <u>\$ 3,887,754</u> | <u>\$ 16,122,754</u> | <u>\$ 16,122,754</u>           |

**CITY OF LEESBURG, FLORIDA  
CAPITAL IMPROVEMENT REVENUE NOTE, SERIES 2015  
(GREATER LEESBURG CRA)**

| Date       | Principal         | Interest         | Debt<br>Service   | Annual<br>Debt Service |
|------------|-------------------|------------------|-------------------|------------------------|
| 10/01/2019 | \$ 81,000         | \$ 10,447        | \$ 91,447         | -                      |
| 04/01/2020 | -                 | 9,268            | 9,268             | 100,715                |
| 10/01/2020 | 83,000            | 9,268            | 92,268            | -                      |
| 04/01/2021 | -                 | 8,061            | 8,061             | 100,329                |
| 10/01/2021 | 86,000            | 8,061            | 94,061            | -                      |
| 04/01/2022 | -                 | 6,809            | 6,809             | 100,870                |
| 10/01/2022 | 88,000            | 6,809            | 94,809            | -                      |
| 04/01/2023 | -                 | 5,529            | 5,529             | 100,338                |
| 10/01/2023 | 91,000            | 5,529            | 96,529            | -                      |
| 04/01/2024 | -                 | 4,205            | 4,205             | 100,734                |
| 10/01/2024 | 94,000            | 4,205            | 98,205            | -                      |
| 04/01/2025 | -                 | 2,837            | 2,837             | 101,042                |
| 10/01/2025 | 96,000            | 2,837            | 98,837            | -                      |
| 04/01/2026 | -                 | 1,440            | 1,440             | 100,277                |
| 10/01/2026 | 99,000            | 1,440            | 100,440           | 100,440                |
|            | <u>\$ 718,000</u> | <u>\$ 86,745</u> | <u>\$ 804,745</u> | <u>\$ 804,745</u>      |

**CITY OF LEESBURG, FLORIDA**  
**TAX INCREMENT REFUNDING REVENUE NOTE, SERIES 2016**  
**(CRA FOR US HIGHWAY 441/27 TIF PROJECT)**

| Date       | Principal            | Interest            | Debt Service         | Annual<br>Debt Service |
|------------|----------------------|---------------------|----------------------|------------------------|
| 11/01/2019 | \$ -                 | \$ 147,021          | \$ 147,021           | \$ -                   |
| 05/01/2020 | 195,000              | 147,021             | 342,021              | 489,042                |
| 11/01/2020 | -                    | 144,496             | 144,496              | -                      |
| 05/01/2021 | 210,000              | 144,496             | 354,496              | 498,992                |
| 11/01/2021 | -                    | 141,777             | 141,777              | -                      |
| 05/01/2022 | 607,000              | 141,777             | 748,777              | 890,554                |
| 11/01/2022 | -                    | 133,916             | 133,916              | -                      |
| 05/01/2023 | 622,000              | 133,916             | 755,916              | 889,832                |
| 11/01/2023 | -                    | 125,861             | 125,861              | -                      |
| 05/01/2024 | 638,000              | 125,861             | 763,861              | 889,722                |
| 11/01/2024 | -                    | 117,599             | 117,599              | -                      |
| 05/01/2025 | 655,000              | 117,599             | 772,599              | 890,198                |
| 11/01/2025 | -                    | 109,117             | 109,117              | -                      |
| 05/01/2026 | 672,000              | 109,117             | 781,117              | 890,234                |
| 11/01/2026 | -                    | 100,414             | 100,414              | -                      |
| 05/01/2027 | 689,000              | 100,414             | 789,414              | 889,828                |
| 11/01/2027 | -                    | 91,492              | 91,492               | -                      |
| 05/01/2028 | 707,000              | 91,492              | 798,492              | 889,984                |
| 11/01/2028 | -                    | 82,336              | 82,336               | -                      |
| 05/01/2029 | 725,000              | 82,336              | 807,336              | 889,672                |
| 11/01/2029 | -                    | 72,947              | 72,947               | -                      |
| 05/01/2030 | 744,000              | 72,947              | 816,947              | 889,894                |
| 11/01/2030 | -                    | 63,313              | 63,313               | -                      |
| 05/01/2031 | 764,000              | 63,313              | 827,313              | 890,626                |
| 11/01/2031 | -                    | 53,419              | 53,419               | -                      |
| 05/01/2032 | 783,000              | 53,419              | 836,419              | 889,838                |
| 11/01/2032 | -                    | 43,279              | 43,279               | -                      |
| 05/01/2033 | 804,000              | 43,279              | 847,279              | 890,558                |
| 11/01/2033 | -                    | 32,867              | 32,867               | -                      |
| 05/01/2034 | 824,000              | 32,867              | 856,867              | 889,734                |
| 11/01/2034 | -                    | 22,196              | 22,196               | -                      |
| 05/01/2035 | 846,000              | 22,196              | 868,196              | 890,392                |
| 11/01/2035 | -                    | 11,241              | 11,241               | -                      |
| 05/01/2036 | 868,000              | 11,241              | 879,241              | 890,482                |
|            | <u>\$ 11,353,000</u> | <u>\$ 2,986,582</u> | <u>\$ 14,339,582</u> | <u>\$ 14,339,582</u>   |



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