

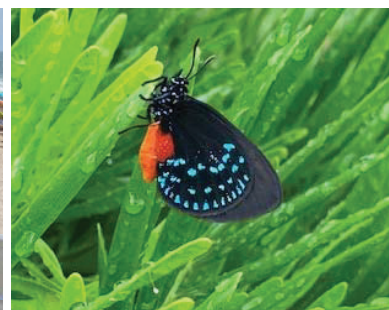
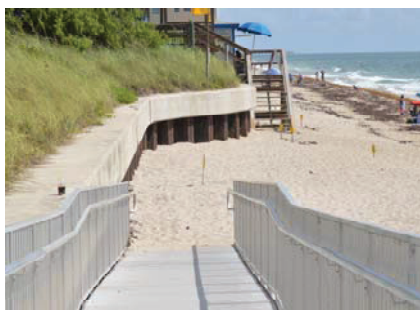


# Annual Comprehensive Financial Report

For the Fiscal Year Ended  
September 30, 2021



*Celebrating 100 years in 2021!*





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

**Prepared by: Finance Department**



## TOWN OF LANTANA, FLORIDA

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## **INTRODUCTORY SECTION**



## Town of Lantana

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**COUNCILMEMBERS**

Malcolm Balfour  
Karen Lythgoe  
Lynn J Moorhouse, D. D. S.  
Mark Zeitler

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500 Greynolds Circle  
Lantana, FL 33462-4544  
(561) 540-5000  
[www.lantana.org](http://www.lantana.org)

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ROBERT HAGERTY  
MAYOR

March 14, 2022

The Honorable Mayor, Members of the Town Council,  
and the Residents of the Town of Lantana

We are pleased to present the Annual Comprehensive Financial Report (ACFR) of the Town of Lantana, Florida (the "Town") for the fiscal year ended September 30, 2021. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with Town management. To the best of our knowledge, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and the results of operations of the various funds. All disclosures necessary to enable the reader to gain an adequate understanding of the Town's financial activities have been included.

The organization and content of this report is based primarily on the financial reporting standards set by the Governmental Accounting Standards Board (GASB) and recommendations of the Government Finance Officers Association of the United States and Canada (GFOA).

The Town's management is responsible for establishing and maintaining an internal control structure designed to ensure the assets of the Town are protected from loss, theft, or misuse. Furthermore, management ensures that accounting data is adequate for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. Internal accounting controls are designed to provide reasonable assurance regarding the safeguarding of assets against loss from unauthorized use or disposition. The controls are also intended to provide assurance as to the reliability of financial statements and accountability for assets. We believe the Town of Lantana's internal accounting controls adequately safeguard assets and provide reasonable assurance as to the proper recording of financial transactions.

In accordance with Section 218.32 Florida Statutes, the Town engaged the firm of Grau & Associates to perform an independent audit of the Town's accounts and records. They have issued an unmodified ("clean") opinion on the Town of Lantana's financial statements for the year ended September 30, 2021. The Independent Auditors' Report is included in the Financial Section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview and analysis of the basic financial statements. The MD&A compliments this letter of transmittal and should be read in conjunction with it.

## **PROFILE OF THE TOWN OF LANTANA**

The Town of Lantana is less than three square miles and is located in Palm Beach County on the southeast Florida coast between West Palm Beach and Fort Lauderdale – 20 minutes south of West Palm Beach and 40 minutes north of Fort Lauderdale. Lantana derived its governmental authority from a charter granted by the State of Florida Legislature in 1921. The Town developed primarily as a residential community and maintains a strong commitment to its over 12,000 residents, focusing on neighborhood programs, services, improving roadway infrastructure and redevelopment.

The Town operates under the Council-Manager form of government. The governing body of the Town is the Town Council, which formulates policies for the administration of the Town. The Town Council is comprised of a mayor and four (4) councilmembers elected at-large for three-year terms. Town Council appoints the Town Manager who serves as the Town's Chief Executive Officer and is responsible for the day-to-day operations of the Town and the implementation of the policies established by Town Council.

The Town provides a full range of municipal services including police, planning and zoning, parks and recreation, library, water and wastewater services, public works, marine safety, road improvements and general administrative services. Fire/Rescue services are contracted with Palm Beach County and solid waste collection is contracted with Waste Pro of Florida, Inc.

The Town's water and wastewater utility incorporates one water treatment plant with a 3.84 million gallon per day permit. The customer base is 100% within the Town's limits servicing over 3,400 accounts. Wastewater treatment is processed by the East Central Regional Wastewater Treatment Facility through an agreement and connection with the City of Lake Worth Beach.

The Town maintains budgetary control at the department level of expenditure. As of fiscal year-end, all expenditures required the Finance Director's authorization. Purchases \$10,000 and greater required the Town Manager's authorization, and purchases of more than \$25,000 required competitive bid and Town Council approval. Exceptions to the bid process can occur in the following cases: sole source vendor; purchases where another governmental agency or purchasing cooperative has an established agreement with vendor; and/or declaration of an emergency by the Town Council or Manager. Budget transfers within departmental cost centers are handled administratively. The Town Council approves budget transfers between departments and budget amendments that increase or decrease total appropriations of a fund. The Town also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts lapse at year-end with capital outlay appropriations added into and re-appropriated as part of the subsequent year's budget.

The Town Council adopts a formal budget for the General Fund, Special Revenue Funds (excluding the Police Forfeiture Fund), the Internal Service Fund and the Water and Sewer Fund. A statement comparing the budgeted revenue and expenditures to actual revenues and expenditures for the General Fund and the budgeted Special Revenue Funds is presented in the financial section of this report.

## LOCAL ECONOMY & FINANCIAL PLANNING

In Lantana, the economic base includes commercial ventures such as Publix, The Carlisle Palm Beach and Costco Wholesale Warehouse as well as approximately 500 smaller businesses including restaurants, retail and service and repair related businesses. These businesses are located in the general commercial corridors and in the Industrial Park properties on the north end of Town.

Over the past 10 years, the Town's population has slightly increased to over 12,000. Taxable property values have consistently increased since fiscal year 2013 and exceeded \$1 billion beginning in fiscal year 2019. However, we strive to manage Town finances using a very conservative approach. Listed below is how the current fund balance of \$18,031,915 within the General Fund is allocated.

Non-spendable:	
Inventory & prepaid costs	\$2,134
Restricted:	
Building permitting activities	1,915,608
Committed:	
Council directed projects	3,300,000
Assigned:	
Contracts	63,927
Subsequent year's expenditures	792,882
Carry-forward expenditures	594,978
Unassigned:	11,362,386
Total Fund Balance	<u>\$18,031,915</u>

The unassigned fund balance is equal to 80% of the adopted fiscal year 2022 General Fund budget. As a coastal community, we are prone to hurricanes and storm events which may require funds to be immediately available for recovery and mitigation purposes.

With the Town's full range of municipal services, we continue to pursue alternatives that will increase annual financial resources while developing and monitoring delivery of public services at minimal cost. The Town's goal of matching revenues to expenditures is on track for maintaining a sound financial condition through prudent administration and oversight. This is also accomplished through reviewing and updating our five-year capital plan in conjunction with revenue projections. However, no formal policy has been created for this review.

## MAJOR INITIATIVES

- During the Coronavirus pandemic, Town staff worked with State and County Officials and Orders to facilitate guidelines within our jurisdiction. The Coronavirus webpage was continuously updated and staff disseminated information to HOA's, POA's and businesses. Additionally, staff participated on weekly conference calls with Palm Beach County.

- The Town's special events program, "Enjoy Lantana!" continued to be successful by modifying in-person events to drive-through events. The program has produced a variety of events including Movies at the Park (drive-in), Egg Hunt (drive-through), Winterfest and the Haunted Nature Preserve.
- Lantana Nature Preserve Improvements: Coordinated cleanup efforts and completed Phase 1 of Lantana Nature Preserve walking trail upgrade from shell rock to concrete and repaired retaining wall.
- Planted Agave plants and ground coverings around Town to upgrade the appearance of Town facilities and properties.
- Marine unit participated in the Manatee Grant educating boaters on vessel safety.
- The Town was designated as a Tree City USA for the 30th consecutive year by the Arbor Day Foundation.
- Repaved multiple roads throughout Town.
- Replaced approximately 1,000 water meters.
- Flow tested and lubricated 347 fire hydrants.
- Pumped and hauled over 20 million gallons of water from Sea Pines subdivision in response to flooding.
- Upgraded roof and windows of the Police Department building to Miami-Dade County hurricane standards.
- Partnered with Brightline for a federal grant to upgrade railroad crossings at Lantana Road and West Ocean Avenue.
- Hosted International Coastal Cleanup event.
- In conjunction with Colin Baenziger & Associates, recruited and hosted four (4) Town Manager candidates for interviews and coordinated the hiring process.
- Responded to over 975 applications; processed and onboarded over 30 new employees.
- Migrated our on-premise Microsoft Exchange email server to Exchange in the cloud.
- Implemented web-based 311 service request system for public use.
- Completed publication and started distribution of more than 5,000 of the Town's Centennial celebration books.
- Coordinated artist for the sculpture commemorating the Town's Centennial.
- The Police Department continued mentoring 15 participants in the Explorer/Cadet program.
- The Police Department coordinated with the Drug Enforcement Agency for the drug disposal program.
- Purchase and implementation of body-worn cameras for sworn law enforcement officers.
- The Code Enforcement Division personnel provided approximately 700 hours of parking enforcement.
- Actively participated in the Palm Beach County Coastal Resilience Partnership with the goal of proactively planning and implementing adoptive measures to withstand today's extreme weather events and prepare for future effects of sea level rise and climate change.
- Improvements to the Library building began for a complete reconstruction of the interior to design and plan a 21st century library.
- The Library offered curbside service during the pandemic closure.
- Library patrons enjoyed 1,287 sessions on the public computers and there were 1,124 Wi-Fi users.

## **AWARDS**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Lantana, Florida for its Annual Comprehensive Financial Report for the fiscal year ended September 30, 2020. This was the 23<sup>rd</sup> consecutive year that the Town has received 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 whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of only one year. We believe our current report continues to conform to Certificate of Achievement Program requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.


## **ACKNOWLEDGMENTS**

The preparation of this report could not have been accomplished without the dedicated service of the entire Finance Department. In addition, we would also like to express our sincere appreciation of Tammy Page, Assistant Finance Director who greatly assisted in the preparation of the Town's financial statements.

We especially wish to thank the Mayor and Town Council for their interest and support in planning and conducting the financial operations of the Town in a responsible and progressive manner. With this support, the Town is able to achieve and maintain a high degree of fiscal health and responsibility.

Respectfully submitted,

  
\_\_\_\_\_  
Brian K. Raducci  
Town Manager

  
\_\_\_\_\_  
Stephen Kaplan  
Finance Director



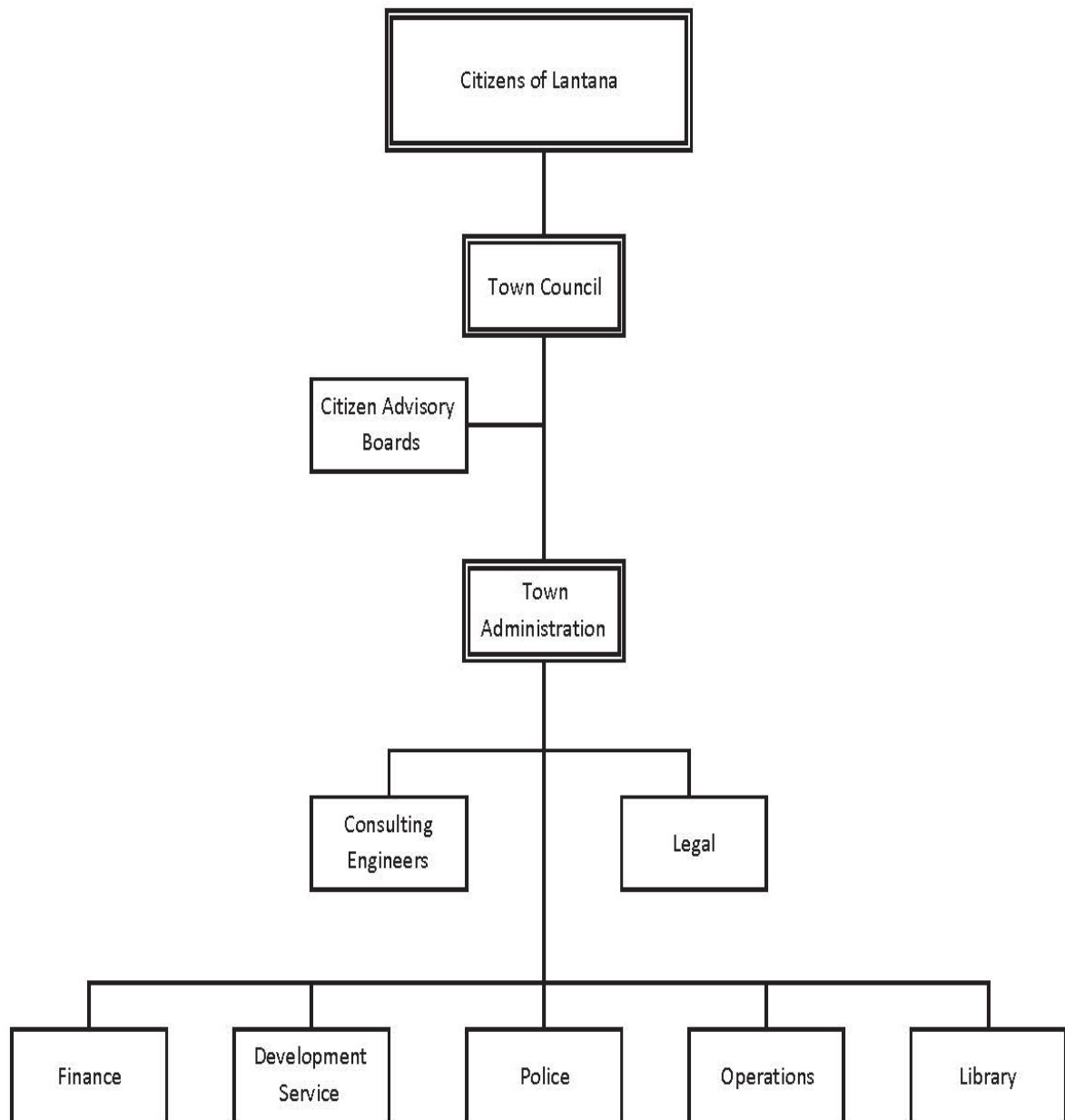
# **TOWN OF LANTANA, FLORIDA**

## **LIST OF PRINCIPAL OFFICIALS**

**SEPTEMBER 30, 2021**

<b>TITLE</b>	<b>NAME</b>
Mayor	Robert Hagerty
Vice Mayor	Malcolm Balfour
Vice Mayor Pro-tem	Karen Lythgoe
Councilmember	Dr. Lynn J. Moorhouse
Councilmember	Mark Zeitler
Town Manager	Brian K. Raducci
Town Attorney	Lohman Law Group, P.A.
Town Engineers	Baxter & Woodman, Inc. Calvin, Giordano & Assoc., Inc. Kimley-Horn & Associates, Inc.
Town Independent Auditors	Grau & Associates
Operations Director	Eddie Crockett
Town Clerk	Kathleen Dominguez
Development Services Director	Nicole A. Dritz
Finance Director	Stephen Kaplan
Library Director	Kristine Kreidler
Police Chief	Sean Scheller

# Town of Lantana Organizational Chart





Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**Town of Lantana  
Florida**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

September 30, 2020

*Christopher P. Morill*

Executive Director/CEO

## **FINANCIAL SECTION**





# Grau & Associates

CERTIFIED PUBLIC ACCOUNTANTS

951 Yamato Road • Suite 280  
Boca Raton, Florida 33431  
(561) 994-9299 • (800) 299-4728  
Fax (561) 994-5823  
[www.graucpa.com](http://www.graucpa.com)

## Independent Auditor's Report

To the Honorable Mayor, Members of the  
Town Council and Town Manager  
Town of Lantana, Florida

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Lantana, Florida, (the "Town") as of and for the fiscal year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Town'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 did not audit the financial statements of the Town of Lantana Police Relief and Pension Fund, which represent all of the total assets, net position, and revenues of the fiduciary fund. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Town of Lantana Police Relief and Pension Fund is based solely on the report of the other auditor. 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 entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### Opinions

In our opinion, based on our audit and the report of other auditors, 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 Town as of September 30, 2021, and the respective changes in financial position, and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedules of changes in net pension and OPEB liability and related ratios, and schedule of contributions 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 and other auditors 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 Town's basic financial statements. The introductory section, combining and individual non-major fund financial statements, non-major budgetary comparison schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual non-major fund financial statements and the non-major budgetary comparison schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic 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 combining and individual non-major fund financial statements, and the non-major budgetary comparison schedules are fairly stated in all material respects in relation to the financial statements as a whole.

The introductory and statistical sections 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 14, 2022, on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control over financial reporting and compliance.



March 14, 2022



## MANAGEMENT'S DISCUSSION AND ANALYSIS

The purpose of financial reporting, in general, is to provide the readers of the financial statements with information that will help them make decisions and draw conclusions about an entity. As management of the Town of Lantana (Town), Florida, we offer readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended September 30, 2021. We encourage readers to consider the information presented here in conjunction with information that we have furnished in our accompanying transmittal letter beginning on Page i, and the accompanying basic financial statements.

### FINANCIAL HIGHLIGHTS

- The Town's net position at September 30, 2021 was \$58.4 million. Of this amount, \$26.2 million (unrestricted net position) may be used to meet the Town's ongoing obligations to citizens and creditors.
- Governmental activities net position was \$35.3 million, an increase of \$4,844,854.
- Business-type activities net position was \$23.1 million, an increase of \$266,892.
- Total revenues from all sources were \$24.2 million, an increase of \$2,324,733.
- Total costs of all Town programs were \$19.1 million, an increase of \$1,058,255.
- Total revenues and other financing sources in the General Fund exceeded total expenditures and other financing uses by \$964,404.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$11.4 million, or 92.8% of total General Fund expenditures.
- The Town's total recorded liability for the implicit rate subsidy of other postemployment benefits (OPEB) was \$697,995, an increase of \$35,154. Governmental and business-type activities increased \$34,912 and \$242, respectively.

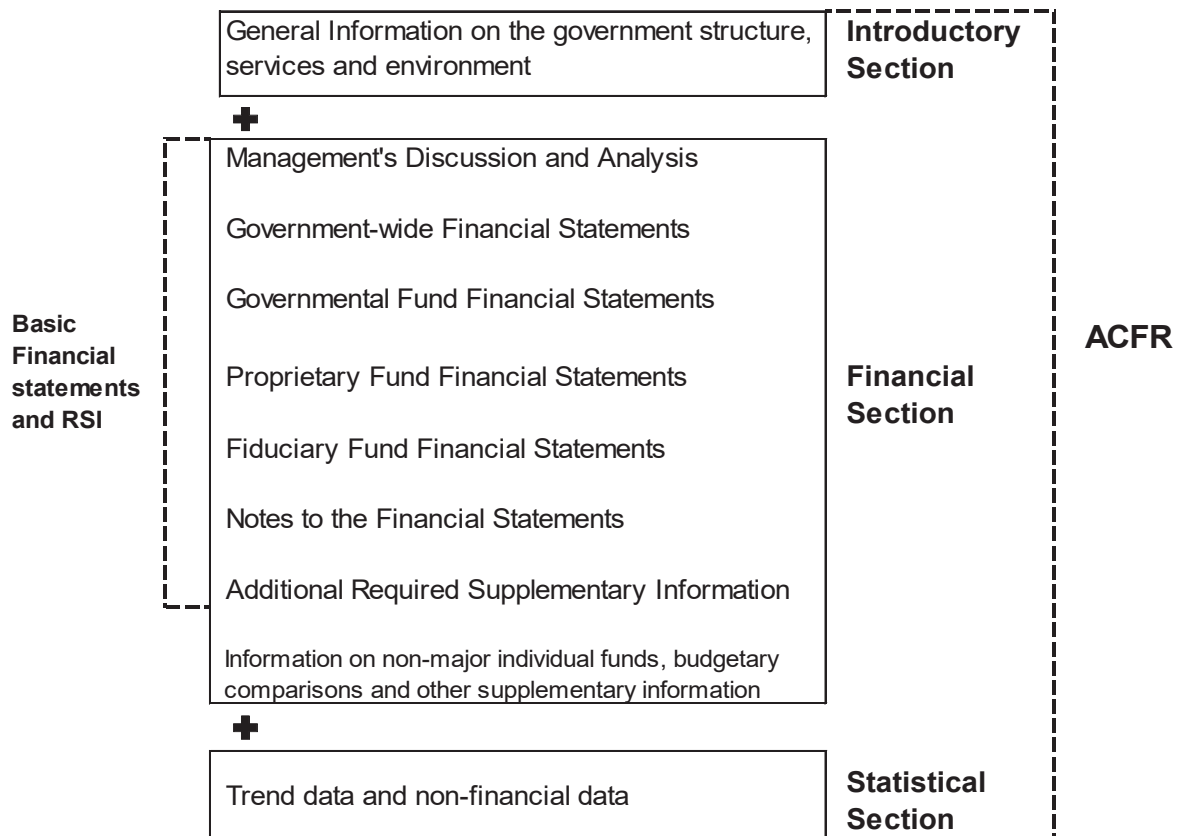
### OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of a series of financial statements. The three components of the basic financial statements are: (1) Government-wide financial statements, which include the Statement of Net Position and the Statement of Activities. These statements provide information about the activities of the Town as a whole. (2) Fund financial statements illustrate how these services were financed in the short term, as well as what remains for future spending. Fund financial statements also report the Town's operations in more detail than the government-wide statements by providing information about the Town's most significant funds. (3) Notes to the financial statements.

Other information such as budgetary comparisons, statements and schedules of the non-major governmental funds, and the statistical section contains data such as financial trends, debt capacity, and demographic, economic and operating information to assist the reader in better understanding the operations of the Town. This report also contains other supplementary information in addition to the basic financial statements.

The financial statement focus is on both the Town as a whole (government-wide) and on the major individual funds. The following graph shows the relationship between the ACFR and the basic financial statements and Required Supplementary Information ("RSI").

**Relationship Between Annual Comprehensive  
Financial Report (ACFR)  
And  
Basic Financial Statements and Required  
Supplementary Information (RSI)**



## GOVERNMENT-WIDE FINANCIAL STATEMENTS

A frequently asked question regarding the Town's financial health is whether the year's activities contributed positively to the overall financial well-being. The Statement of Net Position and the Statement of Activities report information about the Town as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. All current year's revenues and expenses are taken into account, regardless of when cash is received or paid.

These two statements report the Town's net position and changes therein. Net position, the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources, is one way to measure the Town's financial health, or financial position. Over time, increases or decreases in net position is an indicator of whether the financial health is improving or deteriorating.

The Statement of Net Position and the Statement of Activities present information about the following:

- Governmental activities – All of the Town's basic services are considered to be governmental activities, including general government, community development, public safety, public services, library, and recreation.
- Property taxes, sales taxes, utility taxes, and franchise fees finance most of these activities. Proprietary activities/Business-type activities – The Town charges a fee to customers to cover all or most of the cost of the services provided. The Town's Water and Sewer Utility system is reported in this category.

## FUND FINANCIAL STATEMENTS

The fund financial statements provide detailed information about the most significant funds – not the Town as a whole. Some funds are required to be established by State law. However, management establishes other funds to meet legal responsibilities associated with the use of certain taxes, grants, and other monies. The Town's three kinds of funds, *governmental*, *proprietary*, and *fiduciary* use different accounting approaches as explained below:

- *Governmental funds* – Most of the Town's basic services are reported in governmental funds. Governmental funds focus on how resources flow in and out, with the balances remaining at year-end that are available for spending. These funds are reported using an accounting method called the *modified accrual* accounting method, which measures cash and all other *financial* assets that can readily be converted to cash. The governmental fund statements provide a detailed *short-term* view of the Town's general governmental operations and the basic services it provides. Governmental fund information shows whether there are more or less financial resources that can be spent in the near future to finance the Town's programs. The basic governmental fund financial statements can be found on pages 16-19 of this report.
- *Proprietary funds* – These fund financial statements consist of a Statement of Net Position, Statement of Revenues, Expenses, and Changes in Net Position and Statement of Cash Flows. These statements are prepared on the accrual basis which is the accounting basis used to prepare the government-wide financial statements.

The Town uses Enterprise Funds to account for business-type activities that charge fees to customers for the use of specific goods or services. These funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Internal Service Funds are used to account for services provided and billed on an internal basis. The Town uses Internal Service Funds to account for its workers compensation and general liability expenses.

The basic proprietary fund financial statements can be found on pages 20-23 of this report.

- *Fiduciary funds* – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the Town's own programs. The accounting basis used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on pages 24 and 25 of this report.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Town, assets plus deferred outflow of resources exceeded liabilities by \$58.4 million, which increased \$5,111,746 from the previous fiscal year.

The largest portion of the Town's net position (41.1%) reflects its net investment in capital assets (e.g., land, buildings, machinery, and equipment), used to acquire those assets that are still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town's net investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

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**Town of Lantana  
Net Position Summary**

	<b>Governmental Activities</b>		<b>Business-type Activities</b>		<b>Total Activities</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
<b>Assets:</b>						
Current and other assets	\$ 24,244,219	\$ 19,710,314	\$ 15,776,309	\$ 15,391,687	\$ 40,020,528	\$ 35,102,001
Capital assets	15,830,386	16,067,402	8,225,578	8,760,258	24,055,964	24,827,660
<b>Total Assets</b>	<b>40,074,605</b>	<b>35,777,716</b>	<b>24,001,887</b>	<b>24,151,945</b>	<b>64,076,492</b>	<b>59,929,661</b>
<b>Deferred Outflow of Resources:</b>						
Police Pension	629,327	453,238	-	-	629,327	453,238
OPEB	186,035	216,131	3,870	4,657	189,905	220,788
Deferred charge on refunding	-	-	-	24,632	-	24,632
<b>Total Deferred Outflows of Resources</b>	<b>815,362</b>	<b>669,369</b>	<b>3,870</b>	<b>29,289</b>	<b>819,232</b>	<b>698,658</b>
<b>Liabilities:</b>						
Long term debt outstanding	1,678,160	4,345,844	266,145	771,978	1,944,305	5,117,822
Other liabilities	1,200,154	810,441	634,338	570,181	1,834,492	1,380,622
<b>Total Liabilities</b>	<b>2,878,314</b>	<b>5,156,285</b>	<b>900,483</b>	<b>1,342,159</b>	<b>3,778,797</b>	<b>6,498,444</b>
<b>Deferred Inflows of Resources:</b>						
Police Pension	2,456,815	557,782	-	-	2,456,815	557,782
OPEB	263,563	286,597	5,482	6,175	269,045	292,772
<b>Total Deferred Inflows of Resources</b>	<b>2,720,378</b>	<b>844,379</b>	<b>5,482</b>	<b>6,175</b>	<b>2,725,860</b>	<b>850,554</b>
<b>Net Position</b>						
Net investment in capital assets	15,801,650	16,067,402	8,178,064	8,248,569	23,979,714	24,315,971
Restricted	6,125,299	2,968,299	2,076,791	2,118,871	8,202,090	5,087,170
Unrestricted	13,364,326	11,410,720	12,844,937	12,465,460	26,209,263	23,876,180
<b>Total net position</b>	<b>\$ 35,291,275</b>	<b>\$ 30,446,421</b>	<b>\$ 23,099,792</b>	<b>\$ 22,832,900</b>	<b>\$ 58,391,067</b>	<b>\$ 53,279,321</b>

The increase in the government's net position for the fiscal year ended September 30, 2021, was \$5,111,746 compared to an increase of \$3,845,268 for the previous fiscal year. Governmental and Business-type activities accounted for an increase of \$4,844,854 and \$266,892, respectively. Details of these changes are explained later in the analysis.

For both fiscal years presented, the Town was able to report positive balances in all categories of the net position for governmental and business-type activities.

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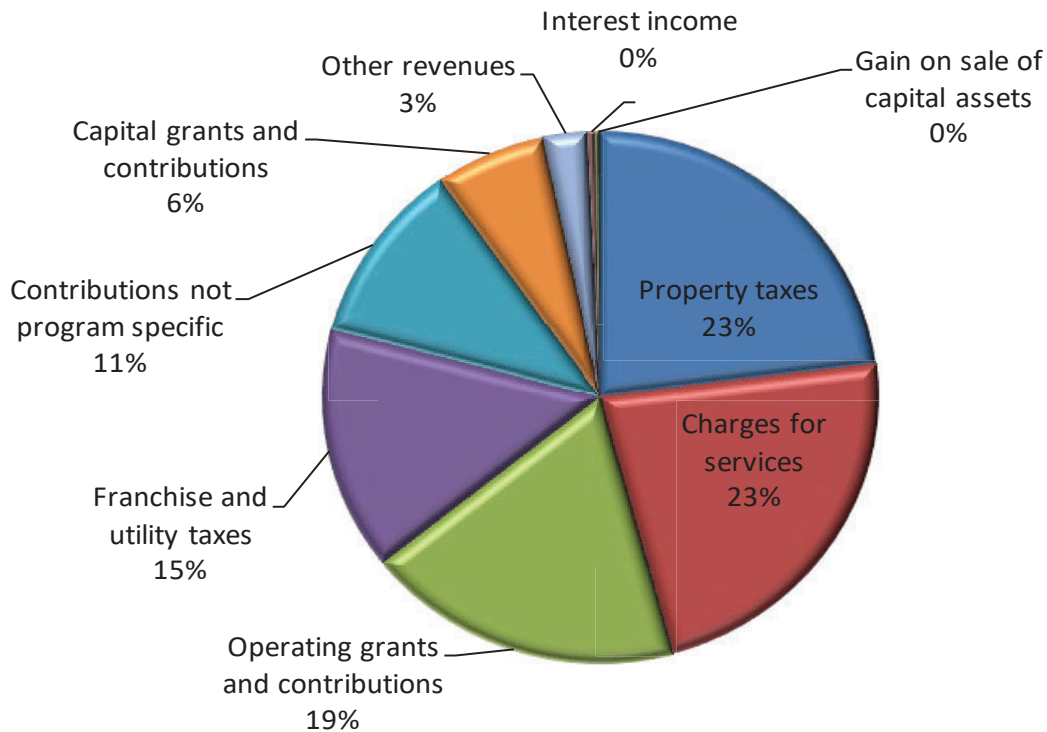
## GOVERNMENTAL ACTIVITIES

Listed below is a schedule that illustrates the revenues, expenses, and changes in net position.

Town of Lantana Changes in Net Position						
	Governmental Activities		Business-type Activities		Total Activities	
	2021	2020	2021	2020	2021	2020
<b>Revenues:</b>						
<u>Program revenues:</u>						
Charges for services	\$ 4,041,906	\$ 4,118,183	\$ 6,330,933	\$ 6,301,259	\$ 10,372,839	\$ 10,419,442
Operating grants and contributions	3,301,722	140,813	-	-	3,301,722	140,813
Capital grants and contributions	1,148,961	1,542,076	-	-	1,148,961	1,542,076
<u>General revenues and transfers:</u>						
Property taxes	4,101,276	3,852,837	-	-	4,101,276	3,852,837
Franchise and utility taxes	2,635,639	2,548,504	-	-	2,635,639	2,548,504
Contributions not program specific	1,979,497	1,753,234			1,979,497	1,753,234
Interest income	72,655	187,778	42,622	126,772	115,277	314,550
Other revenues	457,635	259,318	36,290	1,039,149	493,925	1,298,467
Gain on sale of capital assets	54,681	15,520	6,359	-	61,040	15,520
<b>Total revenues</b>	<b>17,793,972</b>	<b>14,418,263</b>	<b>6,416,204</b>	<b>7,467,180</b>	<b>24,210,176</b>	<b>21,885,443</b>
<b>Expenses:</b>						
<u>Program expenses:</u>						
General government	1,235,562	1,056,190	-	-	1,235,562	1,056,190
Physical environment	4,096,331	3,941,376	-	-	4,096,331	3,941,376
Public safety	6,604,469	6,719,154	-	-	6,604,469	6,719,154
Culture and recreation	1,012,756	812,162	-	-	1,012,756	812,162
Interest	-	-	-	-	-	-
Utility - Water & Sewer	-	-	6,149,312	5,511,293	6,149,312	5,511,293
<b>Total expenses</b>	<b>12,949,118</b>	<b>12,528,882</b>	<b>6,149,312</b>	<b>5,511,293</b>	<b>19,098,430</b>	<b>18,040,175</b>
<b>Changes in net position before transfers</b>	<b>4,844,854</b>	<b>1,889,381</b>	<b>266,892</b>	<b>1,955,887</b>	<b>5,111,746</b>	<b>3,845,268</b>
Transfers in, (out), net	-	-	-	-	-	-
Increase (decrease) in net position	4,844,854	1,889,381	266,892	1,955,887	5,111,746	3,845,268
Net position - October 1,	30,446,421	28,557,040	22,832,900	20,877,013	53,279,321	49,434,053
<b>Net position - September 30</b>	<b>\$ 35,291,275</b>	<b>\$ 30,446,421</b>	<b>\$ 23,099,792</b>	<b>\$ 22,832,900</b>	<b>\$ 58,391,067</b>	<b>\$ 53,279,321</b>

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## Governmental Activities Revenues by Source



The net position for the Town's governmental activities increased \$4,844,854 compared to an increase of \$1,889,381 in the prior year. Significant variances from the prior year are as follows:

- Operating Grants and Contributions significantly increased by \$3,160,909 resulting from receiving the first of two equal tranches of \$3,150,620 from the American Rescue Plan Act ("ARPA"). The second tranche is expected late in fiscal year 2022.
- Property taxes increased by \$248,439, or 6.4% which was a direct result of the total taxable value increasing while the millage rate remained at \$3.5 per \$1,000 of taxable value.
- Capital Grants and Contributions decreased by \$393,115 partially due to the one-time grant for the Police Department's building improvements occurring in the previous fiscal year.
- Due to the continued state of the economy and low interest rate environment, a reduction of \$115,123 in interest income was recognized.
- Total Cost of Services increased \$420,236 partially due to purchases made from one-time grant opportunities for the library.

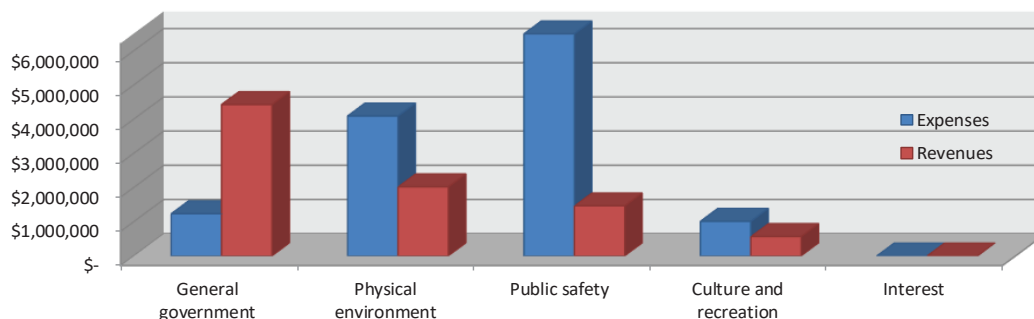
Town programs include general government, physical environment, public safety, and culture and recreational services. General government contains the following departments: legislative, executive, and finance. Physical environment contains public works, utilities, road and street maintenance. Public safety contains police and development services. Culture and recreation includes library, parks, and special events.

Each program's net cost (total cost, less revenues generated by the activities) is presented below. The net cost demonstrates the extent to which the Town's general taxes support each of the Town's programs.

### Town of Lantana Governmental Activities

	Total Cost of Services		Program Revenues		Net Cost of Services	
	2021	2020	2021	2020	2021	2020
General government	\$ 1,235,562	\$ 1,056,190	\$ (4,431,365)	\$ (1,447,317)	\$ (3,195,803)	\$ (391,127)
Physical environment	4,096,331	3,941,376	(2,024,604)	(1,942,615)	2,071,727	1,998,761
Public safety	6,604,469	6,719,154	(1,466,566)	(2,011,844)	5,137,903	4,707,310
Culture and recreation	1,012,756	812,162	(570,054)	(399,296)	442,702	412,866
<b>Total</b>	<b>\$ 12,949,118</b>	<b>\$ 12,528,882</b>	<b>\$ (8,492,589)</b>	<b>\$ (5,801,072)</b>	<b>\$ 4,456,529</b>	<b>\$ 6,727,810</b>

### Expenses & Program Revenues for Governmental Activities



The cost of all governmental activities this year was \$12.9 million. As shown in the Statement of Activities, those who directly benefited from the programs paid \$8.5 million of the cost, and \$4.5 million was financed through general revenues. Ad valorem taxes contributed 23.0% of total governmental activities revenues this fiscal year and 26.7% in the previous fiscal year. In fiscal year 2021, the Town adopted the same millage rate which combined with higher property values provided additional revenue. Details are discussed later in the budget-to-actual analysis.

### BUSINESS-TYPE ACTIVITIES

Business-type activities (Water and Sewer fund) increased the Town's net position by \$266,892 for fiscal year 2021. The net position of the proprietary fund at September 30, 2021, was \$23.1 million. The cost of providing all proprietary (business-type) activities this year increased \$638,019 compared to last year's total cost of \$5.5 million. As shown in the Statement of Activities, amounts paid through user fees were \$6,330,933 which increased \$29,674 due to a minimal rate increase effective the beginning of the fiscal year and increased water consumption. This also partially contributed to the increase in net position.

Expenses increased by \$638,019, or 11.6%. The water treatment and wastewater distribution system encountered increased repairs and maintenance costs in addition to costs to transmit wastewater to the City of Lake Worth Beach's subregional system.

### FINANCIAL ANALYSIS OF THE TOWN'S FUNDS

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

**Governmental Funds** – The focus of the Town's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Town's financing requirements. In particular, 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.



## FINANCIAL ANALYSIS OF THE TOWN'S FUNDS (Continued)

As of the end of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$22,212,859, compared to \$17,366,209 in the prior fiscal year, an increase of \$4,846,650.

Approximately 51% or \$11,356,497 of the \$22 million combined ending fund balances (Governmental Funds) constitutes unassigned fund balance, which is available for spending at the government's discretion. Of the total fund balance, \$2,134 is non-spendable, \$6,945 will be used towards education and training within the Police Department, \$1,915,608 will be used towards the building permitting process, \$904,878 will be used for infrastructure projects, \$3,150,630 will be used for ARPA expenditures and \$124,380 for police forfeiture programs. Approximately \$660,000 is assigned for planned and committed projects not completed by the fiscal year end, and \$792,882 will cover the fiscal year 2021-2022's budget deficit. Further, \$3.3 million is committed towards Council-directed projects.

The General Fund is the chief operating fund for the Town. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to the total fund expenditures. Unassigned fund balance represents 93% of total General Fund expenditures, while total fund balance represents 147% of that same amount.

The General Fund's total fund balance increased \$964,404 with the unassigned balance increasing from \$10,612,333 to \$11,362,386. While many variables affect the increase, a significant factor were revenues exceeded initial expectations. As the economy performed better than expected, we recognized increases in property taxes, sales tax, state revenue sharing and parking meters. Even though interest income decreased, the other revenues exceeded the decrease. For personnel costs, we still find it challenging to hire for vacant positions. These vacancies resulted in less than expected costs even though overtime costs were incurred.

General Fund revenues increased \$378,932 from the previous fiscal year. Of course, some revenues increased and some decreased. However, property taxes recognized an additional \$248,439 through increased property values while levying the same millage rate. Tax related revenues such as sales tax and state revenue sharing increased \$218,000. These increases far exceeded interest income's decline from the previous year by \$112,000.

Expenditures within the General Fund increased \$1,190,865 on a \$12 million fund. During the year, we celebrated the Town's 100<sup>th</sup> centennial event where we commissioned a \$100k art exhibit for Bicentennial Park. We engaged a building permit and inspections firm which increased costs \$90,000, and invested in capital projects with an increase of \$400,404 compared to the previous fiscal year. Details are provided in a later section.

During the year, a Special Revenue Fund was created to account for funds received from the American Rescue Plan Act which resulted in the first of two tranche payments of \$3,150,620 each. The first payment was received late September with the second payment anticipated in September 2022. The Town is still working to develop a plan for its use.

The Infrastructure Surtax fund was created as a Special Revenue Fund to account for the voter-approved "Penny Tax" earmarked for infrastructure projects. Beginning January 1, 2017, the tax sunsets December 31, 2026 or in the event that the total countywide aggregate distribution of surtax proceeds equal or exceed \$2.7 billion on or before September 1<sup>st</sup> of any year. The projects are monitored and reported to a committee coordinated by the Palm Beach County League of Cities. This year's fund revenue included \$930,406 of sales tax and \$237,500 in insurance proceeds due to a damaged project which will be replaced using the surtax funds. The Town incurred \$1,064,502 in project costs resulting in a fund balance after its fifth year of \$904,878.

The Police Forfeiture Fund, also known as the Law Enforcement Trust Fund, remained relatively flat with fund balance increasing \$3,138 to \$124,380.

## **GENERAL FUND BUDGETARY HIGHLIGHTS**

The General Fund budget was amended as follows: increase in revenues of \$47,979, increase of use of fund balance of \$1,728,711, increase in appropriations of \$1,473,690, and increase of transfers out of \$303,000.

Variations between adopted and revised budgets include:

- Increased budget for insurance proceeds of \$23,529.
- Donations and contributions of \$10,950.
- Carry-forward of capital outlay programs from the previous fiscal year of \$1,103,109.

The most significant variances between the final budget and actual amounts were as follows:

- Actual revenues for the 2021 fiscal year were greater as compared to the budget by \$949,399. The greatest variances include the following:
  - Surplus electricity franchise fees of \$44,726.
  - Surplus building permits of \$83,545.
  - FEMA pandemic-related reimbursements of \$70,257.
  - Surplus state revenue sharing of \$56,316.
  - Surplus sales tax of \$234,291.
  - Surplus code fines of \$162,015.
  - Surplus expense reimbursements of \$60,932.
  - Deficit of \$17,675 in business tax receipts.
  - Deficit of \$2,507 in court fines.
  - Deficit of \$10,685 in parking violations.
  - Deficit of \$23,377 in interest income.
  - Deficit of \$27,599 in police reimbursable detail.
- Expenditures were \$1,478,648 less than the final budget for the 2021 fiscal year. About \$658,900 or 45% of the difference is designated for contracts where the full cost has not been recognized and for funded projects yet to begin. Approximately \$623,420 in personnel costs were unspent due to more-than-expected staff vacancies, and \$59,000 was intentional as a way to “pay back” the General Fund’s reserves for the gas line the Town paid in FY 2014.

## **CAPITAL ASSET AND DEBT ADMINISTRATION**

### **CAPITAL ASSETS**

The capital assets of the Town are those assets that are used in the performance of Town functions. Capital assets include equipment, buildings, land, park facilities, etc. The Town previously elected to retroactively apply the capitalization requirements of GASB Statement No. 34 to major general infrastructure assets.

- The Town’s net investment in capital assets for its governmental and business-type activities as of September 30, 2021, amounts to \$24 million.

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

- Centennial art sculpture - \$100,000
- Playground at Bicentennial Park - \$101,000
- Computers - \$42,000
- Nature Preserve pathway - \$145,000
- Five Police vehicles - \$227,000

Additional information on the Town’s capital assets can be found in Note 5 beginning on page 38 of this report

**Town of Lantana  
Capital Assets**

	Governmental Activities		Business-type Activities		Total Activities	
	2021	2020	2021	2020	2021	2020
Land	\$ 2,267,878	\$ 2,267,878	\$ 4,300	\$ 4,300	\$ 2,272,178	\$ 2,272,178
Construction in progress	715,438	10,000	365,125	136,279	1,080,563	146,279
Roads and streets	24,664,214	24,511,972	-	-	24,664,214	24,511,972
Buildings and improvements	11,382,545	11,406,642	10,188,829	10,289,783	21,571,374	21,696,425
Infrastructure	-	-	13,526,839	13,811,347	13,526,839	13,811,347
Furniture, equipment & vehicles	4,530,289	4,380,220	1,874,681	1,802,428	6,404,970	6,182,648
Intangible assets	244,908	244,908	3,246,342	3,246,342	3,491,250	3,491,250
<b>Total assets</b>	<b>\$ 43,805,272</b>	<b>\$ 42,821,620</b>	<b>\$ 29,206,116</b>	<b>\$ 29,290,479</b>	<b>\$ 73,011,388</b>	<b>\$ 72,112,099</b>
Less accumulated depreciation	(27,974,886)	(26,754,218)	(20,980,538)	(20,530,221)	(48,955,424)	(47,284,439)
<b>Total</b>	<b>\$ 15,830,386</b>	<b>\$ 16,067,402</b>	<b>\$ 8,225,578</b>	<b>\$ 8,760,258</b>	<b>\$ 24,055,964</b>	<b>\$ 24,827,660</b>

**LONG-TERM DEBT**

Currently, the Town uses debt financing on an as-needed basis. At the end of the current fiscal year, the Town's total debt was \$47,514, a reduction of \$488,807, or 91% as compared to the previous fiscal year.

No debt is backed by the full faith and credit of the government. Water and sewer revenues secure the bonds and notes. During periods where capital leases are utilized, the corresponding equipment secures the debt.

**Town of Lantana  
Outstanding Debt**

	Governmental Activities		Business-type Activities		Total Activities	
	2021	2020	2021	2020	2021	2020
Bonds and loans payable	\$ -	\$ -	\$ 47,514	\$ 536,321	\$ 47,514	\$ 536,321
<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 47,514</b>	<b>\$ 536,321</b>	<b>\$ 47,514</b>	<b>\$ 536,321</b>

In addition, the Town has a liability for compensated absence of \$875,456 and an OPEB liability of \$697,996. Additional information on the Town's debt can be found in Note 6 beginning on page 40 of this report.

**NEXT YEAR'S BUDGET AND ECONOMIC FACTORS**

When developing next year's budget, the primary economic factor affecting the budget continued to be the uncertainty of the effects from the pandemic and to use a conservative growth in General Fund revenues. Property taxes are anticipated to increase by \$320,000 as a budget-to-budget comparison. Overall, the total fund's revenue is anticipated to increase approximately \$281,000 or 2% compared to FY 2021's actual revenues. The two significant increases include building permits as Water Tower Commons continues to build the commercial portion of their site and property taxes. Other one-time revenues, such as grants for pandemic-related purchases are not anticipated to reoccur; however, expenses will reduce, as well. The pandemic's effect is expected to lessen its negative impact on the economy which directly affects revenues such as State Revenue Sharing, Half Cent Sales Tax and interest income.

## **NEXT YEAR'S BUDGET AND ECONOMIC FACTORS (Continued)**

The taxable value of property is anticipated to continue increasing in the coming year. Increased taxable value can translate into additional revenue when maintaining or raising the millage rate. Property tax is the single largest revenue source within the General Fund accounting for 33% of the fund. The budget was crafted using a 9% increase in taxable property values. The budget was adopted with the same millage rate of \$3.5 per \$1,000 which is 5.81% above the roll-back rate of \$3.3079. This translates into over \$320,000 of additional tax revenue to be recognized compared to the previous fiscal year.

Palm Beach County provides fire rescue services using an MSTU (municipal services taxing unit) and tax Lantana property owners \$3.4581 per \$1,000 of taxable value. This rate is deducted from the maximum allowable tax rate of 10 mills leaving 6.5419 mills available.

As the economy continues to be unpredictable, we'll continue employing a strategic plan to conservatively budget revenues and reduce expenditures wherever and whenever possible using excess reserves only when warranted and approved by our Council.

We anticipate taxable values will continue to increase above the market as the Water Tower Commons project continues and is subsequently added to the tax roll. Also, depending on the types of businesses approved at the location, increased job opportunities are anticipated.

The Town continues to retain a healthy fund balance within the General Fund. The fiscal year 2021 unassigned fund balance is almost \$11.4 million. When comparing this as a percentage to fiscal year 2022 budgeted expenditures, it can be used as a decent indicator of the Town's fiscal health. The unassigned balance accounts for 87% of fiscal year 2022's General Fund originally adopted operating budget (not including debt or capital); however, even when including the total adopted budget, it still accounts for 80%. A portion of the assigned fund balance (\$63,927) is earmarked for projects currently in progress but anticipated to conclude in the following year. Approximately \$594,978 of the assigned balances will be used for projects approved, but yet to begin. Finally, almost \$800,000 of the assigned fund balance will be used to fund the excess expenditures over revenues in fiscal year 2022.

The use of the remaining fund balance changes from year to year. In some years, large capital equipment is purchased; in other years, it's the Council's direction to refrain from its use. Finally, as we continue to grow fund balance, it will assist the funding of future years' projects.

In considering the Town's budget for fiscal year 2021-2022, the Town Council and management were conservative as to the growth of revenues and expenditures.

## **CONTACTING THE TOWN'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the Town's finances and to show the Town's accountability for the money it receives and spends. If you have questions about this report or need additional financial information, contact the Town's Finance Department at the Town of Lantana, 500 Greynolds Circle, Lantana, Florida 33462 or by emailing [accounting@lantana.org](mailto:accounting@lantana.org).



## **BASIC FINANCIAL STATEMENTS**

**TOWN OF LANTANA, FLORIDA**  
**STATEMENT OF NET POSITION**  
**SEPTEMBER 30, 2021**

	Primary Government		
	Governmental	Business-Type	Total
	Activities	Activities	
<b>Assets</b>			
Current assets:			
Cash and cash equivalents	\$ 12,635,007	\$ 9,884,408	\$ 22,519,415
Investments	6,649,426	2,997,016	9,646,442
Restricted cash and cash equivalents	3,884,991	166,308	4,051,299
Restricted investments	-	2,076,791	2,076,791
Intergovernmental receivables	708,524	-	708,524
Assessments receivable	67,964	-	67,964
Accounts receivable, net	295,423	651,186	946,609
Prepaid costs and inventories	2,884	600	3,484
<b>Total current assets</b>	<b>24,244,219</b>	<b>15,776,309</b>	<b>40,020,528</b>
Noncurrent assets:			
Nondepreciable capital assets	2,983,316	532,928	3,516,244
Depreciable capital assets, net	12,847,070	7,692,650	20,539,720
<b>Total noncurrent assets</b>	<b>15,830,386</b>	<b>8,225,578</b>	<b>24,055,964</b>
<b>Total assets</b>	<b>40,074,605</b>	<b>24,001,887</b>	<b>64,076,492</b>
<b>Deferred outflows of resources</b>			
Police Pension	629,327	-	629,327
OPEB	186,035	3,870	189,905
<b>Total deferred outflows of resources</b>	<b>815,362</b>	<b>3,870</b>	<b>819,232</b>
<b>Liabilities, Deferred Inflows of Resources and Net Position</b>			
<b>Liabilities:</b>			
Current liabilities:			
Accounts payable and accrued liabilities	950,753	465,761	1,416,514
Unearned revenues	220,665	-	220,665
Retainage payable	28,736	2,269	31,005
Customer deposits payable from restricted assets	-	166,308	166,308
Noncurrent liabilities due within one year	293,654	142,460	436,114
<b>Total current liabilities</b>	<b>1,493,808</b>	<b>776,798</b>	<b>2,270,606</b>
Noncurrent liabilities:			
Net pension liability	323,340	-	323,340
Net OPEB liability	683,772	14,223	697,995
Due in more than one year	377,394	109,462	486,856
<b>Total noncurrent liabilities</b>	<b>1,384,506</b>	<b>123,685</b>	<b>1,508,191</b>
<b>Total liabilities</b>	<b>2,878,314</b>	<b>900,483</b>	<b>3,778,797</b>
<b>Deferred inflows of resources:</b>			
Police Pension	2,456,815	-	2,456,815
OPEB	263,563	5,482	269,045
<b>Total deferred inflows of resources</b>	<b>2,720,378</b>	<b>5,482</b>	<b>2,725,860</b>
<b>Net position:</b>			
Net investment in capital assets	15,801,650	8,175,795	23,977,445
Restricted for:			
Building permitting activities	1,915,608	-	1,915,608
American Rescue Plan Act ("ARPA")	3,150,630	-	3,150,630
Law enforcement	131,325	-	131,325
Infrastructure surtax fund	927,736	-	927,736
Impact fee capital costs	-	2,076,791	2,076,791
Unrestricted	13,364,326	12,847,206	26,211,532
<b>Total net position</b>	<b>\$ 35,291,275</b>	<b>\$ 23,099,792</b>	<b>\$ 58,391,067</b>

See notes to the financial statement



**TOWN OF LANTANA, FLORIDA**  
**STATEMENT OF ACTIVITIES**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

Function/Program	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-Type Activities	Total
Primary government:							
Governmental activities:							
General government	\$ 1,235,562	\$ 1,221,878	\$ 3,209,487	\$ -	\$ 3,195,803	\$ -	\$ 3,195,803
Public safety	6,604,469	1,240,606	85,789	140,171	(5,137,903)	-	(5,137,903)
Physical environment	4,096,331	1,094,198	-	930,406	(2,071,727)	-	(2,071,727)
Culture and recreation	1,012,756	485,224	6,446	78,384	(442,702)	-	(442,702)
Total government activities	12,949,118	4,041,906	3,301,722	1,148,961	(4,456,529)	-	(4,456,529)
Business-type activities:							
Water and sewer	6,149,312	6,330,933	-	-	-	181,621	181,621
Total business-type activities	6,149,312	6,330,933	-	-	-	181,621	181,621
Total primary government	19,098,430	10,372,839	3,301,722	1,148,961	(4,456,529)	181,621	(4,274,908)
General revenues:							
Property taxes					4,101,276	-	4,101,276
Franchise taxes and utility taxes					2,635,639	-	2,635,639
Contributions not restricted to specific programs					1,979,497	-	1,979,497
Interest income					72,655	42,622	115,277
Other revenues					457,635	36,290	493,925
Gain on sale of capital assets					54,681	6,359	61,040
Total general revenues and transfers					9,301,383	85,271	9,386,654
Change in net position					4,844,854	266,892	5,111,746
Net position - beginning					30,446,421	22,832,900	53,279,321
Net position, ending					\$ 35,291,275	\$ 23,099,792	\$ 58,391,067

See notes to the financial statement

**TOWN OF LANTANA, FLORIDA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2021**

	<b>Major Funds</b>		<b>Nonmajor</b>	<b>Total</b>
	<b>General</b>	<b>Special</b>	<b>Governmental</b>	<b>Governmental</b>
	<b>Fund</b>	<b>Revenue</b>	<b>Funds</b>	<b>Funds</b>
		<b>Fund - ARPA</b>		
<b>Assets</b>				
Cash and cash equivalents	\$ 11,884,841	\$ -	\$ -	\$ 11,884,841
Investments	6,649,426	-	-	6,649,426
Restricted cash and cash equivalents	-	3,150,630	734,361	3,884,991
Receivables:				
Intergovernmental	293,538	-	414,986	708,524
Assessments receivable	67,964	-	-	67,964
Accounts receivable, net	295,423	-	-	295,423
Prepaid costs and inventories	2,134	-	750	2,884
Total assets	<u>\$ 19,193,326</u>	<u>\$ 3,150,630</u>	<u>\$ 1,150,097</u>	<u>\$ 23,494,053</u>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>				
Liabilities:				
Accounts payable and accrued liabilities	\$ 859,716	\$ -	\$ 91,037	\$ 950,753
Unearned revenues	220,665	-	-	220,665
Retainage payable	5,878	-	22,858	28,736
Total liabilities	<u>1,086,259</u>	<u>-</u>	<u>113,895</u>	<u>1,200,154</u>
Deferred Inflows of Resources:				
Unavailable revenue	75,152		5,888	81,040
Total deferred inflows of resources	<u>75,152</u>	<u>-</u>	<u>5,888</u>	<u>81,040</u>
Fund balances:				
Non-spendable for prepaid costs and inventories	2,134	-	-	2,134
Restricted for:				
Building permitting activities	1,915,608	-	-	1,915,608
American Rescue Plan Act ("ARPA")	-	3,150,630	-	3,150,630
Infrastructure	-	-	904,878	904,878
Law enforcement	-	-	131,325	131,325
Committed for Council directed projects	3,300,000	-	-	3,300,000
Assigned for:				
Contracts	63,927	-	-	63,927
Carry-forward expenditures	594,978	-	-	594,978
Subsequent year's expenditures	792,882	-	-	792,882
Unassigned	11,362,386	-	(5,889)	11,356,497
Total fund balances	<u>18,031,915</u>	<u>3,150,630</u>	<u>1,030,314</u>	<u>22,212,859</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 19,193,326</u>	<u>\$ 3,150,630</u>	<u>\$ 1,150,097</u>	<u>\$ 23,494,053</u>

See notes to the financial statements

**TOWN OF LANTANA, FLORIDA  
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET POSITION  
SEPTEMBER 30, 2021**

Fund balance - governmental funds		\$ 22,212,859
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial assets therefore, are not reported as assets in the governmental funds. The statement of net position includes those capital assets, net of any accumulated depreciation, in the net position of the government as a whole.

Cost of capital assets	43,805,272	
Accumulated depreciation	<u>(27,974,886)</u>	15,830,386

Assets that are not available to pay for current-period expenditures are unavailable in the fund statements.	81,040
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The net pension liability is not reported as a liability in the fund financial statements, but is reported as a liability in the government-wide financial statements.	(323,340)
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The net OPEB liability is not reported as a liability in the fund financial statements, but is reported as a liability in the government-wide financial statements.	(683,772)
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Deferred outflows of resources related to the pension are recorded in the statement of net position.	629,327
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Deferred inflows of resources related to the pension are recorded in the statement of net position.	(2,456,815)
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Deferred outflows of resources related to OPEB are recorded in the statement of net position.	186,035
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Deferred inflows of resources related to OPEB are recorded in the statement of net position.	(263,563)
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Internal service funds are used by management to charge the insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.	750,166
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Liabilities not due and payable from current available resources are not reported as liabilities in the governmental fund statements. All liabilities, both current and long-term, are reported in the government-wide financial statements.

Compensated absences	(671,048)	
Net position of governmental activities	<u>\$ 35,291,275</u>	

See notes to the financial statements

**TOWN OF LANTANA, FLORIDA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**GOVERNMENTAL FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

	<b>Major Funds</b>		<b>Nonmajor</b>	<b>Total</b>
	<b>General</b>	<b>Special</b>	<b>Governmental</b>	<b>Governmental</b>
	<b>Fund</b>	<b>Revenue</b>	<b>Funds</b>	<b>Funds</b>
		<b>Fund - ARPA</b>		
Revenues:				
Property taxes	\$ 4,101,276	\$ -	\$ -	\$ 4,101,276
Franchise fees and utility taxes	2,635,639	-	-	2,635,639
Other taxes	245,039	-	-	245,039
Permits and fees	682,954	-	-	682,954
Intergovernmental	1,999,267	-	930,406	2,929,673
Charges for services	557,785	-	-	557,785
Fines and forfeitures	347,066	-	29,505	376,571
Interest income	72,623	10	32	72,665
Grant revenue	76,703	3,150,620	892,243	4,119,566
Interlocal agreements	850,445	-	-	850,445
Special assessments	1,149,138	-	-	1,149,138
Other revenues	484,864	-	237,500	722,364
Total revenues	13,202,799	3,150,630	2,089,686	18,443,115
Expenditures:				
Current:				
General government	1,213,972	-	-	1,213,972
Public safety	6,974,572	-	62,775	7,037,347
Physical environment	2,825,028	-	500,733	3,325,761
Culture and recreation	668,183	-	53,827	722,010
Capital outlay	556,640	-	740,735	1,297,375
Total expenditures	12,238,395	-	1,358,070	13,596,465
Excess (deficiency) of revenues over expenditures	964,404	3,150,630	731,616	4,846,650
Other financing sources (uses):				
Transfers in	-	-	28,352	28,352
Transfers out	-	-	(28,352)	(28,352)
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	964,404	3,150,630	731,616	4,846,650
Fund balances, beginning	17,067,511	-	298,698	17,366,209
Fund balances, ending	\$ 18,031,915	\$ 3,150,630	\$ 1,030,314	\$ 22,212,859

See notes to the financial statements

**TOWN OF LANTANA, FLORIDA**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

Net change in fund balances - total governmental funds	\$ 4,846,650
Amounts reported for governmental activities in the statement of activities are different because:	
Capital assets are reported in the governmental fund as expenditures. However, in the statement of activities, the cost of certain of these assets are eliminated and capitalized as capital assets.	1,442,569
Depreciation of capital assets is not recognized in the governmental fund statement but is reported as an expense on the statement of activities.	(1,732,900)
Donated capital assets are reported on the government-wide statement of activities but not on the governmental fund financial statements.	53,315
Current changes in unavailable revenue. Certain revenues were unavailable for the governmental fund financial statements in the prior fiscal year. In the current fiscal year, these revenues were recorded in the governmental fund financial statements. Also, current revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental fund financial statements.	(702,458)
Expenses reported in the statement of activities that do not require the use of current financial resources are not reported as expenditures in the fund financial statements. The details of the differences are as follows:	
Current change in compensated absence	20,924
Current change in net OPEB liability and related deferred inflows and outflows of resources	(41,974)
Current change in net pension liability and related deferred inflows and outflows of resources	958,728
Change in net position of governmental activities	<u>\$ 4,844,854</u>

See notes to the financial statements

**TOWN OF LANTANA, FLORIDA**  
**STATEMENT OF NET POSITION - PROPRIETARY FUNDS**  
**SEPTEMBER 30, 2021**

	<b>Business-Type Activities</b>	<b>Governmental Activities</b>
	<b>Water and Sewer Fund</b>	<b>Internal Service Fund</b>
<b>Assets</b>		
Current Assets		
Cash and cash equivalents	\$ 9,884,408	\$ 750,166
Investments	2,997,016	-
Restricted cash and cash equivalents	166,308	-
Restricted investments	2,076,791	-
Accounts receivable, net	651,186	-
Prepaid costs	600	-
<b>Total current assets</b>	<b>15,776,309</b>	<b>750,166</b>
Capital Assets		
Land	4,300	-
Construction in progress	365,125	-
Buildings and plant	10,188,829	-
Infrastructure	13,526,839	-
Property and equipment	1,874,681	-
Intangible assets	3,246,342	-
<b>Total capital assets</b>	<b>29,206,116</b>	<b>-</b>
Less accumulated depreciation	(20,980,538)	-
<b>Net capital assets</b>	<b>8,225,578</b>	<b>-</b>
<b>Total noncurrent assets</b>	<b>8,225,578</b>	<b>-</b>
<b>Total assets</b>	<b>24,001,887</b>	<b>750,166</b>
<b>Deferred Outflows of Resources</b>		
OPEB	3,870	-
<b>Total deferred outflows of resources</b>	<b>3,870</b>	<b>-</b>
<b>Liabilities</b>		
Current Liabilities		
Accounts payable and accrued liabilities	465,761	-
Contracts and retainage payable	2,269	-
Customer deposits payable		
from restricted assets	166,308	-
Compensated absences	94,946	-
Revenue bonds payable	47,514	-
<b>Total current liabilities</b>	<b>776,798</b>	<b>-</b>
Long-Term Liabilities		
Compensated absences	109,462	-
Net OPEB liability	14,223	-
<b>Total long-term liabilities</b>	<b>123,685</b>	<b>-</b>
<b>Total liabilities</b>	<b>900,483</b>	<b>-</b>
<b>Deferred Inflows of Resources</b>		
OPEB	5,482	-
<b>Total deferred outflows of resources</b>	<b>5,482</b>	<b>-</b>
<b>Net Position</b>		
Net investment in capital assets	8,175,795	-
Restricted for impact fee capital costs	2,076,791	-
Unrestricted	12,847,206	750,166
<b>Total net position</b>	<b>\$ 23,099,792</b>	<b>\$ 750,166</b>

See notes to the financial statements

**TOWN OF LANTANA, FLORIDA**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN**  
**NET POSITION - PROPRIETARY FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

	<b>Business-Type Activities</b>	<b>Governmental Activities</b>
	<b>Water and Sewer Fund</b>	<b>Internal Service Fund</b>
Operating revenues:		
Charges for services	\$ 6,330,933	\$ 588,374
Miscellaneous revenue	42,649	-
Total operating revenues	<u>6,373,582</u>	<u>588,374</u>
Operating expenses:		
Salaries and fringe benefits	1,839,313	-
Cost of sales and services	3,386,890	-
General and administrative	-	588,374
Depreciation and amortization	917,569	-
Total operating expenses	<u>6,143,772</u>	<u>588,374</u>
Operating income (loss)	<u>229,810</u>	<u>-</u>
Nonoperating revenues (expenses):		
Interest income	42,622	-
Interest expense and fiscal charges	(5,540)	-
Total nonoperating revenues (expenses)	<u>37,082</u>	<u>-</u>
Change in net position	266,892	-
Net position - beginning	<u>22,832,900</u>	<u>750,166</u>
Net position - ending	<u><u>\$ 23,099,792</u></u>	<u><u>\$ 750,166</u></u>

See notes to the financial statements

**TOWN OF LANTANA, FLORIDA**  
**STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

	<b>Business-Type Activities</b>	<b>Governmental Activities</b>
	<b>Water and Sewer Fund</b>	<b>Internal Service Fund</b>
Cash Flows From Operating Activities		
Receipts from customers and users	\$ 6,451,069	\$ -
Receipts from interfund services	-	588,374
Payments to suppliers	(3,313,122)	(588,374)
Payments to employees	(1,856,245)	-
Other receipts	42,649	-
<b>Net cash provided by (used in) operating activities</b>	<b>1,324,351</b>	<b>-</b>
Cash Flows From Capital and Related Financing Activities		
Purchase of capital assets	(355,988)	-
Interest paid on long-term debt	(5,540)	-
Principal paid on debt	(488,807)	-
<b>Net cash provided by (used in) capital and related financing activities</b>	<b>(850,335)</b>	<b>-</b>
Cash Flows From Investing Activities		
Purchase of investments	(7,890)	-
Interest received	42,622	-
<b>Net cash provided by (used in) investing activities</b>	<b>34,732</b>	<b>-</b>
Net increase (decrease) in cash and cash equivalents	508,748	-
Cash and cash equivalents, beginning	9,541,968	750,166
Cash and cash equivalents, ending	<u>\$ 10,050,716</u>	<u>\$ 750,166</u>
Reconciliation to the statement of net position:		
Cash and cash equivalents	\$ 9,884,408	\$ 750,166
Restricted assets, cash	166,308	-
	<u>\$ 10,050,716</u>	<u>\$ 750,166</u>

**(Continued)**

See notes to the financial statements



**TOWN OF LANTANA, FLORIDA**  
**STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**  
**(Continued)**

	<b>Business-Type Activities</b>	<b>Governmental Activities</b>
	<b>Water and Sewer Fund</b>	<b>Internal Service Fund</b>
Reconciliation of Operating Income (loss) to Net Cash		
Provided By (Used In) Operating Activities		
Operating income (loss)	\$ 229,810	\$ -
Adjustments to reconcile operating income (loss)		
to net cash provided by (used in) operating activities:		
Depreciation and amortization	917,569	-
Changes in assets and liabilities:		
(Increase) decrease in accounts receivable	131,366	-
(Increase) decrease in other assets	650	-
(Increase) decrease in OPEB deferred outflow	787	-
Increase (decrease) in accounts payable	73,118	-
Increase (decrease) in other liabilities	(11,230)	-
Increase (decrease) in compensated absences	(17,268)	-
Increase (decrease) in net OPEB liability	242	-
Increase (decrease) in OPEB deferred inflow	(693)	-
Total adjustments	1,094,541	-
Net cash provided by (used in) operating activities	\$ 1,324,351	\$ -

See notes to the financial statements

**TOWN OF LANTANA, FLORIDA**  
**STATEMENT OF FIDUCIARY NET POSITION – PENSION TRUST FUND**  
**SEPTEMBER 30, 2021**

**Assets**

Cash	\$ 5,810
Investments, at fair value:	
U.S. Government obligations	3,339,668
Corporate bonds	1,023,960
Domestic fixed income investment fund	668,601
Domestic equity investment fund	12,256,187
International equity investment fund	3,691,700
Real estate investment funds	1,716,578
Temporary investment funds	480,774
Receivables	
Plan members receivable	6,625
Interest receivable	17,699
Prepaid costs	2,665
<b>Total assets</b>	<u>23,210,267</u>

**Liabilities**

Accounts payable	8,980
Due to broker	171,631
<b>Total liabilities</b>	<u>180,611</u>

<b>Net position restricted for pensions</b>	<u><u>\$ 23,029,656</u></u>
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See notes to the financial statements

**TOWN OF LANTANA, FLORIDA**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**PENSION TRUST FUND**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

Additions

Contributions:

Town	\$ 933,367
Members	179,196
State/Other	<u>143,591</u>
<b>Total contributions</b>	<u>1,256,154</u>

Investment earnings:

Net increase in value of investments	3,403,888
Interest and dividend income	607,000
Investment expense	<u>(54,435)</u>
<b>Net investment earnings</b>	<u>3,956,453</u>
<b>Total additions</b>	<u>5,212,607</u>

Deductions:

Benefits	654,567
Refunds of contribution	34,927
Administrative expense	<u>67,988</u>
<b>Total deductions</b>	<u>757,482</u>

<b>Net increase</b>	4,455,125
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Net position held in trust for pension benefits

Beginning	<u>18,574,531</u>
Ending	<u><u>\$ 23,029,656</u></u>

See notes to the financial statements



## **NOTES TO FINANCIAL STATEMENTS**

**TOWN OF LANTANA, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**

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

The Town of Lantana, Florida (the Town) was originally incorporated in 1921 pursuant to Chapter 8998, Laws of Florida. It was re-incorporated in 1931 by Chapter 15302, Laws of Florida. The Town operates under a Council-Manager form of government. The Town is governed by an elected Mayor and a four-member Town Council (the "Council"), which appoints a Town Manager. The Town provides the following services: public safety, recreation, sanitation, streets and roads, planning and zoning, water and sewer, and general administrative services.

The basic financial statements of the Town have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the Town's more significant policies:

**a. Reporting Entity**

Under governmental accounting and financial reporting standards, the Town's reporting entity consists of the Town, organizations for which the Town is financially accountable and other organizations for which the nature and significance of their relationship with the Town are such that exclusion would cause the Town's financial statements to be misleading or incomplete. The Town is considered financially accountable if it appoints a voting majority of an organization's governing body and it is able to impose its will on that organization. The Town may also be financially accountable if an organization is fiscally dependent on the primary government regardless of the authority of the organization's governing board. Legally separate organizations outside of the primary government that meet the criteria for financial accountability are considered component units. Based upon the application of these criteria, there were no organizations that met the criteria described above.

**b. Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the Town. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

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

**TOWN OF LANTANA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

Property taxes, franchise fees, other taxes, permits, fees and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period, if available. Revenues for expenditure driven grants are recognized when the qualifying expenditures are incurred and resources are available. All other revenue items are considered to be measurable and available only when cash is received by the Town.

The Town reports the following major governmental funds:

**General Fund** - The General Fund is the primary operating fund of the Town and is used to account for all financial resources applicable to the general operations of the Town government, except those required to be accounted for in another fund.

**ARPA Fund** – The ARPA Fund is used to account for all financial resources applicable to American Rescue Plan Act (ARPA) grants awarded to the Town.

The Town reports the following major enterprise fund:

**Water and Sewer** - The Water and Sewer Fund is used to account for the provision of water and sewer services to residents of the service area. All activities to provide such services are accounted for in this fund, including administration, generation, transmission, distribution, collection, pumping, treatment, disposal and customer service.

Additionally, the Town reports the following fund types:

**Internal Service Fund** - The Internal Service Fund is used to account for insurance premiums and deductibles which are funded by other Town funds on a cost reimbursement basis.

**Pension Trust Fund** - The Pension Trust Fund accounts for the activities of the Police Relief and Pension Fund, which accumulates resources for pension benefit payments to qualified employees.

**TOWN OF LANTANA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**c. Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)**

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

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Water and Sewer Fund and the Internal Service Fund are charges to customers for sales and services. Operating expenses for the Water and Sewer Fund and the Internal Service Fund include the cost of sales and services, general and administrative expenses, depreciation and amortization. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the Town's policy to use restricted resources first, then unrestricted resources as needed.

**d. Assets, Liabilities, and Net Position or Equity**

***1. Deposits and Investments***

Cash and cash equivalents include cash on hand, time and demand deposits. The Town maintains a cash pool that is available for use by all funds. Interest earned on pooled cash is allocated to each of the funds based on the fund's average equity balance on a monthly basis.

The State Board of Administration's ("SBA") Local Government Surplus Funds Trust Fund ("Florida PRIME") is a "2a-7 like" pool. A "2a-7 like" pool is an external investment pool that is not registered with the Securities and Exchange Commission ("SEC") as an investment company, but nevertheless has a policy that it will, and does, operate in a manner consistent with the SEC's Rule 2a-7 of the Investment Company Act of 1940, which comprises the rules governing money market funds. Thus, the pool operates essentially as a money market fund. The Town has reported its investment in Florida PRIME at amortized cost for financial reporting purposes.

The Town records all interest revenue related to investment activities in the respective funds. Investments are measured at amortized cost or reported at fair value as required by generally accepted accounting principles.

Cash and cash equivalents, for purposes of the statement of cash flows, includes pooled cash and investments which are defined as short-term, highly liquid investments with original maturities of three months or less.

***2. Interfund Receivables and Payables***

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as either due to/from other funds. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as internal balances.



**TOWN OF LANTANA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**d. Assets, Liabilities, and Net Position or Equity (Continued)**

**3. Receivables**

Receivables include amounts due from other governments and others for services provided by the Town and for assessments related to the gas line project. Receivables are recorded and revenues are recognized as earned or as specific program expenditures/expenses are incurred. Allowances for uncollectible receivables are based upon historical trends and the periodic aging of receivables.

**4. Inventories and Prepaid Costs**

Inventories consist principally of materials and supplies held for consumption and are recorded at cost using the first-in first-out method. In the governmental funds, the cost of inventories are recorded as expenditures at the time of purchase, while in the proprietary funds, the cost of inventories are recorded as expenses when consumed. In the governmental funds, reported inventories are offset in a non-spendable fund balance category which indicates that they do not constitute available spendable resources.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid costs using the consumption method in both government-wide and fund financial statements.

**5. Capital Assets**

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) and intangible assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial individual cost of \$1,000 or more and an estimated useful life in excess of one year. Purchased or constructed assets are recorded at actual cost or estimated historical cost if actual cost is unavailable. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Tangible capital assets of the Town are depreciated using the straight-line method over the following useful lives:

Asset	Years
Buildings and improvements	5-50
Roads and streets	10-25
Furniture, equipment and vehicles	2-10
Water and sewer system	3-50

**TOWN OF LANTANA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**d. Assets, Liabilities, and Net Position or Equity (Continued)**

**5. Capital Assets (Continued)**

Intangible capital assets consist of a right of use of the City of Lake Worth wastewater facilities, as well as computer software. These assets are being amortized using the straight-line method over the following useful lives:

Asset	Years
Computer software	2-5
Wastewater facilities rights of use	10-40

**6. Refundings of Debt**

For current refundings and advance refundings resulting in the defeasance of debt, the difference between the reacquisition price and the net carrying amount of the old debt is reported as a deferred outflow of resources/deferred inflow of resources and recognized ratably as a component of interest expense over the remaining life of the old debt or the life of the new debt, whichever is shorter. In connection with the refunding, \$24,632 was recognized as a part of amortization expense in the current fiscal year.

**7. Unearned Revenue**

Governmental funds report unearned revenue in connection with resources that have been received, but not yet earned.

**8. Deferred Outflows/Inflows of Resources**

Deferred outflows of resources represent a consumption of net position that applies to future reporting period(s). For example, the Town would record deferred outflows of resources on the statement of net position related to debit amounts resulting from current and advance refundings resulting in the defeasance of debt (i.e., when there are differences between the reacquisition price and the net carrying amount of the old debt).

Deferred inflows of resources represent an acquisition of net position that applies to future reporting period(s). For example, when an asset is recorded in the governmental fund financial statements, but the revenue is unavailable, the Town reports a deferred inflow of resources on the balance sheet until such times as the revenue becomes available.

**9. Compensated Absences**

It is the Town's policy to permit employees to accumulate, within certain limits, earned but unused vacation time, sick leave, and compensatory time, which will be paid to employees upon separation from Town service. All vacation and sick leave pay and compensatory time is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for those amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

**TOWN OF LANTANA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**d. Assets, Liabilities, and Net Position or Equity (Continued)**

***10. Long-Term Obligations***

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the Bonds. Bonds payable are reported net of applicable premiums or discounts. Bond issuance costs are expensed when incurred.

In the fund financial statements, governmental fund types recognize premiums and discounts, as well as 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.

***11. Net Position***

Net position is the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. Net position of the government-wide and proprietary funds are categorized as net investment in capital assets, restricted or unrestricted. Net investment in capital assets, is that portion of net position that relates to the Town's capital assets reduced by accumulated depreciation and by any outstanding debt incurred to acquire, construct or improve those assets, excluding unexpended proceeds.

Restricted net position is that portion of net position that has been restricted for general use by external parties (creditors, grantors, contributors, or laws or regulations of other governments) or imposed by law through constitutional provisions or enabling legislation. Unrestricted net position consists of all net position that does not meet the definition of either of the other two components.

***12. Fund Equity***

In the fund financial statements, governmental funds report non-spendable and restricted fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Assignments of fund balance represent tentative management plans that are subject to change.

The Town's accounting and finance policies are used to interpret the nature and/or requirements of the funds and their corresponding assignment of restricted, committed, assigned or unassigned. The Town has established a policy for its use of unassigned fund balance amounts.

**TOWN OF LANTANA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**d. Assets, Liabilities, and Net Position or Equity (Continued)**

**12. Fund Equity (Continued)**

The Town can establish limitations on the use of fund balance as follows:

*Committed fund balance.* These amounts can only be used for the specific purposes determined by a formal action (Ordinance) of the Town Council, the Town's highest level of decision making authority. Commitments may be changed or lifted only by the Town Council taking the same formal action (Ordinance) that imposed the constraint originally. Resources accumulated pursuant to stabilization arrangements sometimes are reported in this category.

*Assigned fund balance.* Includes spendable fund balance amounts that are constrained by the Town's intent to be used for specific purposes, but are neither restricted nor committed. Town Council has by resolution authorized the Town Manager to assign fund balance. This balance includes (a) all remaining amounts that are reported in governmental funds (other than the General Fund) that are not classified as nonspendable, restricted, or committed, and (b) amounts in the General Fund that are intended to be used for a specific purpose. Specific amounts that are not restricted or committed in a special revenue fund are assigned for the purposes in accordance with the nature of their fund type.

Assignment within the General Fund conveys that the intended use of those amounts is for a specific purpose that is narrower than the general purposes of the Town itself.

Additionally, the Town would first use committed fund balance, followed by assigned fund balance and then unassigned fund balance when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

**13. Minimum Level of Unassigned Policy**

Unassigned fund balance is the residual classification for the general fund and represents fund balance that has not been restricted, committed or assigned to specific purposes within the General Fund. If, after the annual audit, prior committed or assigned fund balance causes the unassigned fund balance to fall below 25% of general fund operating expenditures, the Town Manager will so advise Town Council in order for the necessary action to be taken to restore the unassigned fund balance to 25% of general fund operating expenditures. The Town shall take action necessary to restore the unassigned fund balance to acceptable levels within two years.

**14. Use of Estimates**

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

**TOWN OF LANTANA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 2 – DEPOSITS AND INVESTMENTS**

**DEPOSITS**

All of the Town's deposits are held in qualified public depositories pursuant to State of Florida Statutes, Chapter 280, *Florida Security for Public Deposits Act*. Under the Act, every qualified public depository shall deposit with the Treasurer eligible collateral of the depository to be held subject to his or her order. The Treasurer, by rule, shall establish minimum required collateral pledging levels. The pledging level may range from 25% to 125% of the average monthly balance of public deposits depending upon the depository's financial condition and establishment period. All collateral must be deposited with an approved financial institution. Any potential losses to public depositors are covered by applicable deposit insurance, sale of securities pledged as collateral and, if necessary, assessments against other qualified public depositories of the same type as the depository in default.

**INVESTMENTS - TOWN**

The Town has adopted an investment policy in accordance with Florida Statutes to establish guidelines for the efficient management of its cash reserves. The Town is authorized to invest in obligations of the U.S. Treasury, its agencies and instrumentalities, certificates of deposit, the State Board of Administration investment pool, any intergovernmental investment pools authorized pursuant to Chapter 163 of the Florida Statutes, SEC registered money market funds with the highest credit quality rating from a nationally recognized rating agency, and securities of any interest in any open-end or closed-end management type investment company or investment trust registered under the Investment Company Act of 1940, provided that the portfolio is limited to obligations of the U.S. government, its agencies and instrumentalities and to repurchase agreements fully collateralized by such U.S. government obligations and provided that such investment company or investment trust takes delivery of such collateral either directly or through an authorized custodian.

The Town had the following investments at September 30, 2021:

	Amortized Cost	Credit Risk	Maturities
Investment in Local Government Surplus Funds Trust Fund (Florida PRIME)	\$ 11,723,233	S&P AAAm	Weighted average of the fund portfolio: 49 days
Total Investments	<u>\$ 11,723,233</u>		

**TOWN OF LANTANA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 2 – DEPOSITS AND INVESTMENTS (Continued)**

***INVESTMENTS - TOWN (Continued)***

*Fair Value Measurement* – When applicable, the Town measures and records its investments using fair value measurement guidelines established in accordance with GASB Statements. The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques.

These guidelines recognize a three-tiered fair value hierarchy, in order of highest priority, as follows:

- *Level 1:* Investments whose values are based on unadjusted quoted prices for identical investments in active markets that the Town has the ability to access;
- *Level 2:* Investments whose inputs - other than quoted market prices - are observable either directly or indirectly; and,
- *Level 3:* Investments whose inputs are unobservable.

The fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the entire fair value measurement. Valuation techniques used should maximize the use of observable inputs and minimize the use of unobservable inputs.

For external investment pools that qualify to be measured at amortized cost, the pool's participants should also measure their investments in that external investment pool at amortized cost for financial reporting purposes. Accordingly, the Town's investments have been reported at amortized cost above.

*External Investment Pool* – With regard to redemption gates, Chapter 218.409(8)(a), Florida Statutes, states that "The principal, and any part thereof, of each account constituting the trust fund is subject to payment at any time from the moneys in the trust fund. However, the Executive Director may, in good faith, on the occurrence of an event that has a material impact on liquidity or operations of the trust fund, for 48 hours limit contributions to or withdrawals from the trust fund to ensure that the Board can invest moneys entrusted to it in exercising its fiduciary responsibility. Such action must be immediately disclosed to all participants, the Trustees, the Joint Legislative Auditing Committee, the Investment Advisory Council, and the Participant Local Government Advisory Council. The Trustees shall convene an emergency meeting as soon as practicable from the time the Executive Director has instituted such measures and review the necessity of those measures. If the Trustees are unable to convene an emergency meeting before the expiration of the 48-hour moratorium on contributions and withdrawals, the moratorium may be extended by the Executive Director until the Trustees are able to meet to review the necessity for the moratorium. If the Trustees agree with such measures, the Trustees shall vote to continue the measures for up to an additional 15 days. The Trustees must convene and vote to continue any such measures before the expiration of the time limit set, but in no case may the time limit set by the Trustees exceed 15 days."

With regard to liquidity fees, Florida Statute 218.409(4) provides authority for the SBA to impose penalties for early withdrawal, subject to disclosure in the enrollment materials of the amount and purpose of such fees. At present, no such disclosure has been made.

As of September 30, 2021, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100% of their account value.

***Interest Rate Risk***

The Town has an investment policy of structuring the investment portfolio so that the securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity and investing operating funds primarily in short-term securities, money market mutual funds, or similar investment pools unless it is anticipated that long-term securities can be held to maturity without jeopardizing the liquidity requirements. The Town's investment policy limits the maturities on individual investments to no more than five years.

**TOWN OF LANTANA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 2 – DEPOSITS AND INVESTMENTS (Continued)**

**INVESTMENTS - TOWN (Continued)**

**Credit Risk**

The Town's investment policy limits investments to the highest ratings issued by a nationally recognized statistical rating organization (NRSRO). The Florida PRIME is rated AAAM by Standard and Poor's.

**Concentration of Credit Risk**

The Town's investment policy states that assets shall be diversified to control the risk of loss resulting from concentration of assets to a specific maturity, instrument, issue, dealer, or bank through which these securities are bought and sold. As of September 30, 2021, the Town did not invest in securities.

**INVESTMENTS - LANTANA POLICE RELIEF AND PENSION FUND (LPRPF)**

The Plan's Board of Trustees recognizes that the obligations of the Plan are long-term and that its investment policy should be made with a view toward performance and return over a number of years. The general investment objective is to obtain a reasonable total rate of return defined as interest and dividend income plus realized and unrealized capital gains or losses that commensurate with the prudent investor rule and Chapter 185 of the Florida Statutes. Permissible investments include obligations of the U.S. Treasury and U.S. agencies, high capitalization common or preferred stocks, pooled equity funds, high quality bonds or notes and fixed income funds.

The Plan had the following investments at September 30, 2021:

	September 30, 2021	Credit Risk	Duration
U.S. Government Obligations	\$ 3,339,668	N/A	4.80 years
Corporate bonds	1,023,960	S&P BBB-A	5.30 years
Domestic fixed income investment fund	668,601	S&P AA	5.50 years
Domestic equity investment fund	12,256,187	N/A	N/A
International equity investment fund	3,691,700	N/A	N/A
Real estate investment funds	1,716,578	N/A	N/A
Temporary investment funds	480,774	Not Rated	Daily
	<u>\$ 23,177,468</u>		

**Interest Rate Risk**

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment in debt securities. Generally, the longer the time to maturity, the greater the exposure to interest rate risks. Through its investment policies, the Plan manages its exposure to fair value losses arising from increasing interest rates. The Plan limits the effective duration of its investment portfolio through the adoption of the Barclays Capital Intermediate Aggregate Bond Index benchmark.

**Credit Risk**

Credit risk is the risk that a debt issuer will not fulfill its obligations. The Plan's investment policy addresses credit risk by limiting investments in bonds and preferred stocks to securities rated investment grade or above by a Nationally Recognized Statistical Rating Organization, unless specifically approved by the Board of Trustees. Securities which are unrated may be purchased, if in the judgment of the investment manager, they would carry an investment grade rating. Consistent with State law, the Plan's investment guidelines limit its fixed income investments to a quality rating of "A" or equivalent as rated by Moody's or by Standard & Poor's bond rating services at the time of purchase. Fixed income investments which are downgraded below the minimum rating must be liquidated at the earliest beneficial opportunity. The Plan's investments were in compliance with the above at September 30, 2021.



**TOWN OF LANTANA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 2 – DEPOSITS AND INVESTMENTS (Continued)**

***INVESTMENTS - LANTANA POLICE RELIEF AND PENSION FUND (LPRPF) (Continued)***

***Custodial Credit Risk***

Custodial credit risk is defined as the risk that the Plan may not recover cash and investments held by another party in the event of a financial failure. The Plan requires all securities to be held by a third party custodian in the name of the Plan. Securities transactions between the broker-dealer and the custodian involving the purchase or sale of securities must be made on a "delivery vs. payment" basis to ensure that the custodian will have the security or money, as appropriate, in hand at the conclusion of the transaction.

***Investment in Foreign Markets***

Investing in foreign markets may involve special risks and considerations not typically associated with investing in companies in the United States of America. These risks include revaluation of currencies, high rates of inflation, repatriation restrictions on income and capital, and future adverse political, social, and economic developments. Moreover, securities of foreign governments may be less liquid, subject to delayed settlements, taxation on realized or unrealized gains, and their prices are more volatile than those of comparable securities in U.S. companies.

***Foreign Tax Withholdings and Reclaims***

Withholding taxes on dividends from foreign securities are provided for based on rates established via treaty between the United States of America and the applicable foreign jurisdiction, or where no treaty exists at the prevailing rate established by the foreign country. Foreign tax withholdings are reflected as a reduction of dividend income in the statement of operations. Where treaties allow for a reclaim of taxes, the Plan will make a formal application for refund. Such reclaims are included as an addition to dividend income.

***Concentration of Credit Risk***

The Plan's investment policy establishes limitations on portfolio composition by investment type and by issuer to limit its exposure to concentration of credit risk. The Board requires that Plan assets be invested with no more than 60% in stocks and convertible securities measured at cost or 70% of the Plan assets at market (fair) value. In addition, the Plan limits investment in common stock (equity investments) as follows:

- No more than five percent of the Plan's assets may be invested in the common or capital stock of any single corporation.
- The Plan's investment in the common stock of any single corporation shall not exceed three percent of such corporation's outstanding common or capital stock.

No individual investment represents a concentration of 5% or more of total investments.

***Risks and Uncertainties***

The Plan invests in a variety of investment funds. Investments in general are exposed to various risks, such as interest rate, credit, and overall volatility risk. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect the amounts reported in the statements of fiduciary net position available for benefits.



**TOWN OF LANTANA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 2 – DEPOSITS AND INVESTMENTS (Continued)**

**INVESTMENTS - LANTANA POLICE RELIEF AND PENSION FUND (LPRPF) (Continued)**

**Investment Measurement at Fair Value**

The Plan categorizes its fair value measurement within the fair value hierarchy established by generally accepted accounting principles. The Plan has the following total recurring fair value measurements as of September 30, 2021:

- Mutual funds - The rationale for inclusion in Level 1 or Level 2 points to the unobservable inputs involved in mutual fund pricing. Mutual funds do not trade using bid and ask, as with ETF's or common stock. Instead, the prices are determined by the net asset value of the underlying investments at the close of business for the next day's open. The underlying assets themselves may include a variety of Level 1 and Level 2 securities and some may be valued using matrix pricing which interpolates the price of a security based on the price of similar securities.
- Fixed income funds - Valued at quoted market prices for identical assets in active markets.
- Debt securities - Debt securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used by International Data Corporation and Bloomberg, L.P. to value securities based on the securities' relationship to benchmark quoted prices.

Investments were measured as follows as of September 30, 2021:

Investments by fair value level	September 30 2021	Fair Value Measurements Using	
		Level 1	Level 2
U.S. Government Obligations	\$ 3,339,668	\$ 3,339,668	\$ -
Corporate bonds	1,023,960	-	1,023,960
Domestic fixed income investment fund	668,601	668,601	-
Domestic equity investment fund	12,256,187	12,256,187	-
International equity investment fund	3,691,700	3,691,700	-
Temporary investment funds	480,774	480,774	-
Total investments by fair value level	\$ 21,460,890	\$ 20,436,930	\$ 1,023,960
Investments measured at the net asset value (NAV):			
Real estate investment funds	1,716,578		
Total Investments	\$ 23,177,468		

The real estate investment funds are open end, commingled private real estate portfolios. These REIT-based funds are structured as Limited partnerships. Their primary focus is to invest in well-based income producing properties within major U.S. markets. The fair values of the investments in these funds have been determined using the NAV per unit of the Trust's ownership interest in partners' capital. The investments of the fund are valued quarterly. Withdrawal requests must be made 60 days in advance and may be paid in one or more installments.

**NOTE 3 – PROPERTY TAXES**

Ad valorem taxes on property values are assessed as of January 1st and are levied the following October. Taxes are payable on November 1st, with discounts allowed of 1% to 4% if paid prior to March 1st of the following calendar year. All unpaid taxes on real and personal property become delinquent and subject to lien on April 1st. Real and personal property taxes are collected by Palm Beach County and remitted to the Town. State law permits Florida cities to levy a maximum of \$10 per \$1,000 (10 mills) of assessed taxable value for general government services. The Town levied taxes at a rate of 3.5000 mills, combined with Palm Beach County's Fire/Rescue rate for the Municipal Service Taxing Unit (MSTU) of 3.4581, leaving a margin of 3.0419 mills under the maximum possible assessment of 10 mills.

**TOWN OF LANTANA, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE 4 – RECEIVABLES**

Receivables for the Town's individual major funds and non-major funds in the aggregate, including the applicable allowances for uncollectible accounts as of September 30, 2021, were as follows:

Receivables	General	Nonmajor Governmental	Water and Sewer
Accounts	\$ 296,274	\$ -	\$ 661,770
Assessments	67,964	-	-
Intergovernmental	293,538	414,986	-
Gross receivables	657,776	414,986	661,770
Less allowance for uncollectibles	(851)	-	(10,584)
Net total receivables	<u>\$ 656,925</u>	<u>\$ 414,986</u>	<u>\$ 651,186</u>

**NOTE 5 – CAPITAL ASSETS**

A summary of changes in the governmental activities capital assets for the fiscal year ended September 30, 2021 is presented as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 2,267,878	\$ -	\$ -	\$ 2,267,878
Construction in progress	10,000	705,438	-	715,438
Total capital assets, not being depreciated	2,277,878	705,438	-	2,983,316
Capital assets, being depreciated:				
Roads and streets	24,511,972	155,422	(3,180)	24,664,214
Buildings and improvements	11,406,642	-	(24,097)	11,382,545
Machinery and equipment	4,380,220	635,024	(484,955)	4,530,289
Intangible assets - computer software	244,908	-	-	244,908
Total capital assets, being depreciated	40,543,742	790,446	(512,232)	40,821,956
Less accumulated depreciation:				
Roads and streets	(19,317,028)	(894,429)	3,180	(20,208,277)
Buildings and improvements	(3,704,797)	(453,256)	24,097	(4,133,956)
Machinery and equipment	(3,487,485)	(385,215)	484,955	(3,387,745)
Intangible assets - computer software	(244,908)	-	-	(244,908)
Total accumulated depreciation	(26,754,218)	(1,732,900)	512,232	(27,974,886)
Total capital assets, being depreciated, net	13,789,524	(942,454)	-	12,847,070
Governmental activities capital assets, net	<u>\$ 16,067,402</u>	<u>\$ (237,016)</u>	<u>\$ -</u>	<u>\$ 15,830,386</u>

**TOWN OF LANTANA, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE 5 – CAPITAL ASSETS (Continued)**

A summary of changes in the business-type activities capital assets for the fiscal year ended September 30, 2021 is presented as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 4,300	\$ -	\$ -	\$ 4,300
Intangible assets - easements	163,503	-	-	163,503
Construction in progress	136,279	228,846	-	365,125
Total capital assets, not being depreciated	304,082	228,846	-	532,928
Capital assets, being depreciated:				
Buildings and plant	10,289,783	-	(100,954)	10,188,829
Infrastructure	13,811,347	3,390	(287,898)	13,526,839
Machinery and equipment	1,802,428	126,021	(53,768)	1,874,681
Intangible assets - computer software	2,682	-	-	2,682
Intangible assets - wastewater facilities	3,080,157	-	-	3,080,157
Total capital assets, being depreciated	28,986,397	129,411	(442,620)	28,673,188
Less accumulated depreciation:				
Buildings and plant	(7,302,516)	(340,331)	100,954	(7,541,893)
Infrastructure	(8,824,283)	(387,951)	287,898	(8,924,336)
Machinery and equipment	(1,320,583)	(164,655)	53,768	(1,431,470)
Intangible assets - computer software	(2,682)	-	-	(2,682)
Intangible assets - wastewater facilities	(3,080,157)	-	-	(3,080,157)
Total accumulated depreciation	(20,530,221)	(892,937)	442,620	(20,980,538)
Total capital assets, being depreciated, net	8,456,176	(763,526)	-	7,692,650
Business-type activities capital assets, net	\$ 8,760,258	\$ (534,680)	\$ -	\$ 8,225,578

Depreciation expense was charged to the following function/programs as follows:

Governmental activities:	
General government	\$ 42,514
Public safety	483,876
Physical environment	915,764
Culture and recreation	290,746
Total depreciation expense, governmental activities	<u>\$ 1,732,900</u>
Business-type activities:	
Water and sewer	<u>\$ 892,937</u>

**TOWN OF LANTANA, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE 6 – LONG-TERM DEBT**

The following is a summary of the changes in general long-term liabilities for the year ended September 30, 2021 for governmental activities:

	Beginning Balances	Additions	Reductions	Total	Amount Due Within One Year
Compensated Absences	\$ 691,972	\$ 484,102	\$ (505,026)	\$ 671,048	\$ 293,654
Net Pension Liability	3,005,012	1,773,453	(4,455,125)	323,340	-
Net OPEB Liability	648,860	34,912	-	683,772	-
	<u>\$ 4,345,844</u>	<u>\$ 2,292,467</u>	<u>\$ (4,960,151)</u>	<u>\$ 1,678,160</u>	<u>\$ 293,654</u>

For the governmental activities, compensated absences, the net pension liability, and the net OPEB liability are mainly liquidated by the General Fund.

The following is a summary of the changes in general long-term liabilities for the year ended September 30, 2021 for business-type activities

	Beginning Balances	Additions	Reductions	Total	Amount Due Within One Year
2012 Revenue Bonds	\$ 536,321	\$ -	\$ (488,807)	\$ 47,514	\$ 47,514
Compensated Absences	221,676	140,412	(157,680)	204,408	94,946
Net OPEB Liability	13,981	242	-	14,223	-
	<u>\$ 771,978</u>	<u>\$ 140,654</u>	<u>\$ (646,487)</u>	<u>\$ 266,145</u>	<u>\$ 142,460</u>

**Bonds Payable**

***\$4,055,000 Water and Sewer Revenue Refunding Bonds, Series 2012***

During a prior fiscal year, the Town issued \$4,055,000 of Water and Sewer Revenue Refunding Bonds, Series 2012, for the purpose of refunding all of the Town's outstanding Water and Sewer Revenue Bonds, Series 1998. The Bond was issued with an interest rate of 1.48% and matures on October 1, 2021. Effective November 1, 2018, the interest rate on the bond was increased to 1.77%. This rate increase was in accordance with the Bond indenture and was a result of the reduction in the maximum federal corporate tax rate in 2018. Payment of interest and principal are due in monthly installments of \$41,196, commencing on February 1, 2013. The Series 2012 Bonds are payable from and collateralized by net revenues derived from the operation of the water and sewer system, which have averaged \$2,113,743 annually over the last ten years. Total principal and interest remaining on the bond is \$47,584 payable through October 2021. For the current year, principal and interest paid and net revenues were \$494,348 and \$1,190,001, respectively.

Annual debt service requirements to maturity are as follows:

Year Ending September 30,	Principal	Interest
2022	\$ 47,514	\$ 70
	<u>\$ 47,514</u>	<u>\$ 70</u>

**TOWN OF LANTANA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 6 – LONG TERM DEBT (Continued)**

**Bonds Payable (Continued)**

***\$4,055,000 Water and Sewer Revenue Refunding Bonds, Series 2012 (Continued)***

***Bond Covenants***

The bond covenants require the Town to fix, establish and maintain rates, fees and other charges so that the revenue collected and other available funds in each fiscal year will not be less than the amount expected to be required for the payment of operating expenses (excluding depreciation and amortization), 110% annual debt service requirements of the Series 2012 Bonds and parity Bonds. The Bond is subject to redemption at the option of the Town prior to its maturity in the manner described in the Bond document.

At September 30, 2021, the Town was in compliance with the bond covenants.

**NOTE 7 – EMPLOYEE RETIREMENT SYSTEMS**

***LANTANA POLICE RELIEF AND PENSION FUND (LPRPF)***

The Town sponsors the LPRPF, a single employer defined benefit plan. The Plan is governed by a five member Board of Trustees. The Plan is reported as a pension trust fund and is included as part of the Town's reporting entity.

***PLAN DESCRIPTION***

The Plan was established by Ordinance enacted by the Town Council to provide for the creation and operation of the LPRPF. All full time certified police department employees are covered under this plan. The LPRPF issues separate audited financial statements which can be obtained by contacting the Town's Finance Department.

The Plan provides retirement, death and disability benefits for its participants. A participant may retire with normal benefits after reaching age 50 and accumulating 10 or more years of credited service. Normal retirement benefits are based on 3% of the participant's final average salary multiplied by the number of credited service years rendered. The final average salary for purposes of calculating benefits is the participant's average salary during the highest 5 years of a participant's last 10 years of employment. Salary does not include lump sum payments for accumulated leave. Any retiree or beneficiary who begins receiving pension benefits after October 2000 is entitled to a monthly supplemental pension benefit equal to \$35 per year of service.

Effective January 8, 2001, a deferred retirement option plan (DROP) was adopted. Eligible participants may elect to participate in the DROP while continuing their active employment with the Town. Upon election, the participant becomes a retiree for all Plan purposes so that further benefits cease to accrue. Benefit payments that would have been payable to the participant as a result of retirement are accumulated and invested in individual participant accounts and are payable to the participants at the termination of employment.

***BASIS OF ACCOUNTING***

The Plan's financial statements are prepared using the accrual basis of accounting. Contributions from the Plan's members are recognized as revenue in the period in which the contributions are due. Contributions from the Town, as calculated by the Plan's actuary, are recognized as revenue when due and when the Town has made a formal commitment to provide the contributions. Expenses are recognized in the accounting period incurred, if measurable. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan.

**TOWN OF LANTANA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 7 – EMPLOYEE RETIREMENT SYSTEMS (Continued)**

***LANTANA POLICE RELIEF AND PENSION FUND (LPRPF) (Continued)***

***METHOD USED TO VALUE INVESTMENTS***

Investments in common stock and bonds traded on a national securities exchange are valued at the last reported sales price on the last business day of the year; securities traded in the over-the-counter market and listed securities for which no sale was reported on that date are valued at the mean between the past reported bid and asked prices; investments in securities not having an established market value are valued at fair value as determined by the Board of Trustees. The fair value of an investment is the amount that the Plan could reasonably expect to receive for it in a current sale between a willing buyer and a willing seller, other than in a forced or liquidation sale. Purchases and sales of investments are recorded on a trade date basis.

Investment income is recognized on the accrual basis as earned. Unrealized appreciation in fair value of investments includes the difference between cost and fair value of investments held. The net realized and unrealized investment appreciation or depreciation for the year is reflected in the Statement of Changes in Fiduciary Net Position.

***FUNDING POLICY***

Contribution requirements are established and may be amended by the Town Council. The contribution requirements are determined on the benefit structure established by the Town. For the year ended September 30, 2021 the required member contributions were 8% of their annual covered earnings. Pursuant to Chapter 185 of the Florida Statutes, a premium tax on certain casualty insurance contracts written on Lantana properties is collected by the State and is remitted to the Plan. This amount totaled \$143,591 for the year ended September 30, 2021 and is included in the general fund as a revenue and expenditure. The Town is required to contribute the remaining amounts necessary to finance the benefits through periodic contributions of actuarially determined amounts. For the year ended September 30, 2021, the Town's contribution was \$933,367. Administrative costs are financed through investment earnings.

***PENSION LIABILITIES AND PENSION EXPENSE, DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES***

The Town's net pension liability for the LPRPF is measured as the total pension liability less the pension plans' fiduciary net position. At September 30, 2021, the Town reported a net pension liability of \$323,340 related to the LPRPF. The net pension liability was measured as of September 30, 2021, using an annual actuarial valuation as of October 1, 2020 rolled forward to September 30, 2021 using standard update procedures. For the fiscal year ended September 30, 2021, the Town recognized pension expense of \$118,230. The changes in the Net Pension Liability follow:

**TOWN OF LANTANA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 7 – EMPLOYEE RETIREMENT SYSTEMS (Continued)**

**LANTANA POLICE RELIEF AND PENSION FUND (LPRPF) (Continued)**

**PENSION LIABILITIES AND PENSION EXPENSE, DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES (Continued)**

	Increases (Decreases)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
<b>Balance at September 30, 2020</b>	<b>\$ 21,579,543</b>	<b>\$ 18,574,531</b>	<b>\$ 3,005,012</b>
<b>Changes in the year:</b>			
Service cost	640,452	-	640,452
Interest on the total pension liability	1,585,956	-	1,585,956
Differences between actual and expected experience in the measurement of the TPL	114,444	-	114,444
Changes of assumptions	122,095	-	122,095
Contributions - Employer (from Town)	-	933,367	(933,367)
Contributions - Employer (from State)	-	143,591	(143,591)
Contributions - Employees	-	179,196	(179,196)
Net investment income	-	3,956,453	(3,956,453)
Benefit payments	(654,567)	(654,567)	-
Refunds	(34,927)	(34,927)	-
Pension plan administrative expense	-	(67,988)	67,988
<b>Net changes</b>	<b>1,773,453</b>	<b>4,455,125</b>	<b>(2,681,672)</b>
<b>Balance at September 30, 2021</b>	<b>\$ 23,352,996</b>	<b>\$ 23,029,656</b>	<b>\$ 323,340</b>

At September 30, 2021 the Town reported deferred outflows of resources and deferred inflows of resources related to the LPRPF from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows and Inflows of Resources
Differences between expected and actual experience	\$ 316,690	\$ 12,076	\$ 304,614
Change in assumptions	130,556	-	130,556
Net difference between projected and actual earnings on pension plan investments	182,081	2,444,739	(2,262,658)
	<b>\$ 629,327</b>	<b>\$ 2,456,815</b>	<b>\$ (1,827,488)</b>

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

Year ending September 30	Net Deferred Outflows of Resources
2022	\$ (365,048)
2023	(365,464)
2024	(579,020)
2025	(517,956)
2026	-
Thereafter	-
<b>Total</b>	<b>\$ (1,827,488)</b>

**TOWN OF LANTANA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 7 – EMPLOYEE RETIREMENT SYSTEMS (Continued)**

***LANTANA POLICE RELIEF AND PENSION FUND (LPRPF) (Continued)***

***PLAN MEMBERSHIP***

Membership of the plan consisted of the following at September 30, 2021:

	Police Officers
Inactive employees (or their beneficiaries)	
currently receiving benefits	24
Inactive employees entitled to but not yet	
receiving benefits	4
Active employees	29
Total	<u>57</u>

***ACTUARIAL METHODS AND SIGNIFICANT ASSUMPTIONS***

Significant actuarial assumptions and other inputs used to measure the total pension liability follow:

Valuation date	October 1, 2020
Measurement date	September 30, 2021
Actuarial cost method	Entry Age Normal
Actuarial Assumptions:	
Discount rate	7.00%
Inflation	2.50%
Salary increases	6.0%, including inflation
Investment Rate of Return	7.00%
Retirement age	Experience-based table of rates
Mortality	The mortality tables are the PUB-2010 Headcount Weighted Safety Below Median Employee Male Table (pre-retirement), the PUB-2010 Headcount Weighted Safety Employee Female Table (pre-retirement), the PUB-2010 Headcount Weighted Safety Below Median Healthy Retiree Male Table (post-retirement) and the PUB-2010 Safety Healthy Retiree Female Table (post-retirement). These tables use ages set forward one year and mortality improvements to all future years after 2010 using scale MP-2018. These are the same rates used for Special Risk Class members in the July 1, 2019 Actuarial Valuation of the Florida Retirement System (FRS).



**TOWN OF LANTANA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 7 – EMPLOYEE RETIREMENT SYSTEMS (Continued)**

**LANTANA POLICE RELIEF AND PENSION FUND (LPRPF) (Continued)**

**ACTUARIAL METHODS AND SIGNIFICANT ASSUMPTIONS (Continued)**

**Development of Single Discount Rate**

Single Discount Rate	7.00%
Long-Term Expected Rate of Return	7.00%
Long-Term Municipal Bond Rate*	2.19%
Last year ending September 30 in the 2021 to 2120 projection period for which projected benefit payments are fully funded	2120

\*Source: Fidelity General Obligation AA rate as of September 30, 2021. This is the rate for Fixed Income Market Data/Yield Curve/Data Municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-Year Municipal GO AA Index." In describing this index, Fidelity notes that the municipal curves are constructed using option adjusted analytics of a diverse population of over 10,000 tax exempt securities.

Target allocation	Asset Class	Long-Term Expected Real Rate of Return (Arithmetic)
50%	Domestic Equity	5.20%
15%	International Equity	5.00%
20%	Domestic Bonds	2.50%
5%	International Bonds	3.50%
10%	Real Estate	4.50%

A single discount rate of 7.00% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 7.00%. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between the total actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments (7.00%) was applied to all periods of projected benefit payments to determine the total pension liability.

Regarding the sensitivity of the net pension liability to changes in the single discount rate, the following presents the Town's net pension liability, calculated using a single discount rate of 7.00%, as well as what the plan's net pension liability would be if it were calculated using a single discount rate that is 1-percentage-point lower or 1-percentage-point higher:

	Current Single Discount Rate		
	1% Decrease	Assumption	1% Increase
	6.00%	7.00%	8.00%
Net Pension Liability	\$ 3,395,691	\$ 323,340	\$ (2,199,136)

**TOWN OF LANTANA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 7 – EMPLOYEE RETIREMENT SYSTEMS (Continued)**

***DEFINED CONTRIBUTION PLAN***

The Town of Lantana General Employees' Defined Contribution Plan was established by the Town and is administered by Florida Municipal Pension Trust Fund ("FMPTF") to provide benefits at retirement for all of its full-time employees except police officers. Contributions equal 7% of each general employee's salary and up to a 2% match of the employee's contribution. The Plan permits participant nondeductible voluntary contributions in the amount of 1% to 10% of the participant's salary. Participants are fully vested after five years of service. Plan revisions and contribution requirements are established and may be amended by the Town Council. The covered payroll for the plan was \$3,229,796. The Town's total payroll for the same period was \$6,657,497. Town contributions for the year ended September 30, 2021, were \$224,387. The contributions included forfeited amounts of \$53,991. The amounts of employee contributions made for the year ended September 30, 2021 were \$0.

The Town of Lantana General Employees' Deferred Compensation Plan (457 Plan) was established by the Town and is administered by FMPTF to provide benefits at retirement for all of its full-time personnel. Contributions are voluntary. The Town did not make any contributions to the Plan in the 2021 fiscal year. Participants are fully vested immediately. Plan revisions and contribution requirements are established and may be amended by the Town Council. The amounts of employee contributions for the year ended September 30, 2021 were \$176,066.

**NOTE 8 – OTHER POST EMPLOYMENT BENEFITS ("OPEB")**

***PLAN DESCRIPTION***

The Town provides an optional single employer defined benefit post-employment healthcare plan to eligible individuals. The plan allows its employees and their beneficiaries, at their own cost, to continue to obtain health, dental and other insurance benefits upon retirement. The benefits of the plan conform to Florida Statutes, which are the legal authority for the plan. The plan has no assets and does not issue a separate financial report. There are no minimum required employer contributions.

***FUNDING POLICY***

The Town does not directly make a contribution to the plan on behalf of retirees. Retirees and their beneficiaries pay the same group rates as are charged to the Town for active employees by its healthcare provider. However, the Town's actuaries, in their actuarial valuation, calculate an offset to the cost of these benefits as an Employer Contribution, based upon an implicit rate subsidy. This offset equals the total age-adjusted costs paid by the Town or its active employees for coverage of the retirees and their dependents for the year net of the retiree's own payments for the year.

At September 30, 2021, the following employees were covered by benefit terms:

Inactive employees or beneficiaries currently receiving benefits	-
Inactive employees entitled to, but not yet receiving benefits	-
Active employees	89
	<u>89</u>

For the fiscal year ended September 30, 2021, the Town recognized OPEB expense of \$54,668

**TOWN OF LANTANA, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE 8 – OTHER POST EMPLOYMENT BENEFITS (“OPEB”) (Continued)**

***CHANGES IN NET OPEB LIABILITY, DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES***

Sources of changes in the net OPEB liability were as follows:

	<b>Total OPEB Liability</b>	<b>Fiduciary Net Position</b>	<b>Net OPEB Liability</b>
Balance as of September 30, 2020	\$ 662,841	\$ -	\$ 662,841
Changes due to:			
Service cost	51,567	-	51,567
Interest on Total OPEB liability	14,053	-	14,053
Changes of assumptions and other inputs	(18,107)	-	(18,107)
Benefit payments	(12,359)	-	(12,359)
Balance as of September 30, 2021	<u>\$ 697,995</u>	<u>\$ -</u>	<u>\$ 697,995</u>

At September 30, 2021 the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows and Inflows of Resources
Differences between expected and actual experience	\$ -	\$ (72,733)	\$ (72,733)
Change in assumptions	189,905	(196,312)	(6,407)
	<u>\$ 189,905</u>	<u>\$ (269,045)</u>	<u>\$ (79,140)</u>

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

Year ending September 30	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows and Inflows of Resources
2022	\$ 30,883	\$ (41,834)	\$ (10,951)
2023	30,883	(41,834)	(10,951)
2024	30,883	(41,834)	(10,951)
2025	30,883	(41,834)	(10,951)
2026	30,883	(41,834)	(10,951)
Thereafter	35,490	(59,875)	(24,385)
Total	<u>\$ 189,905</u>	<u>\$ (269,045)</u>	<u>\$ (79,140)</u>

**TOWN OF LANTANA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 8 – OTHER POST EMPLOYMENT BENEFITS (“OPEB”) (Continued)**

**ACTUARIAL METHODS AND ASSUMPTIONS**

Significant actuarial assumptions used to calculate the total OPEB liability were as follows:

Measurement date	September 30, 2021
Actuarial valuation date	October 1, 2019
Actuarial cost method	Entry Age Normal (AMM)
Discount rate*	2.43%
Inflation rate	3.00%
Salary rate increase	4.00%
Funded ratio	0.00%
Covered employee payroll	5,644,764
Net OPEB Liability as a percentage of covered employee payroll	12.37%
Healthcare cost trend	
Initial health care cost trend rate	
- HMO Plan	6.60%
- PPO Plan	7.70%
Ultimate health care cost trend rate	4.50%
Fiscal year the ultimate rate is reached	2035

\*The Town does not have a dedicated Trust to pay retiree healthcare benefits. Per GASB 75, the discount rate should be a yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale). A rate of 2.43% is used, which is the S&P Municipal Bond 20 Year High-Grade Rate Index as of September 30, 2021.

**SENSITIVITY OF THE NET OPEB LIABILITY TO CHANGES IN THE DISCOUNT RATE**

The following presents the net OPEB liability of the Town, as well as what the Town's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.43%) or 1-percentage-point higher (3.43%) than the current discount rate:

1% Decrease (1.43%)	Current Discount Rate (2.43%)	1% Increase (3.43%)
\$ 639,452	\$ 697,995	\$ 762,603

**TOWN OF LANTANA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 8 – OTHER POST EMPLOYMENT BENEFITS (“OPEB”) (Continued)**

***SENSITIVITY OF THE NET OPEB LIABILITY USING ALTERNATIVE HEALTHCARE COST TREND RATES***

The following presents the net OPEB liability of the Town, as well as what the Town's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

1% Decrease (HMO Plan 5.6%; PPO Plan 6.7%; both decreasing to 3.5%)	Healthcare Cost Trend Rates (HMO Plan 6.6%; PPO Plan 7.7%; both decreasing to 4.5%)	1% Increase (HMO Plan 7.6%; PPO Plan 8.7%; both decreasing to 5.5%)
\$ 785,742	\$ 697,995	\$ 622,702

**NOTE 9 – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS**

Interfund transfers for the fiscal year ended September 30, 2021 were as follows:

	Transfers In	Transfers Out
Grants Fund	\$ 28,352	\$ -
Infrastructure Surtax Fund	-	28,352
	<u>\$ 28,352</u>	<u>\$ 28,352</u>

Transfers are used to move revenues from the fund where collection occurs to the fund where funds have been reallocated for use. In the case of the Town, transfers from the infrastructure surtax fund to the grants fund were used for projects in accordance with the requirements of Florida Statutes Section 212.055.

**NOTE 10 - INTERLOCAL AGREEMENTS**

***POLICE SERVICES***

The Town has entered into an interlocal agreement for the provision of police services by the Town of Lantana within the Town limits of Hypoluxo. The term of the agreement is for five years, expiring on September 30, 2024. The Town received \$706,854 from Hypoluxo for the year ended September 30, 2021.

**TOWN OF LANTANA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 11 – ENCUMBRANCES AND CARRY FOWARDS**

The following fiscal year 2021 appropriations did not lapse at September 30, 2021 because they were encumbered or specifically designated to be carried forward to fiscal year 2022.

Fund:		
General Fund	\$	658,905
Infrastructure Surtax Fund		825,129
Grants fund		601,171
Water and Sewer Fund		<u>4,592,382</u>
Total Encumbrances	\$	<u><u>6,677,587</u></u>

**NOTE 12 - COMMITMENTS AND CONTINGENCIES**

**GRANTS**

Grant monies received and disbursed by the Town are for specific purposes and may be subject to audit by the grantor agencies. Such audits may result in requests for reimbursements due to disallowed expenditures or other actions by grantor agencies. The Town does not believe that such disallowances or other actions taken by the grantor agencies, if any, would have a material effect on the financial position of the Town.

**NOTE 13 - RISK MANAGEMENT**

The Town is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Town carries commercial insurance. The Town is also covered by Florida Statutes under the Doctrine of Sovereign Immunity which effectively limits the amount of liability of municipalities to individual claims of \$200,000/\$300,000 for all claims relating to the same accident. There were no changes in insurance coverage from the prior year and there were no settlements that exceeded insurance coverage in the last three years.

**NOTE 14 – PRONOUNCEMENTS ISSUED, BUT NOT YET ADOPTED**

**GASB Statement No. 87 – Leases**

The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. As amended by GASB statement No. 95, the requirements of this Statement are effective for reporting periods beginning after June 15, 2021.

**TOWN OF LANTANA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 14 – PRONOUNCEMENTS ISSUED, BUT NOT YET ADOPTED (Continued)**

*GASB 89 - Accounting for Interest Cost Incurred before the End of a Construction Period*

The objectives of this Statement are (a) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (b) to simplify accounting for certain interest costs. As amended by GASB statement No. 95, the requirements of this Statement are effective for reporting periods beginning after December 15, 2020. Earlier application is encouraged. Changes adopted to conform to the provisions of this Statement should be applied prospectively. For construction-in-progress, interest cost incurred after the beginning of the first reporting period to which this Statement is applied should not be capitalized.

*GASB 91 - Conduit Debt Obligations*

The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. As amended by GASB statement No. 95, the requirements of this Statement are effective for reporting periods beginning after December 15, 2021. Earlier application is encouraged

*GASB 92 – Omnibus 2020*

This statement enhances comparability in accounting and financial reporting and improves the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This statement addresses a variety of topics including: effective date of GASB 87 for interim financial reports; intra-entity transfers between primary governments and component unit pension or OPEB plans; applicability of Statements No. 73 and 74 for reporting assets accumulated for postemployment benefits; applicability of certain requirements of GASB 84 to postemployment benefit arrangements; measurement of asset retirement obligations in government acquisitions; reporting by public entity risk pools for amounts recoverable from reinsurers or excess insurers; reference to nonrecurring fair value measurements in authoritative literature and terminology used related to derivative instruments. As amended by GASB statement No. 95, the requirements of this Statement are effective as follows:

- The requirements related to the effective date of Statement 87 and Implementation Guide 2019-3, reinsurance recoveries, and terminology used to refer to derivative instruments are effective upon issuance.
- The requirements related to intra-entity transfers of assets and those related to the applicability of Statements 73 and 74 are effective for fiscal years beginning after June 15, 2021.
- The requirements related to application of Statement 84 to postemployment benefit arrangements and those related to nonrecurring fair value measurements of assets or liabilities are effective for reporting periods beginning after June 15, 2021.
- The requirements related to the measurement of liabilities (and assets, if any) associated with asset retirement obligations in a government acquisition are effective for government acquisitions occurring in reporting periods beginning after June 15, 2021.

**TOWN OF LANTANA, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE 14 – PRONOUNCEMENTS ISSUED, BUT NOT YET ADOPTED (Continued)**

*GASB 93 – Replacement of Interbank Offered Rates (paragraphs 11b, 13 and 14)*

This statement provides guidance where some governments have entered into agreements in which variable payments made or received depend on an interbank offered rate (IBOR)—most notably, the London Interbank Offered Rate (LIBOR). As a result of global reference rate reform, LIBOR is expected to cease to exist in its current form at the end of 2021, prompting governments to amend or replace financial instruments for the purpose of replacing LIBOR with other reference rates, by either changing the reference rate or adding or changing fallback provisions related to the reference rate. As amended by GASB statement No. 95, the requirement in paragraph 11b is effective for reporting periods ending after December 31, 2021. The requirements in paragraphs 13 and 14 are effective for fiscal years periods beginning after June 15, 2021, and all reporting periods thereafter.

*GASB 94 – Public-Private and Public-Public Partnerships and Availability Payment Arrangements*

This statement improves financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). A PPP is an arrangement in which a government contracts with an operator to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset, for a period of time in an exchange or exchange-like transaction. This statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs), which is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter.

*GASB 96 – Subscription-Based Information Technology Arrangements*

This statement provides new accounting and financial reporting guidance for subscription-based information technology arrangements (SBITAs), which have become increasingly common among state and local governments in recent years. Statement 96 is based on the standards established in Statement 87, Leases. The new statement defines a SBITA as a contract that conveys control of the right to use a SBITA vendor's IT software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction. The guidance requires governments with SBITAs to recognize a right-to-use subscription asset, an intangible asset, and a corresponding subscription liability (with an exception for short-term SBITAs, those with a maximum possible term of 12 months) and provides guidance related to outlays other than subscription payments, including implementation costs, and requirements for note disclosures related to a SBITA. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter.

*GASB 97 – Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*

This statement provides the following guidance: 1) increases consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; 2) mitigates costs associated with the reporting of certain defined contribution pension plans, defined contribution OPEB plans and employee benefit plans other than pension or OPEB plans as fiduciary component units in fiduciary fund financial statements; and 3) addresses relevance, consistency and comparability of the accounting and financial reporting for Internal Revenue Code Section 457 deferred compensation plans that meet the definition of a pension plan and for benefit provided through those plans. The first two provisions of this statement are effective immediately. All other requirements of this Statement are effective for reporting periods beginning after June 15, 2021.

The Town's management has not yet determined the effect these Statements will have on the Town's financial statements.



**REQUIRED SUPPLEMENTARY INFORMATION**  
**(Other than MD&A)**

**TOWN OF LANTANA, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL – GENERAL FUND**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Final Budget- Positive (Negative)</b>
Revenues:				
Property taxes	\$ 4,052,286	\$ 4,052,286	\$ 4,101,276	\$ 48,990
Franchise fees and utility taxes	2,529,677	2,529,677	2,635,639	105,962
Other taxes	270,149	270,149	245,039	(25,110)
Permits and fees	581,923	581,923	682,954	101,031
Intergovernmental	1,656,136	1,656,136	1,999,267	343,131
Charges for services	478,617	478,617	557,785	79,168
Fines and forfeitures	198,243	198,243	347,066	148,823
Interest income	96,000	96,000	72,623	(23,377)
Grant revenue	6,000	9,500	76,703	67,203
Interlocal agreements	886,675	896,675	850,445	(46,230)
Special assessments	1,141,374	1,141,374	1,149,138	7,764
Other revenues	308,341	342,820	484,864	142,044
<b>Total revenues</b>	<b>12,205,421</b>	<b>12,253,400</b>	<b>13,202,799</b>	<b>949,399</b>
Expenditures:				
Current:				
General Government:				
Town Council	332,166	277,244	235,898	41,346
Administrative	350,561	459,224	399,183	60,041
Finance	513,398	517,536	500,575	16,961
Nondepartmental	82,305	220,749	78,316	142,433
<b>Total general government</b>	<b>1,278,430</b>	<b>1,474,753</b>	<b>1,213,972</b>	<b>260,781</b>
Public safety:				
Police	6,341,005	6,463,003	5,975,290	487,713
Development services	1,043,259	1,283,707	999,282	284,425
<b>Total public safety</b>	<b>7,384,264</b>	<b>7,746,710</b>	<b>6,974,572</b>	<b>772,138</b>

See notes to required supplementary information

**TOWN OF LANTANA, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL – GENERAL FUND (Continued)**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Final Budget- Positive (Negative)</b>
Physical environment:				
Public Works	2,791,496	3,028,607	2,825,028	203,579
<b>Total physical environment</b>	<b>2,791,496</b>	<b>3,028,607</b>	<b>2,825,028</b>	<b>203,579</b>
Culture/recreation, parks and recreation:				
Library	207,281	211,264	204,090	7,174
Sports park	429,182	470,648	464,093	6,555
<b>Total culture and recreation</b>	<b>636,463</b>	<b>681,912</b>	<b>668,183</b>	<b>13,729</b>
Capital outlay	93,700	726,061	556,640	169,421
Debt service:				
Principal retirement	59,000	59,000	-	59,000
<b>Total debt service</b>	<b>59,000</b>	<b>59,000</b>	<b>-</b>	<b>59,000</b>
<b>Total expenditures</b>	<b>12,243,353</b>	<b>13,717,043</b>	<b>12,238,395</b>	<b>1,478,648</b>
<b>Excess (deficiency) of revenues         over expenditures</b>	<b>(37,932)</b>	<b>(1,463,643)</b>	<b>964,404</b>	<b>2,428,047</b>
Other financing sources (uses):				
Use of fund balance	37,932	1,766,643	-	(1,766,643)
Transfers out	-	(303,000)	-	303,000
<b>Total other financing sources (uses)</b>	<b>37,932</b>	<b>1,463,643</b>	<b>-</b>	<b>(1,463,643)</b>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	964,404	<u>\$ 964,404</u>
Fund balance, beginning			<u>17,067,511</u>	
Fund balance, ending			<u><b>\$ 18,031,915</b></u>	

See notes to required supplementary information

**TOWN OF LANTANA, FLORIDA**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

**NOTE 1 – BUDGETS AND BUDGETARY ACCOUNTING**

State of Florida Statutes requires that all municipal governments establish budgetary systems and approve balanced annual operating budgets. The Town Council annually adopts an operating budget and appropriates funds for the General Fund and Special Revenue Funds, except for the Police Forfeiture Fund and ARPA Fund.

The procedures for establishing budgetary data are as follows:

By July 1st of each year, the Property Appraiser certifies the tax roll for the Town. The tax roll is used in formulating the proposed millage rate for the coming year. Thereafter, the following time table must be adhered to:

- Within 45 days the Town Manager must submit a proposed operating budget to the Council. The proposed budget includes expenditures and the means of financing them.
- Between 65-80 days from the date of certification (September 3rd — September 18th), the Town must hold a tentative budget and millage hearing. This hearing cannot be held sooner than ten days following the mailing of notices by the Property Appraiser (August 24th).
- Within 15 days of the tentative budget and millage hearing (September 18th — September 30th), the Town must advertise a final hearing on the budget.
- Not less than two or more than five days after the advertisement (September 20th — October 8th), a final hearing adopting the budget and millage is held.
- Within three days after the receipt of final value, the Finance Director completes form DR-422 and returns it to the Property Appraiser.
- Within 30 days of final millage and budget adoption, the Town must certify compliance with Section 200.065 and 200.068, Florida Statutes, to the Department of Revenue.

Budgets are adopted on the modified accrual basis of accounting, consistent with accounting principles generally accepted in the United States. All appropriations lapse at fiscal year end unless encumbered or specifically designated to be carried forward to the subsequent year. Changes or amendments to the total budgeted expenditures, except as noted above for encumbrances and carry forwards, of the Town must be approved by the Council. The legal level of control is at the departmental level. The general fund budget was amended as follows: increase in revenues of \$47,979, increase in use of fund balance of \$1,728,711, increase of transfers out of \$303,000 and increase in appropriations related to Council amendments, encumbrances and carry forwards of \$1,473,690.

**TOWN OF LANTANA, FLORIDA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS**  
**LANTANA POLICE RELIEF AND PENSION FUND**

Measurement Year Ended September 30,

	2021	2020	2019	2018	2017	2016	2015	2014
<b>Total Pension Liability (TPL)</b>								
Service cost	\$ 640,452	\$ 625,849	\$ 545,724	\$ 505,944	\$ 362,009	\$ 343,544	\$ 357,506	\$ 390,463
Interest on the total pension liability	1,585,956	1,455,520	1,414,270	1,376,374	1,024,448	989,489	928,071	853,826
Changes of benefit terms	-	-	(20,334)	-	3,021,409	-	-	-
Differences between actual and expected experience in the measurement of the TPL.	114,444	476,957	(63,829)	(700,332)	512,020	(298,613)	(113,373)	(847)
Changes of assumption	122,095	-	214,552	-	5,673	(221,282)	-	-
Benefit payments	(654,567)	(833,212)	(1,026,779)	(377,772)	(364,808)	(388,273)	(270,957)	(247,244)
Refunds	(34,927)	(24,942)	(17,668)	(10,762)	(930)	(31,262)	(6,834)	(716)
Other changes	-	-	-	-	-	27,147	9,333	2,279
<b>Net change in total pension liability</b>	1,773,453	1,700,172	1,045,936	793,452	4,559,821	420,750	903,746	997,761
<b>Total pension liability - beginning</b>	21,579,543	19,879,371	18,833,435	18,039,983	13,480,162	13,059,412	12,155,666	11,157,905
<b>Total pension liability - ending (a)</b>	\$ 23,352,996	\$ 21,579,543	\$ 19,879,371	\$ 18,833,435	\$ 18,039,983	\$ 13,480,162	\$ 13,059,412	\$ 12,155,666
<b>Plan fiduciary net position</b>								
Contributions - Employer (from Town)	\$ 933,367	\$ 991,819	\$ 833,774	\$ 701,427	\$ 302,908	\$ 429,970	\$ 408,040	\$ 377,272
Contributions - Employer (from State)	143,591	136,170	133,628	116,796	112,686	119,700	101,886	95,532
Contributions - Employees	179,196	180,660	145,099	124,905	120,005	120,049	105,492	111,001
Net investment income	3,956,453	1,759,889	723,759	1,268,013	1,510,543	987,257	(63,982)	992,243
Benefit payments	(654,567)	(833,212)	(1,026,779)	(377,772)	(364,808)	(388,273)	(270,957)	(247,244)
Refunds	(34,927)	(24,942)	(17,668)	(10,762)	(930)	(31,262)	(6,834)	(716)
Pension plan administrative expense	(67,988)	(78,287)	(69,643)	(86,349)	(57,996)	(65,361)	(51,501)	(42,022)
<b>Net change in fiduciary net position</b>	4,455,125	2,132,097	722,170	1,736,258	1,622,408	1,172,080	222,144	1,286,066
<b>Plan fiduciary net position - beginning</b>	18,574,531	16,442,434	15,720,264	13,984,006	12,361,598	11,189,518	10,967,374	9,681,308
<b>Plan fiduciary net position - ending (b)</b>	\$ 23,029,656	\$ 18,574,531	\$ 16,442,434	\$ 15,720,264	\$ 13,984,006	\$ 12,361,598	\$ 11,189,518	\$ 10,967,374
<b>Net pension liability - ending (a) - (b)</b>	\$ 323,340	\$ 3,005,012	\$ 3,436,937	\$ 3,113,171	\$ 4,055,977	\$ 1,118,564	\$ 1,869,894	\$ 1,188,292

Plan fiduciary net position as a percentage of the total pension liability

Covered payroll 98.62% 86.07% 82.71% 83.47% 77.52% 91.70% 85.68% 90.22%

Net Pension liability as a percentage of covered payroll

14.44% 133.07% 165.81% 174.47% 236.59% 65.61% 124.08% 74.96%

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

**TOWN OF LANTANA, FLORIDA  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CONTRIBUTIONS  
LANTANA POLICE RELIEF AND PENSION FUND**

Fiscal Year Ending September 30,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as % of Covered Employee Payroll
2014	\$ 465,226	\$ 469,825	\$ (4,599)	\$ 1,585,729	29.63 %
2015	500,593	500,593	-	1,507,029	33.22 %
2016	466,726	522,523	(55,797)	1,704,833	30.65 %
2017	415,594	415,594	-	1,714,357	24.24 %
2018	904,992	818,223	86,769	1,784,354	45.86 %
2019	894,650	967,402	(72,752)	2,072,843	46.67 %
2020	929,330	1,127,989	(198,659)	2,258,250	49.95 %
2021	1,033,924	1,076,958	(43,034)	2,239,950	48.08 %

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

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

The methods and assumptions used to determine contribution rates are as follows:

Valuation date	October 1, 2019
Actuarial cost method	Entry Age Normal
Amortization method	Level Dollar, Closed
Remaining amortization period	20 years
Asset valuation method	5-year smoothed market
Actuarial Assumptions:	
Inflation	2.50%
Salary increases	6.0%, including inflation
Investment Rate of Return	7.25%
Retirement age	Experience-based table of rates
Mortality	

The healthy mortality table is the RP-2000 Mortality Table for annuitants with future improvements in mortality projected to all future years using Scale BB. For females, the base mortality rates include a 100% white collar adjustment. For males, the base mortality rates include a 90% blue collar adjustment and a 10% white collar adjustment. The preretirement mortality table is the RP-2000 Combined Healthy Participant Mortality Table with the same white and blue collar adjustments and the same mortality improvement projection scales. For disabled retirees, the mortality table is the RP-2000 Mortality Table for disabled annuitants setback 4 years for males and set-forward 2 years for females, with no provision made for future mortality improvements. These are the same rates used for Special Risk Class members of the Florida Retirement System (FRS) in their Actuarial Valuation as of July 1, 2018.

**TOWN OF LANTANA, FLORIDA  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CHANGES IN THE TOWN'S NET OPEB LIABILITY  
AND RELATED RATIOS**

	2021	2020	2019	2018
<b>Total OPEB Liability</b>				
Service cost	\$ 51,567	\$ 38,757	\$ 47,152	\$ 44,465
Interest	14,053	23,923	22,139	19,510
Difference between expected and actual experience	-	(51,181)	-	(55,240)
Changes of assumptions and other inputs	(18,107)	16,013	3,646	98,112
Benefit payments	(12,359)	(13,032)	(12,578)	(6,889)
Other changes	-	(27,006)	500	(71,289)
<b>Net change in total OPEB liability</b>	<b>35,154</b>	<b>(12,526)</b>	<b>60,859</b>	<b>28,669</b>
<b>Total OPEB liability - beginning</b>	<b>662,841</b>	<b>675,367</b>	<b>614,508</b>	<b>585,839</b>
<b>Total OPEB liability - ending (a)</b>	<b>\$ 697,995</b>	<b>\$ 662,841</b>	<b>\$ 675,367</b>	<b>\$ 614,508</b>
 <b>Plan Fiduciary Net Position</b>				
<b>Net change in plan fiduciary net position</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Plan fiduciary net position - beginning</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Plan fiduciary net position - ending (b)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
 <b>Town's net OPEB liability - ending (a) - (b)</b>	<b>\$ 697,995</b>	<b>\$ 662,841</b>	<b>\$ 675,367</b>	<b>\$ 614,508</b>
 Plan fiduciary net position as a percentage of total OPEB liability	0.00%	0.00%	0.00%	0.00%
 Covered employee payroll	\$ 5,644,764	\$ 5,644,764	\$ 4,982,533	\$ 4,982,533
 Net OPEB liability as a percentage of covered employee payroll	12.37%	11.74%	13.55%	12.33%

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

There are no assets accumulated in a trust that meets the criteria of GASB codification P22.101 or P52.101 to pay related benefits for the OPEB plan.

## **NONMAJOR GOVERNMENTAL FUNDS**

### **Special Revenue Funds**

**Grants Fund** — The Grants Fund is used to account for all financial resources applicable to grants awarded to the Town except for ARPA grants.

**Infrastructure Surtax Fund** — This fund is used to account for restricted funds designated by Florida Statutes for infrastructure expenditures.

**Police Education Fund** — This fund is used to account for restricted funds designated by Florida Statutes for training and education of law enforcement personnel.

**Police Forfeiture Fund** — This fund is used to account for restricted state and local forfeitures allocated to the Town.



**TOWN OF LANTANA, FLORIDA  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2021**

	Special Revenue Funds				
	Grants	Infrastructure	Police	Police	Total
	Fund	Surtax	Education	Forfeiture	Governmental
	Fund	Fund	Fund	Fund	Funds
<b>Assets</b>					
Restricted cash and cash equivalents	\$ 46,899	\$ 556,951	\$ 6,031	\$ 124,480	\$ 734,361
Intergovernmental receivables	6,332	408,490	164	-	414,986
Prepaid costs	-	-	750	-	750
Total assets	\$ 53,231	\$ 965,441	\$ 6,945	\$ 124,480	\$ 1,150,097
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>					
Liabilities:					
Accounts payable	\$ 53,232	\$ 37,705	\$ -	\$ 100	\$ 91,037
Retainage payable	-	22,858	-	-	22,858
Total liabilities	53,232	60,563	-	100	113,895
Deferred Inflows of Resources:					
Unavailable revenue	5,888	-	-	-	5,888
Total deferred inflows of resources	5,888	-	-	-	5,888
Fund balances:					
Restricted for:					
Infrastructure	-	904,878	-	-	904,878
Police education	-	-	6,945	-	6,945
Police forfeiture programs	-	-	-	124,380	124,380
Unassigned	(5,889)	-	-	-	(5,889)
Total fund balances	(5,889)	904,878	6,945	124,380	1,030,314
Total liabilities, deferred inflows of resources and fund balances	\$ 53,231	\$ 965,441	\$ 6,945	\$ 124,480	\$ 1,150,097

**TOWN OF LANTANA, FLORIDA  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

	Special Revenue Funds				Total
	Grants Fund	Infrastructure Surtax Fund	Police Education Fund	Police Forfeiture Fund	Governmental Funds
Revenues:					
Intergovernmental	\$ -	\$ 930,406	\$ -	\$ -	\$ 930,406
Fines and forfeitures	-	-	4,004	25,501	29,505
Interest income	-	28	-	4	32
Grant revenue	892,243	-	-	-	892,243
Other revenues	-	237,500	-	-	237,500
Total revenues	892,243	1,167,934	4,004	25,505	2,089,686
Expenditures:					
Current:					
Public safety	37,189	-	3,219	22,367	62,775
Physical environment	39,000	461,733	-	-	500,733
Culture and recreation	53,518	309	-	-	53,827
Capital outlay	138,275	602,460	-	-	740,735
Total expenditures	267,982	1,064,502	3,219	22,367	1,358,070
Excess (deficiency) of revenues over expenditures	624,261	103,432	785	3,138	731,616
Other financing sources (uses):					
Transfers in	28,352	-	-	-	28,352
Transfers out	-	(28,352)	-	-	(28,352)
Total other financing sources (uses)	28,352	(28,352)	-	-	-
Net change in fund balances	652,613	75,080	785	3,138	731,616
Fund balances, beginning	(658,502)	829,798	6,160	121,242	298,698
Fund balances, ending	\$ (5,889)	\$ 904,878	\$ 6,945	\$ 124,380	\$ 1,030,314

**TOWN OF LANTANA, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL – GRANTS FUND**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

	Grants Fund			
	Budgeted Amounts		Actual Amounts	Variance With Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Grant revenue	\$ 128,000	1,390,460	\$ 892,243	\$ (498,217)
Total revenues	128,000	1,390,460	892,243	(498,217)
Expenditures:				
Current:				
Public Safety	-	37,244	37,189	55
Physical environment	48,000	48,000	39,000	9,000
Culture and recreation	-	46,744	53,518	(6,774)
Capital outlay	80,000	760,995	138,275	622,720
Total expenditures	128,000	892,983	267,982	625,001
Excess (deficiency) of revenues over expenditures	-	497,477	624,261	126,784
Other financing sources (uses):				
Transfers in	-	184,478	28,352	(156,126)
Total other financing sources (uses)	-	184,478	28,352	(156,126)
Net change in fund balances	\$ -	\$ 681,955	652,613	\$ (29,342)
Fund balance, beginning			(658,502)	
Fund balance, ending			<u>\$ (5,889)</u>	

**TOWN OF LANTANA, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL – NONMAJOR GOVERNMENTAL FUNDS –**  
**INFRASTRUCTURE SURTAX FUND**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

	Infrastructure Surtax Fund			
	Budgeted Amounts		Actual Amounts	Variance With Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 702,346	\$ 702,346	\$ 930,406	\$ 228,060
Interest income	360	360	28	(332)
Other revenues	-	-	237,500	237,500
Total revenues	702,706	702,706	1,167,934	465,228
Expenditures:				
Current:				
Physical environment	453,706	483,806	461,733	22,073
Culture and recreation	-	308	309	(1)
Capital outlay	249,000	1,282,228	602,460	679,768
Total expenditures	702,706	1,766,342	1,064,502	701,840
Excess (deficiency) of revenues over expenditures	-	(1,063,636)	103,432	1,167,068
Other financing sources (uses):				
Use of fund balance	-	945,114	-	(945,114)
Transfers out	-	118,522	(28,352)	(146,874)
Total other financing sources (uses)	-	1,063,636	(28,352)	(1,091,988)
Net change in fund balances	\$ -	\$ -	75,080	\$ 75,080
Fund balance, beginning			829,798	
Fund balance, ending			\$ 904,878	

**TOWN OF LANTANA, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL – NONMAJOR GOVERNMENTAL FUNDS –**  
**POLICE EDUCATION FUND**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

	Police Education Fund			
	Budgeted Amounts		Actual Amounts	Variance With Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Fines and forfeitures	\$ 4,627	\$ 4,627	\$ 4,004	\$ (623)
Total revenues	4,627	4,627	4,004	(623)
Expenditures:				
Current:				
Public Safety	4,627	4,627	3,219	1,408
Total expenditures	4,627	4,627	3,219	1,408
Excess (deficiency) of revenues over expenditures	<u>\$ -</u>	<u>\$ -</u>	785	<u>\$ 785</u>
Fund balance, beginning			<u>6,160</u>	
Fund balance, ending			<u>\$ 6,945</u>	



## STATISTICAL SECTION

## STATISTICAL SECTION

The Town of Lantana's Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Town's overall financial health.

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#### **Financial Trends**

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

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Sources: Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive Financial Reports for the relevant year. The Town implemented GASB Statement 34 for fiscal year 2003; schedules presenting government-wide information include information beginning in that year.

**TOWN OF LANTANA, FLORIDA  
NET POSITION BY COMPONENT  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)**

	2012	2013	2014
<b>Governmental Activities</b>			
Net Investment in capital assets	\$ 18,337,815	\$ 18,260,830	\$ 17,329,014
Restricted	12,680	15,476	1,019,931
Unrestricted	<u>7,773,388</u>	<u>8,426,192</u>	<u>9,271,736</u>
<b>Total Governmental Activities Net Position</b>	<u>26,123,883</u>	<u>26,702,498</u>	<u>27,620,681</u>
<b>Business-Type Activities</b>			
Net Investment in capital assets	3,605,700	4,313,612	5,089,676
Restricted	543,791	-	363,801
Unrestricted	<u>7,530,741</u>	<u>8,789,438</u>	<u>8,244,021</u>
<b>Total Business-Type Activities Net Position</b>	<u>11,680,232</u>	<u>13,103,050</u>	<u>13,697,498</u>
<b>Primary Government</b>			
Net Investment in capital assets	21,943,515	22,574,442	22,418,690
Restricted	556,471	15,476	1,383,732
Unrestricted	<u>15,304,129</u>	<u>17,215,630</u>	<u>17,515,757</u>
<b>Total Primary Government Net Position</b>	<u>\$ 37,804,115</u>	<u>\$ 39,805,548</u>	<u>\$ 41,318,179</u>

Note: The Town implemented GASB Statement No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position" for the fiscal year ended September 30, 2013.

	2015	2016	2017	2018	2019	2020	2021
\$	16,994,685	\$ 17,694,224	\$ 17,818,601	\$ 17,228,421	\$ 16,470,693	\$ 16,067,402	\$ 15,801,650
	19,750	685,155	1,425,190	2,177,200	3,207,420	2,968,299	6,125,299
	<u>9,274,400</u>	<u>9,517,683</u>	<u>6,929,939</u>	<u>7,771,022</u>	<u>8,878,927</u>	<u>11,410,720</u>	<u>13,364,326</u>
	<u>26,288,835</u>	<u>27,897,062</u>	<u>26,173,730</u>	<u>27,176,643</u>	<u>28,557,040</u>	<u>30,446,421</u>	<u>35,291,275</u>
	6,175,347	6,200,832	6,239,812	8,135,430	8,545,960	8,248,569	8,175,795
	363,800	363,800	374,456	-	-	2,118,871	2,076,791
	<u>8,484,142</u>	<u>10,325,879</u>	<u>11,011,260</u>	<u>10,626,017</u>	<u>12,331,053</u>	<u>12,465,460</u>	<u>12,847,206</u>
	<u>15,023,289</u>	<u>16,890,511</u>	<u>17,625,528</u>	<u>18,761,447</u>	<u>20,877,013</u>	<u>22,832,900</u>	<u>23,099,792</u>
	23,170,032	23,895,056	24,058,413	25,363,851	25,016,653	24,315,971	23,977,445
	383,550	1,048,955	1,799,646	2,177,200	3,207,420	5,087,170	8,202,090
	<u>17,758,542</u>	<u>19,843,562</u>	<u>17,941,199</u>	<u>18,397,039</u>	<u>21,209,980</u>	<u>23,876,180</u>	<u>26,211,532</u>
\$	<u>41,312,124</u>	<u>\$ 44,787,573</u>	<u>\$ 43,799,258</u>	<u>\$ 45,938,090</u>	<u>\$ 49,434,053</u>	<u>\$ 53,279,321</u>	<u>\$ 58,391,067</u>

**TOWN OF LANTANA, FLORIDA**  
**CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
**(ACCRUAL BASIS OF ACCOUNTING)**

	2012	2013	2014
<b>Governmental Activities</b>			
General government	\$ 766,789	\$ 930,263	1,447,888
Public safety	5,761,191	4,502,022	4,938,269
Physical environment	2,110,759	1,821,392	1,514,926
Transportation	1,095,864	1,564,530	1,977,033
Culture/recreation	390,092	369,831	417,408
Interest on long-term debt	74,110	65,694	50,694
<b>Total Governmental Activities Expenses</b>	<u>10,198,805</u>	<u>9,253,732</u>	<u>10,346,218</u>
<b>Business-Type Activities</b>			
Utility - water and sewer	<u>4,635,940</u>	<u>4,914,189</u>	<u>4,677,549</u>
<b>Total Business-Type Activities Expenses</b>	<u>4,635,940</u>	<u>4,914,189</u>	<u>4,677,549</u>
<b>Total Primary Government Expenses</b>	<u>\$ 14,834,745</u>	<u>\$ 14,167,921</u>	<u>\$ 15,023,767</u>
<b>Program Revenues</b>			
Governmental activities:			
Charges for services:			
General government	\$ 788,381	\$ 778,961	860,235
Public safety	806,068	828,503	1,132,256
Physical environment	879,099	808,998	1,136,758
Culture and recreation	195,470	157,878	202,245
Operating grants and contributions	214,108	70,751	38,835
Capital grants and contributions	131,927	1,279,089	291,113
<b>Total Governmental Activities Program Revenues</b>	<u>3,015,053</u>	<u>3,924,180</u>	<u>3,661,442</u>
Business-type activities:			
Charges for services:			
Utility - water and sewer	5,016,469	4,972,344	5,242,123
Operating grants and contributions	-	-	-
Capital grants and contributions	-	-	-
<b>Total Business-Type Activities Program Revenues</b>	<u>5,016,469</u>	<u>4,972,344</u>	<u>5,242,123</u>
<b>Total Primary Government Program Revenues</b>	<u>\$ 8,031,522</u>	<u>\$ 8,896,524</u>	<u>\$ 8,903,565</u>

Notes:

- Beginning with FY 2015, transportation is reported in physical environment.

2015	2016	2017	2018	2019	2020	2021
741,324	818,909	1,007,186	950,779	993,924	1,056,190	1,235,562
5,239,141	5,375,887	8,580,598	6,062,440	6,801,336	6,719,154	6,604,469
3,127,821	3,233,635	3,273,391	3,867,004	3,727,044	3,941,376	4,096,331
-	-	-	-	-	-	-
2,253,383	365,697	548,426	597,923	785,356	812,162	1,012,756
36,584	21,458	10,026	771	-	-	-
11,398,253	9,815,586	13,419,627	11,478,917	12,307,660	12,528,882	12,949,118
4,563,238	4,572,755	5,283,975	5,161,735	5,287,676	5,511,293	6,149,312
4,563,238	4,572,755	5,283,975	5,161,735	5,287,676	5,511,293	6,149,312
\$ 15,961,491	\$ 14,388,341	\$ 18,703,602	\$ 16,640,652	\$ 17,595,336	\$ 18,040,175	\$ 19,098,430
899,171	1,386,273	1,132,786	1,268,772	1,480,528	1,447,317	1,221,878
1,292,909	1,179,654	1,214,316	1,173,143	1,296,316	1,216,954	1,240,606
626,469	626,772	639,995	656,849	898,299	1,061,017	1,094,198
289,802	256,590	331,061	426,276	493,645	392,895	485,224
38,370	37,615	67,762	38,499	235,750	140,813	3,301,722
900,051	321,840	1,083,883	1,195,547	820,642	1,542,076	1,148,961
4,046,772	3,808,744	4,469,803	4,759,086	5,225,180	5,801,072	8,492,589
5,607,712	5,644,050	5,889,214	5,960,248	6,276,572	6,301,259	6,330,933
-	-	-	-	-	-	-
-	-	-	-	-	-	-
5,607,712	5,644,050	5,889,214	5,960,248	6,276,572	6,301,259	6,330,933
\$ 9,654,484	\$ 9,452,794	\$ 10,359,017	\$ 10,719,334	\$ 11,501,752	\$ 12,102,331	\$ 14,823,522

**TOWN OF LANTANA, FLORIDA**  
**CHANGES IN NET POSITION**  
**(Continued)**  
**LAST TEN FISCAL YEARS**  
**(ACCRUAL BASIS OF ACCOUNTING)**

	2012	2013	2014
<b>Net (Expense) Revenue</b>			
Governmental activities	\$ (7,183,752)	\$ (5,329,552)	\$ (6,684,776)
Business-type activities	<u>380,529</u>	<u>58,155</u>	<u>564,574</u>
<b>Total Primary Government Net Expense</b>	<u>\$ (6,803,223)</u>	<u>\$ (5,271,397)</u>	<u>\$ (6,120,202)</u>
<b>General Revenues and Other Changes in Net Position</b>			
Governmental activities:			
Taxes:			
Property taxes	\$ 2,181,084	\$ 2,105,853	2,153,180
Franchise taxes and utility taxes	1,620,629	1,743,034	2,258,115
Unrestricted contributions	1,644,557	1,595,343	1,675,742
Investment income - unrestricted	39,045	15,731	13,521
Miscellaneous	437,347	448,206	1,502,401
Gain from sale of capital assets	-	-	-
Transfers	<u>23,000</u>	<u>-</u>	<u>-</u>
<b>Total Governmental Activities</b>	<u>5,945,662</u>	<u>5,908,167</u>	<u>7,602,959</u>
Business-type activities:			
Miscellaneous	25,282	1,384,234	20,747
Investment income (loss) - unrestricted	34,357	12,459	9,127
Transfers	(23,000)	-	-
Gain on sale of capital assets	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Business-Type Activities</b>	<u>36,639</u>	<u>1,396,693</u>	<u>29,874</u>
<b>Total Primary Government</b>	<u>\$ 5,982,301</u>	<u>\$ 7,304,860</u>	<u>\$ 7,632,833</u>
Change in net position:			
Governmental activities	\$ (1,238,090)	\$ 578,615	\$ 918,183
Business-type activities	<u>417,168</u>	<u>1,454,848</u>	<u>594,448</u>
<b>Total Primary Government</b>	<u>\$ (820,922)</u>	<u>\$ 2,033,463</u>	<u>\$ 1,512,631</u>

Notes:

- The Town split out Gain from sale of capital assets which was previously reported in miscellaneous income for the year ended September 30, 2015.

2015	2016	2017	2018	2019	2020	2021
\$ (7,351,481)	\$ (6,006,842)	\$ (8,949,824)	\$ (6,719,831)	\$ (7,082,480)	\$ (6,727,810)	\$ (4,456,529)
<u>1,044,474</u>	<u>1,071,295</u>	<u>605,239</u>	<u>798,513</u>	<u>988,896</u>	<u>789,966</u>	<u>181,621</u>
<u>\$ (6,307,007)</u>	<u>\$ (4,935,547)</u>	<u>\$ (8,344,585)</u>	<u>\$ (5,921,318)</u>	<u>\$ (6,093,584)</u>	<u>\$ (5,937,844)</u>	<u>\$ (4,274,908)</u>
2,266,736	2,522,731	2,786,215	3,221,378	3,522,230	3,852,837	4,101,276
2,292,471	2,335,932	2,420,646	2,441,511	2,541,593	2,548,504	2,635,639
1,769,613	1,757,031	1,729,563	1,742,071	1,796,298	1,753,234	1,979,497
23,503	29,292	75,309	165,096	266,039	187,778	72,655
910,439	941,079	207,857	189,691	315,433	259,318	457,635
41,030	5,141	6,902	22,153	21,284	15,520	54,681
<u>-</u>	<u>23,863</u>	<u>-</u>	<u>100,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>7,303,792</u>	<u>7,615,069</u>	<u>7,226,492</u>	<u>7,881,900</u>	<u>8,462,877</u>	<u>8,617,191</u>	<u>9,301,383</u>
256,624	798,138	72,181	187,117	934,723	1,039,149	36,290
21,582	21,652	57,597	128,543	191,929	126,772	42,622
-	(23,863)	-	-	-	-	-
<u>3,111</u>	<u>-</u>	<u>-</u>	<u>20</u>	<u>18</u>	<u>-</u>	<u>6,359</u>
<u>281,317</u>	<u>795,927</u>	<u>129,778</u>	<u>315,680</u>	<u>1,126,670</u>	<u>1,165,921</u>	<u>85,271</u>
<u>\$ 7,585,109</u>	<u>\$ 8,410,996</u>	<u>\$ 7,356,270</u>	<u>\$ 8,197,580</u>	<u>\$ 9,589,547</u>	<u>\$ 9,783,112</u>	<u>\$ 9,386,654</u>
\$ (47,689)	\$ 1,608,227	\$ (1,723,332)	\$ 1,162,069	\$ 1,380,397	\$ 1,889,381	\$ 4,844,854
<u>1,325,791</u>	<u>1,867,222</u>	<u>735,017</u>	<u>1,114,193</u>	<u>2,115,566</u>	<u>1,955,887</u>	<u>266,892</u>
<u>\$ 1,278,102</u>	<u>\$ 3,475,449</u>	<u>\$ (988,315)</u>	<u>\$ 2,276,262</u>	<u>\$ 3,495,963</u>	<u>\$ 3,845,268</u>	<u>\$ 5,111,746</u>

**TOWN OF LANTANA, FLORIDA**  
**FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

	2012	2013	2014	2015
<b>General Fund</b>				
Nonspendable	\$ 11,170	\$ 12,778	\$ 15,212	\$ 12,873
Restricted	-	-	1,000,000	-
Committed	3,300,000	3,300,000	-	-
Assigned	1,172,463	964,307	4,110,530	5,147,691
Unassigned	<u>3,864,418</u>	<u>4,109,878</u>	<u>4,536,305</u>	<u>3,923,144</u>
<b>Total General Fund</b>	<u>8,348,051</u>	<u>8,386,963</u>	<u>9,662,047</u>	<u>9,083,708</u>
<b>All Other Governmental Funds</b>				
Restricted	12,680	15,476	19,931	19,750
Assigned	58,545	53,245	50,767	175,812
Unassigned	<u>(1,376,767)</u>	<u>(103,353)</u>	<u>(51,674)</u>	<u>(51,888)</u>
<b>Total All Other Governmental Funds</b>	<u>(1,305,542)</u>	<u>(34,632)</u>	<u>19,024</u>	<u>143,674</u>
<b>Total Governmental Funds</b>	<u>\$ 7,042,509</u>	<u>\$ 8,352,331</u>	<u>\$ 9,681,071</u>	<u>\$ 9,227,382</u>



2016	2017	2018	2019	2020	2021
\$ 10,980	\$ 13,914	\$ 8,261	\$ 4,229	\$ 3,038	\$ 2,134
666,166	1,075,481	1,562,930	1,631,250	2,011,099	1,915,608
-	-	-	-	-	3,300,000
4,277,074	4,075,990	3,787,079	3,740,320	4,441,041	1,451,787
<u>5,768,132</u>	<u>6,794,650</u>	<u>8,044,051</u>	<u>9,915,410</u>	<u>10,612,333</u>	<u>11,362,386</u>
 <u>10,722,352</u>	 <u>11,960,035</u>	 <u>13,402,321</u>	 <u>15,291,209</u>	 <u>17,067,511</u>	 <u>18,031,915</u>
 18,989	 349,709	 614,270	 788,085	 957,200	 4,186,833
204,038	-	-	-	-	-
<u>(68,113)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(658,502)</u>	<u>(5,889)</u>
 <u>154,914</u>	 <u>349,709</u>	 <u>614,270</u>	 <u>788,085</u>	 <u>298,698</u>	 <u>4,180,944</u>
<u>\$ 10,877,266</u>	<u>\$ 12,309,744</u>	<u>\$ 14,016,591</u>	<u>\$ 16,079,294</u>	<u>\$ 17,366,209</u>	<u>\$ 22,212,859</u>

**TOWN OF LANTANA, FLORIDA**  
**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

	2012	2013	2014
<b>Revenues</b>			
Taxes	\$ 2,181,084	\$ 2,105,853	\$ 2,153,180
Franchise fees and utility taxes	1,623,757	1,743,034	2,258,115
Other taxes	204,668	220,893	224,940
Licenses and permits	360,147	333,681	408,110
Intergovernmental	1,621,999	1,622,354	1,654,427
Charges for services	1,269,441	1,144,293	1,056,320
Fines and forfeitures	139,373	140,741	249,517
Investment income	39,045	15,731	13,521
Grant revenue	311,442	1,352,161	312,616
Interlocal agreements	548,056	574,015	696,606
Special assessments	-	-	-
Miscellaneous	619,571	601,851	1,659,211
<b>Total Revenues</b>	<u>8,918,583</u>	<u>9,854,607</u>	<u>10,686,563</u>
<b>Expenditures</b>			
Current:			
General government	754,111	866,813	1,391,794
Public safety	5,512,951	4,243,764	4,491,973
Physical environment	1,968,766	1,678,172	1,250,285
Transportation	165,070	681,965	1,023,958
Culture and recreation	183,873	170,052	208,020
Capital outlay	3,165,612	474,485	562,257
Debt service:			
Principal	348,138	362,017	376,450
Interest and fiscal charges	81,396	67,517	53,086
<b>Total Expenditures</b>	<u>12,179,917</u>	<u>8,544,785</u>	<u>9,357,823</u>
<b>Excess (Deficiency) of Revenues</b>			
<b>Over Expenditures</b>	<u>(3,261,334)</u>	<u>1,309,822</u>	<u>1,328,740</u>
<b>Other Financing Sources (Uses)</b>			
Transfers in	23,000	-	-
Transfers out	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>23,000</u>	<u>-</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	<u>\$ (3,238,334)</u>	<u>\$ 1,309,822</u>	<u>\$ 1,328,740</u>
<b>Debt Service as a Percentage</b>			
<b>of Non-Capital Expenditures</b>	4.77%	5.32%	4.88%

Note: Beginning with fiscal year 2015, transportation is reported in physical environment

	2015	2016	2017	2018	2019	2020	2021
\$	2,266,736	\$ 2,522,731	\$ 2,786,215	\$ 3,221,378	\$ 3,522,230	\$ 3,852,837	\$ 4,101,276
	2,292,471	2,335,932	2,420,646	2,441,511	2,541,593	2,548,504	2,635,639
	226,005	241,996	239,559	280,457	271,152	271,050	245,039
	410,943	884,795	621,550	708,433	901,786	888,999	682,954
	1,757,307	1,744,197	2,273,694	2,540,066	2,620,553	2,565,710	2,929,673
	475,435	463,570	557,643	589,013	615,284	481,060	557,785
	455,675	281,247	288,441	264,439	318,702	300,662	376,571
	23,503	29,292	75,309	165,096	266,039	187,778	72,665
	92,804	1,132,457	754,027	473,784	328,122	296,358	4,119,566
	712,352	750,678	764,878	791,044	830,869	840,917	850,445
	681,409	681,712	694,935	711,788	1,050,094	1,115,956	1,149,138
	<u>1,167,007</u>	<u>1,128,625</u>	<u>399,786</u>	<u>397,194</u>	<u>569,366</u>	<u>463,284</u>	<u>722,364</u>
	<u>10,561,647</u>	<u>12,197,232</u>	<u>11,876,683</u>	<u>12,584,203</u>	<u>13,835,790</u>	<u>13,813,115</u>	<u>18,443,115</u>
	729,286	819,152	934,999	915,874	967,372	1,005,291	1,213,972
	4,950,124	5,219,001	5,302,133	5,974,086	6,719,385	6,743,212	7,037,347
	2,122,784	2,188,156	2,204,535	2,749,796	2,764,041	3,013,138	3,325,761
	-	-	-	-	-	-	-
	179,167	197,626	358,960	411,693	563,657	554,231	722,010
	2,604,441	1,778,909	1,336,000	827,027	758,632	1,210,328	1,297,375
	391,457	345,891	297,552	98,109	-	-	-
	<u>38,077</u>	<u>22,476</u>	<u>10,026</u>	<u>771</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>11,015,336</u>	<u>10,571,211</u>	<u>10,444,205</u>	<u>10,977,356</u>	<u>11,773,087</u>	<u>12,526,200</u>	<u>13,596,465</u>
	<u>(453,689)</u>	<u>1,626,021</u>	<u>1,432,478</u>	<u>1,606,847</u>	<u>2,062,703</u>	<u>1,286,915</u>	<u>4,846,650</u>
	-	41,024	109,735	104,069	-	246,642	28,352
	<u>-</u>	<u>(17,161)</u>	<u>(109,735)</u>	<u>(4,069)</u>	<u>-</u>	<u>(246,642)</u>	<u>(28,352)</u>
	-	23,863	-	100,000	-	-	-
	<u>-</u>	<u>23,863</u>	<u>-</u>	<u>100,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
\$	<u>(453,689)</u>	<u>\$ 1,649,884</u>	<u>\$ 1,432,478</u>	<u>\$ 1,706,847</u>	<u>\$ 2,062,703</u>	<u>\$ 1,286,915</u>	<u>\$ 4,846,650</u>
	5.11%	4.19%	3.38%	0.97%	0.00%	0.00%	0.00%

**TOWN OF LANTANA, FLORIDA**

**NET ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY**

**LAST TEN FISCAL YEARS**

Fiscal Year Ended September 30,	Tax Roll Year	Assessed Values		Total Taxable Assessed Value	Total Direct Tax Rate
		Real Property	Personal Property		
2012	2011	646,728,736	46,810,684	693,539,420	3.2395
2013	2012	632,656,708	45,488,892	678,145,600	3.2395
2014	2013	647,132,006	38,872,232	686,004,238	3.2395
2015	2014	683,142,716	42,129,528	725,272,244	3.2395
2016	2015	757,505,897	43,362,825	800,868,722	3.2395
2017	2016	846,039,655	43,826,976	889,866,631	3.2395
2018	2017	916,809,816	34,560,485	951,370,301	3.5000
2019	2018	996,744,038	39,721,673	1,036,465,711	3.5000
2020	2019	1,094,972,214	44,078,805	1,139,051,019	3.5000
2021	2020	1,171,850,463	44,374,058	1,216,224,521	3.5000

Note: Property in the Town is re-assessed each year. Property is assessed at actual value; therefore, the assessed values are equal to actual value. Tax rates are per \$1,000 of assessed value.

Source: Palm Beach County Property Appraiser's Office.



**TOWN OF LANTANA, FLORIDA**  
**PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS**  
**LAST TEN FISCAL YEARS**

Fiscal Year		Direct Rate	Overlapping Rates (1)		
Ended September 30,	Tax Roll Year	Town General Operations (2)	Palm Beach County School District	Palm Beach County	Fire/ Rescue MSTU (3)
2012	2011	3.2395	8.1800	4.9925	3.4581
2013	2012	3.2395	7.7780	4.9902	3.4581
2014	2013	3.2395	7.5860	4.9852	3.4581
2015	2014	3.2395	7.5940	4.9729	3.4581
2016	2015	3.2395	7.5120	4.9277	3.4581
2017	2016	3.2395	7.0700	4.9142	3.4581
2018	2017	3.5000	6.7690	4.9023	3.4581
2019	2018	3.5000	7.1640	4.8580	3.4581
2020	2019	3.5000	7.0100	4.8124	3.4581
2021	2020	3.5000	6.8750	4.8149	3.4581

Note 1: All millage rates are based on \$1 for every \$1,000 of assessed value.

Sources: Town of Lantana Finance Department and Palm Beach County Property Appraiser's Office.

- (1) Overlapping rates are those of local and county governments that apply to property owners within the Town of Lantana. Not all overlapping rates apply to all Town of Lantana property owners (i.e., the rates for special taxing districts apply only to the proportion of the government's property owners whose property is located within the geographic boundaries of the special district).
- (2) The only component of the Town's direct rate is its operating millage. The Town does not have a debt service component.

Tax rate limits	Ten mills operating expense exclusive of debt service per Florida Statute 200.081. (One mill equals \$1 per \$1,000 of assessed valuation)
Scope of tax rate limits	No municipality shall levy ad valorem taxes for real and tangible personal property in excess of ten mills of the assessed value, except for special benefits and debt service on obligations issued with the approval of those taxpayers subject to ad valorem taxes.
Taxes assessed	January 1
Taxes due	March 31
Taxes delinquent	April 1
Discount allowed	4% November; 3% December; 2% January; 1% February
Penalties for delinquency	2.5% after April 1; increase .5% each ten days maximum 5%
Tax collector	Palm Beach County
Tax collector's commission	None

Overlapping Rates (1)				
Childrens Services Council	Health Care District	South Florida Water Management District	F.I.N.D.	Total Direct and Overlapping Rates
0.7475	1.1250	0.4363	0.0345	22.2134
0.7300	1.1220	0.4289	0.0345	21.7812
0.7025	1.0800	0.4110	0.0345	21.4968
0.6745	1.0800	0.3842	0.0345	21.4377
0.6677	1.0426	0.3551	0.0320	21.2347
0.6833	0.8993	0.3307	0.0320	20.6271
0.6590	0.7808	0.3100	0.0320	20.4112
0.6497	0.7261	0.2795	0.0320	20.6674
0.6497	0.7261	0.2675	0.0320	20.4558
0.6233	0.7261	0.2572	0.0320	20.2866

**TOWN OF LANTANA, FLORIDA**  
**PRINCIPAL PROPERTY TAXPAYERS**  
**CURRENT YEAR AND NINE YEARS AGO**

Taxpayer	2021			2012		
	Net Assessed Value	Rank	Percentage of Total Assessed Value	Net Assessed Value	Rank	Percentage of Total Assessed Value
Lantana I Owner LLC	\$ 58,069,068	1	4.77%			
Palm Beach FL Senior Property LLC (Carlisle)	\$ 52,311,608	2	4.30%	\$ 32,504,544	1	4.69%
TRG Seaside LP	\$ 51,369,340	3	4.22%			
Florida Power & Light Co	\$ 20,682,214	4	1.70%	\$ 11,153,703	3	
BT Lantana, LLC (Ramco Lantana LLC)	\$ 15,434,955	5	1.27%	\$ 11,865,351	2	1.71%
Lantana SDC LLC (Equity One (Lantana) Inc)	\$ 12,984,165	6	1.07%	\$ 6,759,513	6	0.97%
Costco Wholesale Corp.	\$ 12,919,232	7	1.06%	\$ 6,956,035	5	1.00%
Lantana Development LLC	\$ 12,554,303	8	1.03%			
Lantana II Owner LLC	\$ 12,180,000	9	1.00%			
Lantana SMI LLC (GMC of Lantana Ltd.)	\$ 10,867,070	10	0.89%	\$ 4,091,352	9	0.59%
Southern Waste Systems				\$ 9,690,417	4	1.40%
Hypoluxo I LP				\$ 5,164,009	7	0.74%
Lantana Storage Partners LTD				\$ 4,256,763	8	0.61%
Lan Hill Corp.				\$ 3,056,651	10	0.44%
	<u>\$ 259,371,955</u>		<u>21.33%</u>	<u>\$ 95,498,338</u>		<u>12.16%</u>

Source: Palm Beach County Tax Collector's Office.



**TOWN OF LANTANA, FLORIDA**  
**PROPERTY TAX LEVIES AND COLLECTIONS**  
**LAST TEN FISCAL YEARS**

Fiscal Year Ended September 30,	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collected in Subsequent Years	Total Property Tax Collections	
		Amount	Percent of Levy		Amount	Percent of Levy
2012	2,246,721	2,172,980	96.72%	15,146	2,188,125	97.39%
2013	2,196,853	2,104,328	95.79%	4,999	2,109,327	96.02%
2014	2,222,311	2,146,101	96.57%	4,487	2,150,587	96.77%
2015	2,349,519	2,265,091	96.41%	(440)	2,264,651	96.39%
2016	2,594,414	2,505,935	96.59%	8,344	2,514,280	96.91%
2017	2,882,723	2,782,116	96.51%	(534)	2,781,582	96.49%
2018	3,329,796	3,216,323	96.59%	1,614	3,217,938	96.64%
2019	3,627,630	3,516,847	96.95%	532	3,517,379	96.96%
2020	3,986,679	3,849,968	96.57%	4,014	3,853,982	96.67%
2021	4,256,786	4,095,880	96.22%	-	4,095,880	96.22%

Note: All property taxes are assessed and collected by Palm Beach County without charge to the Town,  
and collections are distributed as collected.

Source: Town of Lantana Finance Department and Palm Beach County Tax Collector's Office.

**TOWN OF LANTANA, FLORIDA**  
**RATIOS OF OUTSTANDING DEBT BY TYPE**  
**LAST TEN FISCAL YEARS**

Fiscal Year Ended September 30,	Governmental Activities			Business-Type Activities	Total	Percent of	Per Capita (1)
	Revenue Bonds	Capital Leases	Notes	Revenue Bonds	Primary Government	Personal Income (1)	
2012	393,731	-	1,477,745	7,167,200	9,038,676	14.28%	858
2013	286,832	-	1,222,627	5,376,346	6,885,805	11.17%	651
2014	175,506	-	957,504	4,637,990	5,770,999	8.68%	540
2015	59,568	-	681,985	3,880,709	4,622,261	6.54%	432
2016	-	-	395,661	3,103,891	3,499,552	4.88%	326
2017	-	-	98,109	2,306,904	2,405,013	3.10%	223
2018	-	-	-	1,489,088	1,489,088	1.81%	131
2019	-	-	-	1,016,560	1,016,560	1.19%	89
2020	-	-	-	536,321	536,321	0.61%	44
2021	-	-	-	47,514	47,514	N/A	4

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

Source: Town of Lantana Finance Department

(1) See the Schedule of Demographic and Economic Statistics for personal income and population data

N/A - Data is not available

**TOWN OF LANTANA, FLORIDA**  
**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**  
**SEPTEMBER 30, 2021**

Government Unit	Net Debt Outstanding (1)	Percentage Applicable to Town of Lantana (2)	Amount Applicable to the Town of Lantana
Palm Beach County	\$ 35,700	0.55%	\$ 196
Palm Beach County School District	<u>5,379,000</u>	0.55%	<u>29,480</u>
Subtotal, Overlapping Debt	5,414,700		29,676
Town of Lantana Direct Debt	<u>-</u>	100.00%	<u>-</u>
Total direct and overlapping debt	<u>\$ 5,414,700</u>		<u>\$ 29,676</u>

Sources: Assessed value data used to estimate applicable percentages provided by the Palm Beach County Property Appraiser. Debt outstanding data provided by each governmental unit.

(1) General Obligation Bonds

(2) Estimated based on 2021 Ratio of Assessed Taxable Values

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the Town. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the Town of Lantana. This process recognizes that, when considering the Town'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.

**TOWN OF LANTANA, FLORIDA**  
**STREETS AND HIGHWAYS NOTE PLEDGED REVENUE COVERAGE**  
**LAST TEN FISCAL YEARS (1)**

Fiscal Year Ended September 30	Public Services Tax Revenue (1)	Local Option Fuel Tax (1)	Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2012	1,316,599	263,960	1,580,559	245,491	62,086	307,578	5.14
2013	1,343,870	263,691	1,607,561	255,118	52,459	307,578	5.23
2014	1,407,999	270,434	1,678,433	265,123	42,455	307,578	5.46
2015	1,454,563	289,510	1,744,073	275,519	32,058	307,578	5.67
2016	1,436,154	293,802	1,729,956	286,324	21,254	307,578	5.62
2017	1,454,866	304,869	1,759,736	297,552	10,026	307,578	5.72
2018	1,473,527	298,495	1,772,021	98,109	771	98,880	17.92
2019	1,537,963	302,282	1,840,245	-	-	-	N/A
2020	1,586,038	270,876	1,856,914	-	-	-	N/A
2021	1,601,831	285,546	1,887,378	-	-	-	N/A

Source: Town of Lantana Finance Department

- (1) The Streets and Highways Debt is secured by a pledge of and a lien on the revenues derived and to be derived from the public services tax and the local option fuel tax
- (2) Streets and Highways Note was paid during Fiscal Year 2018.

**TOWN OF LANTANA, FLORIDA**  
**1998, 2003 AND 2012 WATER AND SEWER BONDS PLEDGED REVENUE COVERAGE**  
**LAST TEN FISCAL YEARS**

Fiscal Year Ended September 30	Gross Revenue (1)	Operating Expenses (2)	Revenue Available for Debt Coverage	Total Debt Service	Current Coverage
2012	5,067,849	3,352,158	1,715,691	1,034,388	1.66
2013	5,007,076	3,826,500	1,180,576	1,968,617	0.60
2014	5,271,997	3,645,194	1,626,803	858,149	1.90
2015	5,889,029	3,531,730	2,357,299	857,875	2.75
2016	6,463,840	3,490,066	2,973,774	858,078	3.47
2017	6,018,990	4,186,795	1,832,195	858,000	2.14
2018	6,275,934	4,083,141	2,192,793	860,143	2.55
2019	7,403,242	4,291,632	3,111,610	494,348	6.29
2020	7,467,180	4,510,494	2,956,686	494,348	5.98
2021	6,416,204	5,226,203	1,190,001	494,348	2.41

Source: The Town of Lantana Finance Department

- (1) Includes interest income and gain on sale of equipment. Excludes settlement proceeds.
- (2) Excludes depreciation and amortization expense
- (3) The 1998, 2003 and the 2012 Water and Sewer Bonds are secured by a pledge on the revenues derived from the operation of the water and sewer system and, accordingly, are recorded in the enterprise fund
- (4) The 2003 Water and Sewer Bond was retired in Fiscal Year 2018.

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

Year	Town Population (1)	Palm Beach County Per Capita Income (2)	Town School Enrollment (3)	Palm Beach County Unemployment Rate (4)
2012	10,536	63,276	2,126	8.7%
2013	10,583	61,637	2,095	7.5%
2014	10,681	66,495	3,028	5.9%
2015	10,705	70,718	2,469	5.3%
2016	10,737	71,682	2,476	5.1%
2017	10,797	77,543	2,585	4.3%
2018	11,397	82,076	2,389	3.6%
2019	11,419	85,213	2,468	3.5%
2020	12,081	87,478	2,522	6.6%
2021	11,579	N/A	2,387	4.1%

Sources:

(1) University of Florida, Bureau of Economic and Business Research (BEBR)

(2) US DOC Bureau of Economic Analysis (BEA)

(3) Palm Beach County School Board Budget Office

(4) U.S. Department of Labor, Bureau of Labor Statistics and  
Palm Beach County Business Development Board

N/A - Statistical information not available

NOTE: Where indicated, Palm Beach County data was used as a more relevant source.

**TOWN OF LANTANA, FLORIDA**  
**PRINCIPAL EMPLOYERS - PALM BEACH COUNTY (1)**  
**CURRENT YEAR AND TEN YEARS AGO**

Service Providing Employer	2021			2011		
	Employees	Rank	Percentage of Total County Employment	Palm Beach Employees	Rank	Percentage of Total County Employment
Palm Beach County School District	22,600	1	3.22%	21,495	1	3.88%
Tenet Coastal Div. Palm Beach County	6,505	2	0.93%	6,100	3	1.10%
Palm Beach County BOCC	5,686	3	0.81%	11,381	2	2.06%
NextEra Energy (Florida Power & Light)	5,119	4	0.73%	3,632	4	0.66%
Florida Atlantic University	3,133	5	0.45%	2,706	8	0.49%
Boca Raton Regional Hospital	3,052	6	0.44%			0.00%
Veterans Health Administration	3,000	7	0.43%			
HCA Healthcare	2,806	* 8	0.40%	2,714	7	0.49%
The Breakers	2,300	9	0.33%			
Bethesda Hospitals (East & West)	2,282	* 10	0.33%	2,391	9	0.43%
Intracoastal Health System				3,100	5	0.56%
G4S				3,000	6	0.54%
Office Depot				2,250	10	0.41%
	<u>56,483</u>		<u>8.06%</u>	<u>58,769</u>		<u>10.61%</u>

(1) Source: Business Development Board of Palm Beach County. Data is for Palm Beach County, Florida. Updated by the employers January 2021. Employment information for the Town is not available.

\* Updated figures were not available at the date of publication.

**TOWN OF LANTANA, FLORIDA**  
**FULL-TIME EQUIVALENT TOWN GOVERNMENT EMPLOYEES BY FUNCTION**  
**LAST TEN FISCAL YEARS**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Number of Employees:										
<b>General Government</b>										
Administration	3.0	3.0	3.0	3.0	3.5	3.5	3.5	3.5	3.5	3.5
Finance	9.0	9.0	9.0	9.0	9.0	9.0	10.0	10.0	10.6	11.0
<b>Public Safety</b>										
Police Personnel and Officers	35.0	35.0	35.3	36.0	37.5	38.1	41.1	42.1	41.1	43.1
Marine Safety	5.0	4.0	4.2	4.2	4.3	4.1	4.1	4.1	4.1	4.1
Development Services	7.0	6.0	7.0	7.0	7.0	7.0	7.0	8.0	8.0	10.0
<b>Culture and Recreation</b>										
Library	2.0	2.0	1.7	1.7	1.7	1.7	2.4	2.2	2.2	2.2
<b>Physical Environment</b>										
Management	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Sanitation	10.0	3.0	-	-	-	-	-	-	-	-
Water/Sewer	9.0	8.0	10.2	10.5	10.5	10.5	10.5	10.5	10.5	10.5
Vehicle Maintenance	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Public Works	<u>9.0</u>	<u>9.0</u>	<u>10.8</u>	<u>10.5</u>	<u>11.0</u>	<u>12.0</u>	<u>11.5</u>	<u>12.5</u>	<u>12.5</u>	<u>12.5</u>
<b>Total Number of Employees</b>	<u>94.0</u>	<u>84.0</u>	<u>86.2</u>	<u>87.0</u>	<u>89.5</u>	<u>91.0</u>	<u>95.1</u>	<u>97.9</u>	<u>97.5</u>	<u>101.9</u>

Source: Town of Lantana Finance Department

**Note:**

During fiscal year 2014, Operations was renamed to Public Works and Sanitation employees were transferred to Public Works.





**TOWN OF LANTANA, FLORIDA**  
**OPERATING INDICATORS BY FUNCTION/PROGRAM**  
**LAST TEN FISCAL YEARS**

Function/Program	2012	2013	2014	2015
<b>General Government:</b>				
<b>Town Clerk</b>				
Council agendas prepared	29	27	25	25
Ordinances passed by Council	14	16	12	10
Resolutions passed by Council	14	16	13	8
Records destroyed cubic feet	58	135.7	114.86	145.5
Public record requests	97	124	153	162
Employee service awards	12	22	8	12
<b>Finance</b>				
Accounts payable checks issued	2,209	2,218	2,215	2,263
New fixed asset items tagged	63	63	48	52
Trailer decals processed	195	115	175	177
Beach decals processed	687	422	665	700
<b>Information Systems</b>				
Installation of new software	27	38	36	35
Installation of new hardware	18	58	53	49
Upgrades to current software	197	73	88	90
<b>Public Safety</b>				
<b>Police</b>				
Police personnel and officers	35	35	35	36
CARE visits	74	72	114	218
House checks	21	91	124	37
Selective Traffic Enforcement Programs (STEP)	232	762	500	390
Traffic enforcement operations	12	12	12	12
<b>Development Services</b>				
Building permits issued	650	547	651	657
Code citations cases opened	265	1,695	1,443	1,406
Business tax receipts issued	1,250	1,306	1,314	1,314
<b>Marine Safety</b>				
Beach attendance	182,335	159,415	211,895	170,155
Ocean rescues	11	13	5	17
Ocean assists	-	-	-	-
<b>Culture and Recreation</b>				
<b>Parks and Recreation</b>				
Youth soccer registrants	-	-	-	-
Youth baseball registrants	-	-	-	-
<b>Library</b>				
New borrowers' cards issued	505	641	525	426
Books borrowed	13,748	13,278	17,106	15,944
Hours of public internet use	10,154	10,895	11,647	2,976
Users	13,437	12,528	14,185	3,364
Attendance at Library programs	217	225	172	175
Programs	97	83	67	49
<b>Physical Environment</b>				
<b>Department of Public Works</b>				
Vehicles maintained	79	78	78	56
Pieces of equipment maintained	95	127	128	129
Sidewalks repaired/replaced	5,732 sq. ft.	15,265 sq. ft.	6,103 sq. ft.	9,782 sq. ft.
Solid waste and recycled material collected	6,200 tons	4,093 tons	0 tons	0 tons
Treated, pumped and dispensed water	442.7 million gallons	671.5 million gallons	736.5 million gallons	686.3 million gallons

Source: Town of Lantana - Various Departments

Note: Public Safety discontinued the survey letters beginning with fiscal year 2012.

Solid waste and recycling were outsourced towards the end of fiscal year 2013.

During fiscal year 2017, the youth soccer and baseball programs resumed.

2016	2017	2018	2019	2020	2021
25	26	24	25	24	22
11	13	8	24	10	14
17	12	12	9	10	11
132.5	207	316	44	150	150
183	228	362	476	425	390
13	6	9	10	10	11
2,208	2,253	2,219	2,206	1,951	2,064
45	67	100	62	53	66
197	183	161	177	175	234
892	829	780	816	803	780
25	32	85	64	95	92
43	64	28	34	70	75
85	143	190	172	175	162
38	38	41	42	41	43
43	108	135	135	4	-
536	2,514	2,097	2,108	911	203
1,031	950	943	965	575	413
5	5	5	3	3	-
668	662	869	872	880	1,127
1,727	1,993	2,907	2,401	1,654	2,347
1,317	1,351	1,358	1,387	1,293	1,228
157,265	127,571	144,619	119,918	137,722	333,130
4	15	2	1	5	11
-	-	224	167	151	173
-	164	244	143	187	199
-	71	96	100	102	108
362	379	333	302	311	300
17,564	11,941	13,297	14,568	9,097	8,774
2,687	2,252	3,252	1,684	2,002	3,899
2,993	2,479	2,342	2,068	2,499	3,431
125	172	113	68	182	428
20	23	7	6	11	40
57	59	57	66	63	61
129	118	118	63	91	62
18,090 sq. ft.	5,398 sq. ft.	800 sq. ft.	500 sq. ft.	180 sq. ft.	1080 sq. ft.
0 tons	0 tons	0 tons	0 tons	0 tons	0 tons
674.9 million gallons	776.7 million gallons	671 million gallons	686 million gallons	699.6 million gallons	743.8 million gallons

**TOWN OF LANTANA, FLORIDA**  
**CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM**  
**LAST TEN FISCAL YEARS**

Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>General Government</b>										
Number of general government buildings	5	5	5	5	5	7	7	7	7	7
<b>Public Safety</b>										
Police	2	2	2	2	2	1	1	1	1	1
Marine Safety	1	1	1	1	1	1	1	1	1	1
<b>Physical Environment</b>										
Transportation:										
Sidewalks repaired/replaced (sq. ft.)	5,732	15,265	6,103	9,782	18,090	5,398	800	500	180	1,080
Streets (miles)	30	68	68	68	68	68	68	68	68	68
Culture and recreation:										
Public Ground (acres)	33	33	33	33	33	33	33	33	33	33
Parks	6	6	6	6	8	8	9	9	9	9
Soccer fields	1	1	1	0	2	2	2	2	2	2
Baseball/softball fields	6	6	6	0	3	3	3	3	3	3
Tennis courts	4	2	2	4	4	4	4	4	4	4
Playgrounds	4	4	4	4	5	5	5	5	6	6
Basketball courts	2	3	3	1	1	0	3	3	3	3
Public Works/Utilities:										
Vehicles maintained	79	78	78	56	57	59	57	66	63	61
Equipment maintained	95	127	128	129	129	118	118	63	91	26
Lift stations maintained	18	18	18	18	18	18	18	18	18	18
Fire Hydrants	345	345	345	345	345	345	345	345	347	347

Source: Town of Lantana - Various Town Departments

# TOWN OF LANTANA, FLORIDA

## MISCELLANEOUS STATISTICS

**Historical Sketch:** The Town of Lantana is a coastal community in Palm Beach County, which still retains the charm of its origins as an old Florida fishing village. Although it is one of the smaller communities of Palm Beach County, it is noted as one of the oldest. The first settlers came after Congress passed the Armed Occupation Act in 1842 at the end of the Seminole Wars. One of the pioneer settlers, The Lyman family, is distinguished as the founders of the town. M. B. Lyman brought his family to Lantana in 1888 and started several enterprises. He established a store, Indian Trading Post and post office in 1889. As postmaster, Mr. Lyman named the post office Lantana Point for the wild Lantana plant, which grew in abundance in the area. The “Point” was later dropped. One of the Lyman businesses was the Lantana Fish Company. One hundred thousand-pound catches of fish were made. In the early 1900’s the gathering and marketing of oysters became the leading industry. The Town of Lantana was incorporated in 1921, with 22 residents voting in the first election. At the time of incorporation, the area of Lantana was one square mile, with a population of 100 residents. Today the year-round population is 11,579 with a seasonal population of approximately 13,000.

**Form of Government:** Town Council – Manager with a Mayor and four Council members elected for three year overlapping terms. The Town Manager is appointed by the Town Council.

**Location and Area:** The Town of Lantana encompasses an area of 2.79 square miles and is located about five miles south of the City of West Palm Beach. The Town’s corporate limits extend just west of I-95 and eastward to the Atlantic Ocean. Four other municipalities and one unincorporated area of Palm Beach County border the Town. Palm Beach County is located on the southeast coast of Florida and extends westward to Lake Okeechobee with a total 2,230 square miles, including 46 miles of frontage on the Atlantic Ocean and about 25 miles of frontage on Lake Okeechobee.

**Police Protection:** The Department consists of thirty-three sworn officers and ten civilian full-time employees.

**Fire Protection:** Fire/rescue services are provided to the residents of the Town of Lantana by Palm Beach County through a 10-year interlocal agreement that expires on December 31, 2027.

**Recreation Facilities:** The Town of Lantana’s recreational facilities include an eight-acre municipal beach with 750 feet of ocean frontage, open picnic areas, an oceanfront pavilion, an open-air restaurant, showers, restrooms, lifeguard station and a playground area. The Town has three passive parks and one preserve, which encompass approximately six acres. Some provide shaded picnic areas, playground equipment and/or restrooms. One of the parks also has a basketball court and skate area. The Lyman Kayak Park has a kayak launch and observation dock. The Town has a Recreation Center with four tennis courts (two lighted) with one of the lighted courts painted with pickleball lines, a picnic area with four picnic benches, a pavilion with a picnic area, and a playground area. The Town has a two-acre boat launching facility capable of a four-boat capacity with a parking area. The Town maintains an 11-acre sports park consisting of three baseball fields, two soccer fields, restrooms, a concession stand, two basketball courts and a playground.

**Marine Safety:** For the majority of the year, one Marine Safety Officer was an Auxiliary Police Officer. All members of this department are Ocean Lifeguard EMT’s, or working towards becoming an EMT, that provide ocean lifeguard duties at the Town’s Municipal Beach.

**Building Activity:** The Town of Lantana is approximately 99% developed. During the fiscal year 2021, the Building Department issued 1,128 permits with fees of approximately \$613,871 for total construction of \$23.7 million. In addition, the Department issued 59 new business tax receipts and 1,052 business tax receipt renewals for total revenue of \$246,412.

**Water and Wastewater System:** As of September 30, 2021, the Town provided water service to over 3,435 customers. For the 2021 fiscal year, the number of gallons of finished water that passed through the master meter was 743.8 million.

**TOWN OF LANTANA, FLORIDA  
SCHEDULE OF INSURANCE IN FORCE  
SEPTEMBER 30, 2021**

Company	Type of Coverage	Covered	Amount of Coverage
ACE American Insurance Company	Accidental death and dismemberment	Law enforcement officers and clerical staff	Statutory
Public Risk Management	Employee dishonesty, theft, computer fraud	Town employees and property	\$ 500,000
Public Risk Management	Real and personal property	Town property and equipment	\$ 250,000,000
Public Risk Management	Employment related practices liability	Town employees	\$ 2,000,000 \$6M Aggregate
Public Risk Management	General and automobile liability	Town employees and vehicles	\$ 2,000,000
Public Risk Management	Workers compensation liability	Town	\$ 3,000,000
Commerce & Industry	Above ground petroleum storage tanks	Town property	\$ 1,000,000 \$2M Aggregate

## COMPLIANCE SECTION







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

The Honorable Mayor and Members of the Town Council  
The Town of Lantana, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Lantana, Florida ("Town") as of and for the fiscal year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements, and have issued our report thereon dated March 14, 2022. Our report includes a reference to other auditors who audited the financial statements of the Town of Lantana Police Relief and Pension Fund ("Pension Fund") as described in our report on the Town's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

**Internal Control Over Financial Reporting**

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Town's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

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



March 14, 2022



**Grau & Associates**  
CERTIFIED PUBLIC ACCOUNTANTS

951 Yamato Road • Suite 280  
Boca Raton, Florida 33431  
(561) 994-9299 • (800) 299-4728  
Fax (561) 994-5823  
www.graucpa.com

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH THE  
REQUIREMENTS OF SECTION 218.415, FLORIDA STATUTES, REQUIRED BY  
RULE 10.556(10) OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA**

The Honorable Mayor and Members of the Town Council  
The Town of Lantana, Florida

We have examined the Town of Lantana, Florida's ("Town") compliance with the requirements of Section 218.415, Florida Statutes, in accordance with Rule 10.556(10) of the Auditor General of the State of Florida during the fiscal year ended September 30, 2021. Management is responsible for the Town's compliance with those requirements. Our responsibility is to express an opinion on the Town's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Town complied, in all material respects, with the specified requirements referenced in Section 218.415, Florida Statutes. An examination involves performing procedures to obtain evidence about whether the Town complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material 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 Town's compliance with specified requirements.

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

This report 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, management, and the Honorable Mayor and Members of the Town Council of the Town of Lantana, Florida and is not intended to be and should not be used by anyone other than these specified parties.

*Grau & Associates*

March 14, 2022



# Grau & Associates

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## MANAGEMENT LETTER PURSUANT TO THE RULES OF THE AUDITOR GENERAL FOR THE STATE OF FLORIDA

To the Honorable Mayor and Town Council  
Town of Lantana, Florida

### Report on the Financial Statements

We have audited the accompanying basic financial statements of the Town of Lantana, Florida (the "Town") as of and for the fiscal year ended September 30, 2021, and have issued our report thereon dated March 14, 2022. Our report includes a reference to other auditors who audited the financial statements of the Town of Lantana Police Relief and Pension Fund ("Pension Fund") as described in our report on the Town's financial statements.

### 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 Florida Auditor General.

### Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters based on an audit of the financial statements performed in accordance with *Government Auditing Standards*; and Independent Auditor's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated March 14, 2022, should be considered in conjunction with this management letter.

### Purpose of this Letter

The purpose of this letter is to comment on those matters required by Chapter 10.550 of the Rules of the Auditor General for the State of Florida. Accordingly, in connection with our audit of the financial statements of the Town, as described in the first paragraph, we report the following:

- I. **Current year findings and recommendations.**
- II. **Prior year findings and recommendations.**
- III. **Compliance with the Provisions of the Auditor General of the State of Florida.**

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, as applicable, management, and the members of the Town Council of the Town of Lantana, Florida and is not intended to be and should not be used by anyone other than these specified parties.

We wish to thank the Town of Lantana, Florida and the personnel associated with it, for the opportunity to be of service to them in this endeavor as well as future engagements and the courtesies extended to us.

*Grau & Associates*

March 14, 2022

## REPORT TO MANAGEMENT

### I. CURRENT YEAR FINDINGS AND RECOMMENDATIONS

None

### II. PRIOR YEAR FINDINGS AND CURRENT YEAR STATUS AND RECOMMENDATIONS

None

### III. COMPLIANCE WITH THE PROVISIONS OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA

Unless otherwise required to be reported in the auditor's report on compliance and internal controls, the management letter shall include, but not be limited to the following:

1. A statement as to whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report.

There were no significant findings and recommendations made in the preceding annual financial audit report for the fiscal year ended September 30, 2020.

2. Any recommendations to improve the local governmental entity's financial management.

There were no such matters discovered by, or that came to the attention of, the auditor, to be reported for the fiscal year ended September 30, 2021.

3. 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 which warrants the attention of those charged with governance.

There were no such matters discovered by, or that came to the attention of, the auditor, to be reported, for the fiscal year ended September 30, 2021.

4. The name or official title and legal authority of the Town are disclosed in the notes to the financial statements.
5. The Town has not met one or more of the financial emergency conditions described in Section 218.503(1), Florida Statutes.
6. We applied financial condition assessment procedures and no deteriorating financial conditions were noted as of September 30, 2021. It is management's responsibility to monitor 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.



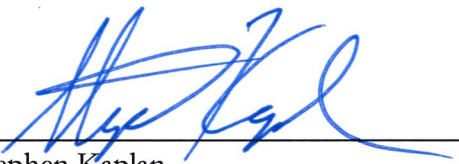
**Town of Lantana**  
**500 Greynolds Circle**  
**Lantana, FL 33462-4544**  
**(561) 540-5000**  
[www.lantana.org](http://www.lantana.org)

## IMPACT FEE AFFIDAVIT

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

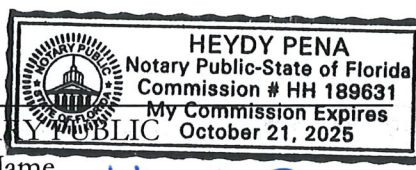
1. I am the Chief Financial Officer of the Town of Lantana which is a local governmental entity of the State of Florida;
2. The governing body of the Town of Lantana adopted (Ordinance No. O-06-02 or Resolution No. \_\_\_\_\_) implementing an impact fee; and
3. The Town of Lantana has complied and, as of the date of this Affidavit, remains in compliance with Section 163.31801, Florida Statutes.

FURTHER AFFIANT SAYETH NAUGHT.

  
\_\_\_\_\_  
Stephen Kaplan

STATE OF FLORIDA  
COUNTY OF Palm Beach

SWORN TO AND SUBSCRIBED before me this 31<sup>st</sup> day of March, 2022.

  
NOTARY PUBLIC  
Print Name Heydy Pena

Personally known ☒ or produced identification \_\_\_\_\_

Type of identification produced: \_\_\_\_\_

My Commission Expires:

10/21/25