

ANNUAL COMPREHENSIVE FINANCIAL REPORT



**Fiscal Year Ending
September 30, 2021
City of Leesburg, Florida**

CITY OF LEESBURG, FLORIDA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021



Prepared by the Department of Finance



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ANNUAL COMPREHENSIVE FINANCIAL REPORT
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INTRODUCTORY SECTION



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MISSION STATEMENT

"Dedicated to Our Community, Committed to Service Excellence"

March 22, 2022

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

It is our pleasure to submit this Annual Comprehensive Financial Report (financial report) for the City of Leesburg, Florida (City) for the fiscal year ended September 30, 2021. The report fulfills the requirements set forth by State law in accordance with Section 218.39, Florida Statutes, and Chapter 10.500, Rules of the Auditor General, which require that all general purpose local governments publish each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) in the United States and audited in accordance with auditing standards generally accepted in the United States by a firm of licensed certified public accountants.

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

Florida Statutes require that an annual financial audit be performed by independent certified public accountants. This year the audit was performed by MSL CPA & Advisors. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended September 30, 2021 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was reasonable basis for rendering an unmodified opinion that the City's financial statements for the fiscal year ended September 30, 2021 are fairly presented in conformity

with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The City is also subject to a broader, mandated "Single Audit" designed to meet the special needs of federal and state grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements - with special emphasis involving the administration of federal and state awards. For the fiscal year ended September 30, 2021, the City's expenditures of federal awards and state financial assistance met the required Federal and State thresholds for reporting on such by the City and the independent auditor.

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

Profile of the Government

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

The City of Leesburg is a political subdivision of the State of Florida. As such, it is governed by, and derives its operating authority from, the constitution and laws of the State of Florida. The City is empowered to levy a property tax on both real and personal properties located within its boundaries. It also is empowered by state statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the governing body.

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

The City provides a traditional mix of governmental services, including police and fire protection, the construction and maintenance of streets and infrastructure, library, recreational activities, cultural events, planning, zoning, housing, and administrative services. The City also provides a full range of utility services, including electric, natural gas, solid waste, water, reuse water, wastewater treatment, and stormwater drainage. The City has an international airport as well. In addition, the City has three

Community Redevelopment Agencies (CRA), which are Greater Leesburg, Carver Heights/Montclair Area, and U.S. Highway 441&27.

The City is situated between Lake Harris and Lake Griffin in Lake County. To the south, the City extends past the intersection of U.S. Highway 27 with County Road 48, and south on County Road 33 past the Florida's Turnpike. The City extends west on County Road 48 and County Road 470 past the Florida's Turnpike to the Sumter County line. To the east, the City follows U.S. Highway 441 to County Road 473; the north is bounded by U.S. Highway 441 at Fruitland Park. The City occupies a land area of 40 square miles and has a population of approximately 24,761 . The City is located in north central Florida midway between the Gulf of Mexico and the Atlantic Ocean, approximately 200 miles southeast of the State Capital, Tallahassee, 80 miles northeast of Tampa, 40 miles northwest of Orlando and 70 miles southwest of Daytona Beach. The City is intersected by State Road 44, U.S. Highway 27, U.S. Highway 441 and the Florida's Turnpike, with Interstate 75 close by.

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

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

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

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

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

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

The City currently operates one swimming pool, H.O. Dabney Swimming Pool. This pool is located just around the corner from the Leesburg Recreational Complex. A family aquatic center is under construction with an estimated spring 2022 completion. The new facility will consist of a 25 yard competition pool, a beach entry pool, kids play area, two story slide, and basketball/volleyball area. The new facility will also include a bath house, guard house and concession stand.

The City Leesburg Resource Center, is an 7,500 square-foot multipurpose facility that includes meeting rooms, computer-training space, a café, book depository, resource offices, and a teaching kitchen. The Venetian Center at Venetian Gardens includes a 20,700 square-foot multipurpose community building with views of Venetian Gardens Park and Lake Harris. The largest room in Venetian Center can accommodate up to 1,000 people auditorium style.

Leesburg Public Library is the second busiest location in Lake County's library system. Staff at the 45,000-square-foot facility help patrons with their reading, information and/or educational needs. Circulation of physical and digital items totaled 242,700 for the year and library programs were attended by an average of over 16,600 people per year.

Leesburg International Airport (KLEE) is an approximately 850-acre controlled-access, general aviation airport that caters primarily to recreational and corporate aircraft with over 65,000 flight operations per year. The Airport has grown substantially in the past few years and it continues to grow. There are 115 fixed-wing, 27 helicopters and 7 jets that are permanently based at KLEE. The airport has a U.S. Customs and Border Protection office, a federally contracted air traffic control tower and an aircraft rescue firefighting station. The Airport provides a diversity of activities; with its two intersecting runways, tie downs, hangar facilities, a flight school and maintenance shops. KLEE is the largest airport and is also home to the first seaplane ramp valued at over \$2.6 million in Lake County.

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

Budgetary Controls

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

The City's adopted budget policy establishes budgetary control (i.e., the level at which expenditures cannot exceed the appropriated amount) at the fund level. Budgets for all governmental fund types are adopted on a basis consistent with GAAP. Department heads may make transfers of appropriations within a category from one division to another in their respective department, and transfers of appropriations between departments or categories can be approved by the City Manager. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual budget adopted by the City Commission. Budget-to-actual comparisons are provided in this

report for each individual governmental fund for which an appropriated annual budget has been adopted. For the General Fund and major special revenue funds, these comparisons are presented as required supplementary information. For other governmental funds with appropriated annual budgets, these comparisons are presented in the Supplemental Information section of this report.

Economic Condition

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

Local Economy

The City, and Lake County as a whole, have transitioned in recent decades from agricultural roots to a growth-driven economy that is heavily centered in real estate, retail, personal services, and health care. Leesburg continues to grow as a medical destination, influenced largely by more than 150,000 residents who live nearby in The Villages retirement community. The labor market in Central Florida continues to recover from the effects of the COVID-19 pandemic. Central Florida's unemployment rate dropped to 4.9% in September 2021, down from 11% which was reported a year ago. Filling jobs still remains a problem in healthcare, retail and food service which offer lower wages. Housing prices are continuing to increase, as well as ad valorem tax revenues. The retail sector in the downtown area continues to recover after some negative impacts from the pandemic. The overall vacancy rate dropped to a pre-pandemic level of 5.4%, down from last year's rate of 6.1%. Although many businesses were affected by the national shutdown, the market seems to have bounced back. The market is showing signs of confidence in the long-term outlook. However, increased pricing, along with staffing shortages and supply chain issues are still major hurdles to tackle. In spite of these improvements, given the effects of the prior recession and the City's desire to maintain lower taxes for its citizens and customers, challenges remain in trying to prepare a balanced budget.

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

The City's top private sector employer is UF Health Leesburg (f/k/a Central Florida Health Alliance), boasting a labor force of 1,525. Other principal employers within the City include LifeStream Behavioral Center, Lake County School District, Lake Sumter State College, and the City itself. Health care, education, personal services, retail, and construction are sectors with the highest employment levels in Lake County.

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

Fiscal year 2021 marked a turning point in the City's future. The financial policies of the past few years have begun to make a positive impact on the City's overall financial position, thereby allowing reinvestment in a sustainable manner. Such steps include continued allocated reinvestments in the downtown area, the Leesburg International Airport, Wastewater and Electric Expansion. With these goals accomplished, fiscal year 2022 is poised to set Leesburg in a positive financial and operational direction.

In 2017, the City sold approximately 1,127 acres near the Florida Turnpike and County Road 470 to The Villages. Approximately 3,000 retirement homes are to be built on this property, with construction starting in the Summer of 2022. The property tax revenues, as well as other tax and service revenues,

are expected to substantially improve the economic condition of the City as a whole in the intermediate- and long-term future.

The population in Lake County nearly doubled from 1980 to 2000 (210,528 persons). The County now has more than 400,142 residents and will continue to grow. Growth in the City has retreated from the peak experienced in 2006. The City currently has 24,761 residents. The City expects a population growth of 20,000 to 25,000 over the next 15 years.

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

Long-term Financial Planning

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

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

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

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

- **Electric** – The Electric Department consistently evaluates the costs of outsourcing specific activities. Currently, there is an Electric distribution contractor working on a reconducting and feeder extension project on CR 468 and the substation team frequently uses contract labor to augment their construction workforce. Past trending, growth projections, outputs from Contingency Analysis and developer's input are used to create the 5-year Capital Plan. The Capital Plan incorporates reconducting, area improvements and feeder extensions as well as new residential, subdivisions, and commercial construction projects. During the next fiscal year, we will be deploying new S&C Trip Saver devices to help isolate permanent outages to smaller areas without interrupting services to the rest of our customers. These types of changes coupled with our continuing design and construction practices ensures that a safe, reliable and affordable electric distribution system is in place to meet the needs of our customers. The Electric department has a 10-year capital plan for replacing equipment in the field. This plan is based on age, condition and load of the equipment. Current loading and future load forecasts are used as well to design the plan. All new construction is designed based on the National Electrical Safety Code NESC requirements, which includes "storm hardening" of the system. The current system is approximately 70% underground. The long-range plans look at both costs and performance of both overhead and underground

facilities. Automation of field devices is part of the 10-year plan to help mitigate outages for customers.

- **Gas** – The City is a member of Florida Gas Utility (FGU), which is made up of natural gas utilities with a common goal of acquiring natural gas in bulk to reduce the overall price to customers. With the approval of Section 25-501 of the City Code of Ordinances in April 2006, Natural Gas is required in all new subdivisions within the city limits. In addition, the cost of infrastructure is to be borne by the developer. Implementation of this ordinance has significantly reduced future capital outlay. In 2018, the City entered into an Agreement with South Sumter Gas Utility/The Villages to provide natural gas service to the majority of their residential and commercial customers as they expand in Sumter and Lake County. Additionally, the City has completed construction of a new gate station which connects to the Sabal Trail Natural Gas transmission pipeline. This connection provides a redundant feed for existing customers and capacity for future expansion of the gas system. Currently, the Gas department is working on numerous developments throughout Leesburg as the City continues to expand.
- **Water & Wastewater** – Aging infrastructure and capacity issues continue to be a priority for both utilities. Future utility expansion and recapitalization will be based on the five-year utility Master Plan and growth forecast models. The Water Utility is evaluating long-term capacity solutions for increased water consumption driven by population growth and in accordance with the SJRWMD Regional Water Supply Plan. The Wastewater fund has recently expanded the Turnpike Wastewater Plant to accommodate the increased growth in the Southern Sewer Shed and future expansion will meet sewer demand forecasts through 2035.
- **Solid Waste** – The Solid Waste Division executed a long term disposal agreement with Covanta Lake II, Inc., a waste-to-energy facility that produces electricity by burning municipal solid waste. The five-year agreement includes an option to extend the contract for three additional five-year terms. The negotiated disposal fee is considerably less than the fee formerly paid to Lake County and represents a significant savings in operating expenses for the duration of the contract. The utility will continue to replace semi-automated residential side loading trucks with larger, fully automated trucks.
- **Information and Technology (IT)** – The IT Department is an important part of the City's operations; thus, long-term financial planning includes preparing to replace computers as they become obsolete. All computer equipment is owned by the IT Department and leased to the other City departments, based on a five-year payback period. IT is actively involved with upgrading business technology as financial resources become available.
- **Fleet Maintenance** – All City vehicles are owned by Fleet Services, which is responsible for repairs, vehicle bid specifications, and most purchases. A lease fee, based on useful life, is charged to the user department. Fleet Services also maintains the City's two fuel sites. The City maintains a vehicle replacement plan for all City-owned vehicles and updates it annually. Planning for future vehicle purchases is the joint responsibility of Fleet Services and the leasing department.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Leesburg for its annual

comprehensive financial report for the fiscal year ended September 30, 2020. This is the 31st consecutive year (fiscal years ended 1990-2020) that the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

In addition, the City of Leesburg also received the GFOA's Distinguished Budget Presentation Award for its annual budget document for fiscal year 2020-21. This was the 23rd consecutive year the City received this award. In order to qualify for the Distinguished Budget Presentation Award, the City's budget document was judged to be proficient in several categories, including as a policy document, as a financial document, as an operations guide, and as a communications device.

The preparation of this report on a timely basis was made possible through the efficient, dedicated and professional efforts of the entire staff of the Finance Department. The significant amount of year-end closing procedures required prior to the audit could not have been accomplished without the personal and professional dedication of the members of the Finance Department. Other City departments, although not extensively involved in year-end audit activities, contributed significantly by ensuring the accuracy and integrity of accounting information compiled throughout the year. Credit must also be given to the Mayor and Commissioners for their unfailing support for maintaining the highest standards of professionalism in the management of the City's finances. We believe that this report clearly illustrates the financial position of the City of Leesburg and wish to thank you for your support and commitment to maintaining the financial integrity of the City.

Respectfully submitted,



Alfred (Al) Minner
City Manager



James (Jim) Williams
Finance Director

**CITY OF LEESBURG, FLORIDA
PRINCIPAL CITY OFFICIALS
SEPTEMBER 30, 2021**



ELECTED OFFICIALS

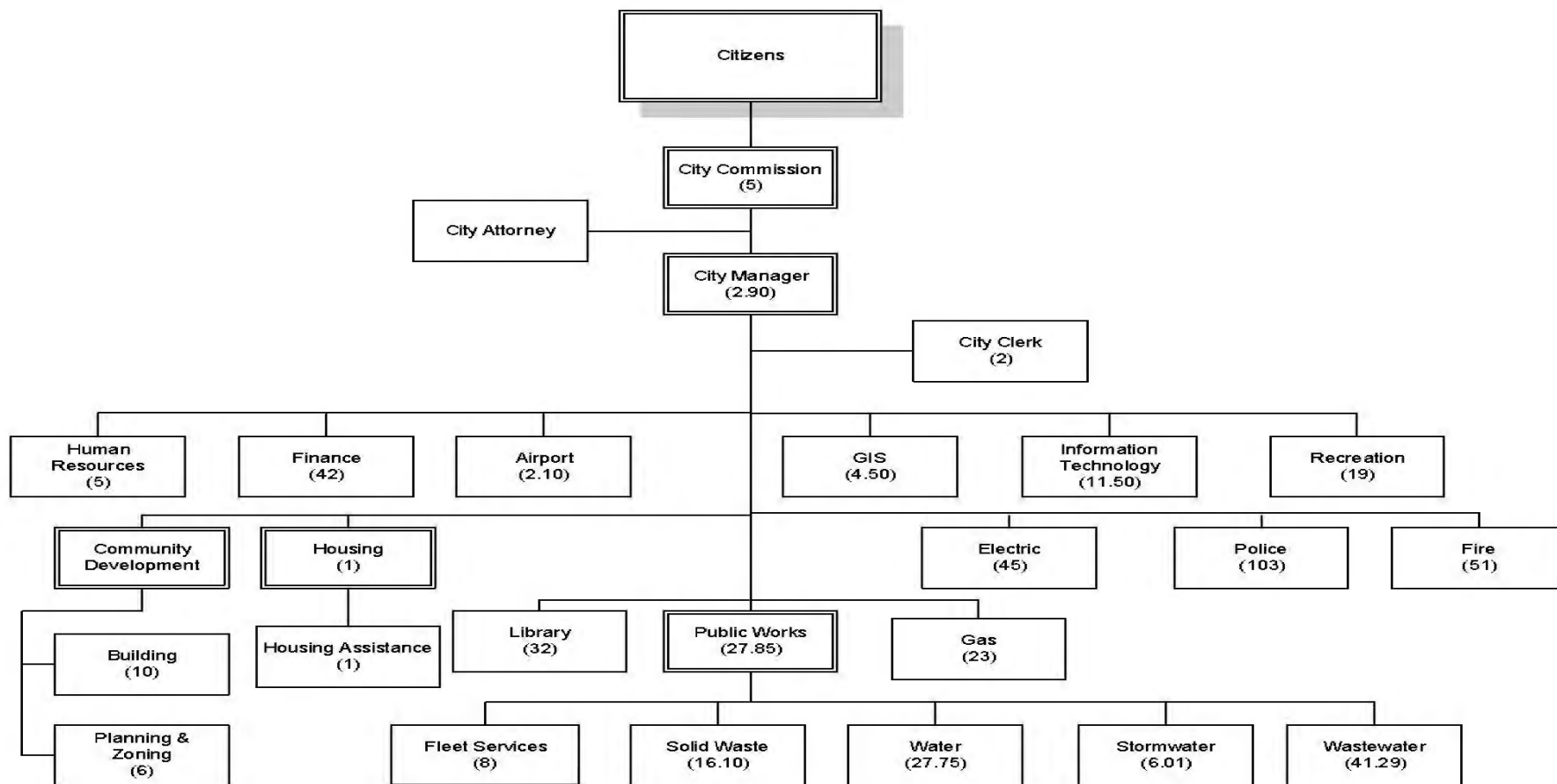
John Christian	Mayor
Mike Pederson	Mayor, Pro-Tem
Jay Connell	Commissioner
Dan Robuck, III	Commissioner
Jimmy Burry	Commissioner

APPOINTED OFFICIALS

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

EXECUTIVE STAFF

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





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Leesburg
Florida**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2020

Christopher P. Morrill

Executive Director/CEO

FINANCIAL SECTION



Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Leesburg, Florida (the City) as of and for the fiscal year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of September 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

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

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 22, 2022, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

MSL, P.A.

Certified Public Accountants

Orlando, Florida

March 22, 2022

CITY OF LEESBURG, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021

The City of Leesburg (the City), Florida's Management's Discussion and Analysis presents an overview of the City's financial activities for the fiscal year ended September 30, 2021. Please read it in conjunction with the letter of transmittal and the financial statements, as listed in the Table of Contents.

Financial Highlights

- The assets and deferred outflows of the City exceed liabilities and deferred inflows at the close of fiscal year 2021 by \$309.9 million (net position). Of this amount, \$56.1 million (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- The City's total net position increased \$23.1 million, or 8.0%. Net position for governmental activities increased \$6.4 million or 13.8%, while business-type activities increased \$16.7 million or 6.9%. The increase in the governmental activities is due primarily to increased grant revenue from the pandemic, and increase in taxes and revenues in general due to an improving and growing local economy and activities throughout the city, while at the same time paying down debt and monitoring expenses closely. The increase in the business-type activities is due to increased customer charges and continued positive business performance of the City's various services.
- As of September 30, 2021, the City's governmental funds reported combined ending fund balance of \$25.0 million, a decrease of \$(3.5) million in comparison with the reported amount of \$28.5 million in the prior year.
- On September 30, 2021, unassigned fund balance for the General Fund was \$10.9 million, or 38% of total General Fund expenditures and transfers out of \$29.0 million.
- Governmental funds' fund balance decreased \$(3.5) million, while in the prior year fund balance decreased \$(1.3) million. This is mainly attributable to the significant contribution of federal grant money that was received in 2021 to make up for any loss of revenue due to the pandemic.
- The Internal Service Funds' change in net position decreased \$(414) thousand. Internal service funds are considered governmental activities on the City-wide statements, but are included with the enterprise funds on the individual funds' statements. The primary reason for the decrease was an increase in claims expense and increased healthcare costs in the General Employees' Health Insurance and an increase in depreciation and amortization in the Fleet Fund.
- The total Enterprise Funds' change in net position increased \$16.7 million from the previous year, for the reasons noted for the increase in business-type activities above.
- The City's total financed debt as of September 30, 2021 increased \$10.3 million from \$113.9 million to \$124.2 million. Along with recurring debt repayments, the City borrowed \$14.9 million note for improvements and expansion to the City's Electric System.

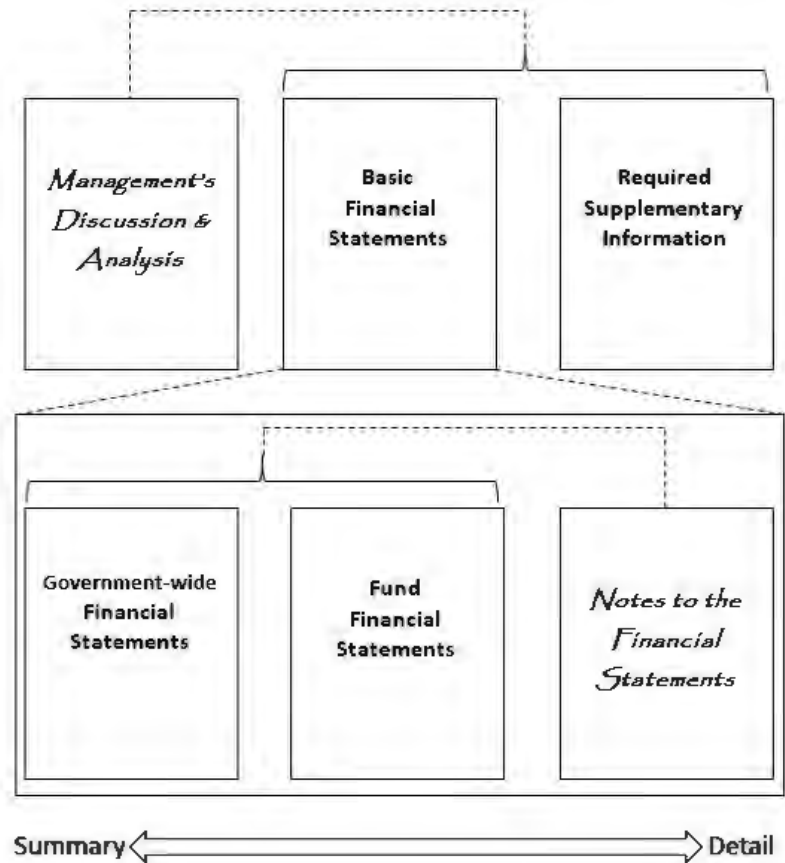
**CITY OF LEESBURG, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021**

Overview of the Financial Statements

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

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

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



CITY OF LEESBURG, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021

City-wide Financial Statements

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

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

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

Both of these financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities).

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

**CITY OF LEESBURG, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021**

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The fund financial statements provide detailed information about the City's major funds - not the City as a whole. Fund accounting helps to ensure and demonstrate compliance with finance-related legal requirements. Based on restrictions on the use of monies, the City established multiple funds that account for various services provided to residents and businesses. These fund financial statements focus on the City's most significant funds: governmental; proprietary; and fiduciary.

Governmental Funds

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

Because the focus of governmental funds is narrower than that of the City-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the City-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds' balance sheet and the governmental funds' statement of revenues, expenditures, and changes in fund balances provide reconciliations to facilitate this comparison between governmental funds and governmental activities.

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

Annual appropriated budgets are adopted for the governmental funds, except the fire and recreation impact fee funds. Budgetary comparison statements and/or schedules are provided for these funds to demonstrate budgetary compliance.

Proprietary Funds

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

**CITY OF LEESBURG, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021**

Proprietary funds provide the same type of information as the City-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for Electric Utility, Gas Utility, Water Utility, Wastewater Utility and Airport enterprise funds, which are considered major funds of the City. The remaining nonmajor enterprise funds are combined into a single fund and are aggregated into a single presentation. Individual fund data for the nonmajor enterprise funds and the internal service funds is provided in the form of combining statements in the Supplemental Information section of this report.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the City-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is similar to proprietary funds. The fiduciary funds include pension trust funds for police, fire, and general employees.

Notes to the Financial Statements

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

Other Information

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

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

**CITY OF LEESBURG, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021**

City-wide Financial Analysis

Statement of Net Position

As noted earlier, over time net position may serve as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows exceeded liabilities and deferred inflows by \$309.9 million at the close of the fiscal year ended September 30, 2021.

At the end of fiscal year 2021, the City is able to report negative balances in all three categories of net position for governmental and business-type activities. The following table reflects the condensed Statement of Net Position for the current year as compared to the prior year:

	Net Position					
	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Assets						
Current and Other Assets	\$ 44,535,056	\$ 39,798,081	\$ 120,349,946	\$ 117,162,634	\$ 164,885,002	\$ 156,960,715
Capital Assets (net)	75,808,401	69,163,846	272,500,896	242,284,936	348,309,297	311,448,782
Total Assets	120,343,457	108,961,927	392,850,842	359,447,570	513,194,299	468,409,497
Deferred Outflows of Resources	6,628,086	5,025,049	2,487,196	2,068,304	9,115,282	7,093,353
Liabilities						
Current and Other Liabilities	14,965,871	8,956,842	28,608,682	21,526,720	43,574,553	30,483,562
Long-Term Liabilities	46,523,154	50,710,424	105,920,969	96,319,441	152,444,123	147,029,865
Total Liabilities	61,489,025	59,667,266	134,529,651	117,846,161	196,018,676	177,513,427
Deferred Inflows of Resources	12,911,598	8,137,654	3,523,253	3,076,501	16,434,851	11,214,155
Net Position						
Net Investment in Capital Assets	49,450,388	42,701,384	189,211,255	178,502,750	238,661,643	221,204,134
Restricted	9,205,162	8,276,202	5,859,785	4,592,640	15,064,947	12,868,842
Unrestricted	(6,084,630)	(4,795,530)	62,214,094	57,497,822	56,129,464	52,702,292
Total Net Position	\$ 52,570,920	\$ 46,182,056	\$ 257,285,134	\$ 240,593,212	\$ 309,856,054	\$ 286,775,268

The largest portion of the City's net position is reflected in the investment in capital assets (e.g., land, buildings, and equipment) less any related outstanding debt used to acquire those assets. Net investment in capital assets totals \$238.7 million, or 47% of all assets, which total \$513.2 million. The City uses capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets cannot be used to liquidate the debt.

A portion of the City's net position, \$15.1 million, or 4.9% of total net position, represents resources that are subject to external restriction on how they may be used. The balance of unrestricted net position totaling \$56.1 million, or 18.1% of the total net position, may be used to meet the City's ongoing obligations to citizens and creditors, and provide funding for various projects.

CITY OF LEESBURG, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021

Statement of Activities

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

Changes in Net Position

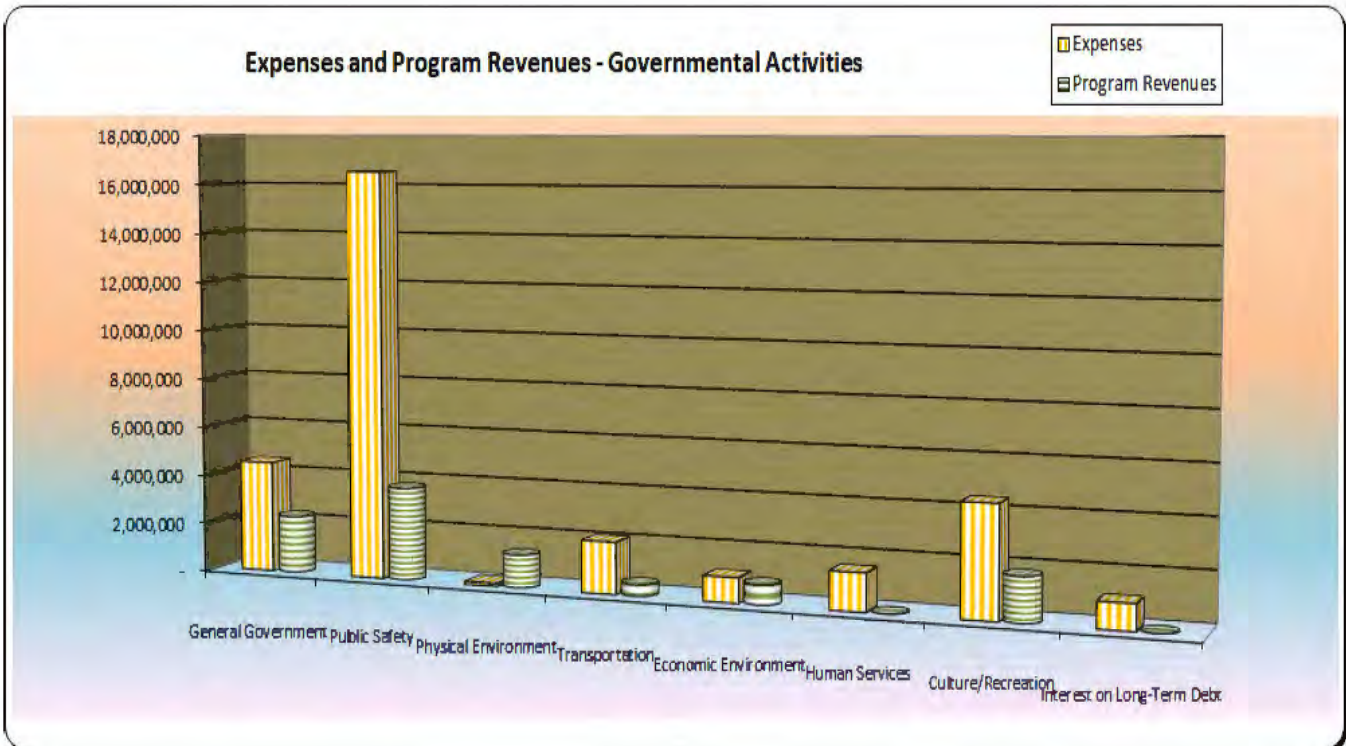
	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenues						
Program Revenues						
Charges for Services	\$ 5,027,242	\$ 4,341,533	\$ 98,165,306	\$ 94,418,697	\$ 103,192,548	\$ 98,760,230
Operating Grants and Contributions	2,188,543	628,643	330,949	430,733	2,519,492	1,059,376
Capital Grants and Contributions	3,147,481	1,397,720	9,873,262	5,132,748	13,020,743	6,530,468
General Revenues						
Taxes						
Property Taxes	6,312,854	5,934,099	-	-	6,312,854	5,934,099
Sales Taxes	2,617,066	2,155,466	-	-	2,617,066	2,155,466
Utility Service Taxes	3,807,204	3,807,987	-	-	3,807,204	3,807,987
Communication Services Taxes	859,035	833,150	-	-	859,035	833,150
Other Taxes	588,353	741,810	-	-	588,353	741,810
State-Shared Revenues, Unrestricted	2,722,418	2,318,426	-	-	2,722,418	2,318,426
County-Shared Revenues, Unrestricted	427,081	412,602	-	-	427,081	412,602
Investment Income	37,776	697,381	110,087	1,676,009	147,863	2,373,390
Miscellaneous	1,109,219	227,220	175,209	865,809	1,284,428	1,093,029
Total Revenues	28,844,272	23,496,037	108,654,813	102,523,996	137,499,085	126,020,033
Expenses						
General Government	4,490,077	3,478,302	-	-	4,490,077	3,478,302
Public Safety	16,539,897	16,285,754	-	-	16,539,897	16,285,754
Physical Environment	115,573	101,602	-	-	115,573	101,602
Transportation	2,081,078	2,072,205	-	-	2,081,078	2,072,205
Economic Environment	1,004,925	1,124,000	-	-	1,004,925	1,124,000
Human Services	1,516,843	303,807	-	-	1,516,843	303,807
Culture/Recreation	4,442,884	4,042,393	-	-	4,442,884	4,042,393
Interest on Long-Term Debt	1,037,826	1,096,516	-	-	1,037,826	1,096,516
Electric Utility	-	-	54,580,706	52,373,341	54,580,706	52,373,341
Gas Utility	-	-	5,219,717	5,152,566	5,219,717	5,152,566
Water Utility	-	-	6,869,537	6,662,035	6,869,537	6,662,035
Wastewater Utility	-	-	9,268,867	9,107,135	9,268,867	9,107,135
Airport	-	-	2,475,256	2,171,954	2,475,256	2,171,954
Stormwater	-	-	1,265,382	1,018,538	1,265,382	1,018,538
Solid Waste	-	-	3,509,731	3,625,574	3,509,731	3,625,574
Total Expenses	31,229,103	28,504,579	83,189,196	80,111,143	114,418,299	108,615,722
Changes in Net Position Before						
Transfers	(2,384,831)	(5,008,542)	25,465,617	22,412,853	23,080,786	17,404,311
Transfers	8,773,695	8,746,489	(8,773,695)	(8,746,489)	-	-
Change in Net Position	6,388,864	3,737,947	16,691,922	13,666,364	23,080,786	17,404,311
Net Position - Beginning	46,182,056	42,444,109	240,593,212	226,926,848	286,775,268	269,370,957
Net Position - Ending	\$ 52,570,920	\$ 46,182,056	\$ 257,285,134	\$ 240,593,212	\$ 309,856,054	\$ 286,775,268

**CITY OF LEESBURG, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021**

Governmental Activities

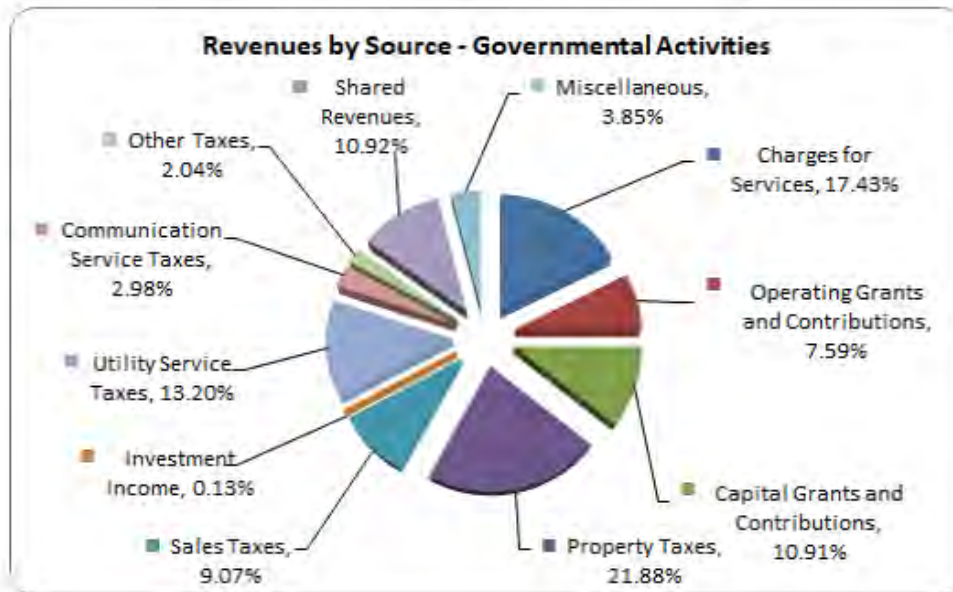
Governmental activities for the current fiscal year increased the City's net position by \$6.4 million, compared to an increase of \$3.7 million in the prior year. Charges for service increased by \$685.7 thousand, primary due to an increase in fire fees and an increase in activities after prior year's pandemic-related cancellations and at home isolation. Operating grants and contributions increased \$1.6 million primary a result of receiving federal funding from the Coronavirus Aid Relief and Economic Security Act (CARES). Capital grants and contributions increased \$1.7 million, mainly due to the timing of grant-funded capital projects. Overall expenses increased by \$2.7 million, attributed primarily due to the allocation of the Cares Act assistance to local businesses that were affected by the pandemic.

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



**CITY OF LEESBURG, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021**

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



Activities of the City's four internal service funds are considered governmental rather than business-type activities. The net position of the four funds decreased by \$(414) thousand. The City's general employee health insurance fund net position increased by \$707 thousand after receiving a \$1 million transfer from the workers' compensation fund to cover the \$1.7 million increase in claims expenses. The City continues to offer employees the use of the City onsite wellness center, for which there is no cost to covered employees or dependents for visits, generic drugs dispensed from the center's formulary, and X-ray and MRI services performed by a third-party imaging center; however the cost of health care continues to rise. The Workers' Compensation fund net position decreased by \$(1.5) million and claims increased by \$547 thousand. The City also has a Risk Management Fund, which charges the various departments an insurance fee for all costs related to General Liability, Excess Liability, Property/Casualty, Auto Physical Damage, Public Official and Employment Practices Liability. The Risk Management Fund charges City departments a fee based on factors such as number of vehicles, value of assets, and operating budget. The Fleet Maintenance fund tracks activities associated with providing vehicles and equipment services throughout the City's operations. Net operating income for the Fleet Maintenance Fund is \$(264) thousand, which is a decrease of \$(698) thousand from the previous year, due primarily to a decrease in internal charges. Combined operating expenses of all internal service funds increased by \$2.6 million.

Business-type Activities

The City has several business-type activities, which are accounted for much like commercial entities. The City has separate business-type funds for electric, gas, water and reuse water, wastewater, airport, stormwater, and solid waste. Business-type activities differ from governmental activities in that charges for services are designed specifically to recover the cost of providing those services, including capital costs, such as depreciation and debt service. Business-type activities primarily generate revenue as charges to users of the services of the various activities. Business-type activities for the current fiscal year increased the City's net position by \$16.7 million from \$240.6 million to \$257.3 million. Net operating and nonoperating revenues of \$14 million (a decrease of \$(2.4) million from prior year) were

CITY OF LEESBURG, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021

offset primarily by transfers to the governmental funds of \$(8.8) million. Capital contributions increased by \$5.5 million primarily due to receiving funds the expansion and improvements to the Turnpike Wastewater Facility Quality Improvements and the Airport Runway.

Financial Analysis of the City's Funds

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

Governmental Funds

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

As of the end of fiscal year 2021, the City's governmental funds reported combined ending fund balances of \$25 million, a decrease of \$(3.5) million from the prior year. Unassigned fund balance of the governmental funds decreased \$(600.2) thousand to \$10.3 million, which is available for spending at the City's discretion. The remainder of fund balance is classified as nonspendable, restricted, committed, or assigned to indicate that it is not available for new spending because it has already been committed for other uses.

The General Fund is the primary general government operating fund of the City. At the end of fiscal year 2021, the fund balance of the General Fund was \$14.3 million. This fund balance is comprised of non-spendable funds totaling \$797.7 thousand, restricted funds of \$176.2 thousand, committed funds of \$39 thousand, assigned funds of \$2.4 million, and unassigned funds of \$10.9 million. This unassigned balance is a decrease of \$(838.4) thousand from the previous year mostly due to an increase in assigned funds for Capital and other Projects, primarily due to the receipt of American Rescue Plan Grant monies.

The Greater Leesburg CRA experienced a decrease of \$(70) thousand in expenditures, while revenues increased \$110 thousand due to an increased tax increment financing (TIF) tax revenues. A transfer of \$100 thousand was also made to the the Capital Projects fund for the 2nd & 4th Street Pedestrian Plaza Project. The Carver Heights/Montclair CRA revenues increased by \$86 thousand in TIF and other revenues, while expenditures decreased by \$(44.5) thousand. The U.S. Highway 441 & 27 CRA experienced a \$374 thousand increase in TIF and other revenues, while expenditures increased \$43 thousand due to the paydown of debt. These activities in the three CRAs combined to result in an increase of fund balance of \$925.5 thousand.

Expenditures in the Capital Projects Fund increased \$4.3 million due to significant capital improvements that occurred in 2021, primarily to Pine Street Community Pool and the Teen Enrichment Center. Expenditures of \$9 million were partially offset by corresponding interfund transfers in of \$718 thousand and intergovernmental revenue of \$1.4 million, thus leaving fund balance with a decrease of \$(6.1) million.

**CITY OF LEESBURG, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021**

Proprietary Funds

The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Unrestricted net position for business-type activities increased \$4.7 million, or 8.2%.

Unrestricted Net Position			
Fund	2021	2020	Change
Electric	\$ 18,669,079	\$ 16,546,334	\$ 2,122,745
Gas	3,877,619	3,002,671	874,948
Water	8,160,216	7,588,383	571,833
Wastewater	22,751,605	22,471,667	279,938
Airport	3,391,750	3,214,379	177,371
Stormwater	2,893,366	2,292,856	600,510
Solid Waste	2,470,459	2,381,532	88,927
Total	<u>\$ 62,214,094</u>	<u>\$ 57,497,822</u>	<u>\$ 4,716,272</u>

The \$2.1 million increase in unrestricted net position in the Electric Fund is due to an increase of operating income of \$331 thousand, a decrease in personal service and contracted services of \$(106.5) thousand, and a decrease in Net Investment in Capital Assets of \$(440.2) thousand. The unrestricted net position for the Gas Fund increased \$874.9 thousand, a result of continuing strong operations of the fund, which had an operating income of \$1.9 million. The increase in unrestricted net position in the Water Fund of \$571.8 thousand is attributable to an operating income of \$2.5 million. The unrestricted net position for the Wastewater Fund increased \$279.9 thousand, a result of the continuing strong operations of the fund, which had operating income of \$4.4 million, and a change in net position of \$5.8 million. The Stormwater Fund had an increase in unrestricted net position of \$601 thousand which was a result of an increase in operating income \$29.2 thousand and decrease in net investment in capital assets of \$(247.8) thousand.

General Fund Budgetary Highlights

The final General Fund expenditures budget of \$31.5 million is an increase over the original budget of \$25.7 million. The change is attributable to approximately \$4.4 million in Covid-19 relief funds from the Coronavirus Act, Relief and Economic Security Act and the American Rescue Plan Act funds.

Actual revenues and expenditures varied from revised budget estimates in some areas. Licenses, permits, and assessments exceeded budget by \$163 thousand due to increased building and economic activity. Rental income exceeded budget by \$94.1 thousand due to conservative budgeting in general for this line item. Other income exceeded budget by \$34 thousand due to significant purchasing card rebates, contributions, and sponsorships.

Expenditures lagged expectations in most areas. The majority of savings were in General Government, Public Safety, Human Services and Culture and Recreation, with variances of \$137 thousand, \$126 thousand, \$3.4 million and \$55 thousand, respectively. Savings in General Government, Public Safety, and Culture and Recreation stemmed from cost savings in the areas of salaries and other costs. Human Services was significantly below budget due to American Rescue Plan Act grants that were budgeted but not taken in the current year, as well as the budget for paid time off sellbacks, which is budgeted for in Human Services, but the expenditures are recorded in the various other functions.

**CITY OF LEESBURG, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021**

Capital Asset and Debt Administration

Capital Assets

Capital assets include land, buildings, improvements other than buildings, intangible assets, vehicles and equipment, infrastructure, and construction in progress. The infrastructure asset category includes long-lived capital assets, typically stationary in nature, such as roads, sidewalks and bridges. At September 30, 2021, the City had investments in capital assets of \$348.3 million (net of accumulated depreciation), a net increase of \$36.9 million from the previous year.

Significant changes in capital assets include the following:

Capital Assets

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Land	\$ 5,522,862	\$ 5,455,412	\$ 15,596,763	\$ 15,596,789	\$ 21,119,625	\$ 21,052,201
Buildings	51,596,987	49,607,757	47,438,355	45,661,410	99,035,342	95,269,167
Improvements Other Than Buildings	10,387,287	10,590,130	282,499,840	271,034,353	292,887,127	281,624,483
Intangible Assets	-	-	879,076	879,076	879,076	879,076
Equipment	32,732,864	32,239,469	41,711,201	46,445,906	74,444,065	78,685,375
Infrastructure	43,479,972	43,479,972	-	-	43,479,972	43,479,972
Construction in Progress	8,472,729	2,829,431	40,091,769	17,055,136	48,564,498	19,884,567
	<u>152,192,701</u>	<u>144,202,171</u>	<u>428,217,004</u>	<u>396,672,670</u>	<u>580,409,705</u>	<u>540,874,841</u>
Less: Accumulated Depreciation	<u>76,384,300</u>	<u>75,038,325</u>	<u>155,716,108</u>	<u>154,387,734</u>	<u>232,100,408</u>	<u>229,426,059</u>
Capital Assets, Net	<u>\$ 75,808,401</u>	<u>\$ 69,163,846</u>	<u>\$ 272,500,896</u>	<u>\$ 242,284,936</u>	<u>\$ 348,309,297</u>	<u>\$ 311,448,782</u>

Governmental Activities - Total net capital assets increased \$6.6 million from the prior year, primarily due to capital projects such as the improvements to the various buildings within the city, and other improvements City-wide.

Business-type Activities – Total net capital assets increased \$30.2 million from the prior year, or 12.5%. Much of the increase is related to current and ongoing system improvements to the airport, electric, gas, wastewater, and water systems to handle future growth in the city and service areas of these utilities.

**CITY OF LEESBURG, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021**

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

Electric	
Transformers	\$ 1,303,356
Distribution Lines	11,424,247
Sectionalizing Devices	297,574
Lighting Projects	2,287,109
Reconductoring	1,153,919
Subdivisions	1,569,065
Substations	3,320,718
Gas	
Gate Stations	\$ 192,776
Water	
Line Relocation	\$ 190,110
Mains and Equipment	904,961
Wastewater	
Line Relocation	\$ 55,497
Mains and Equipment	972,732
Turnpike Plant Expansion	15,311,261
Lift Station Rehabilitation	685,316
Airport	
Runway 13/31 Rehab Design and Construction	\$ 5,226,560
Design and Construct Storage Hangers	1,728,479
Apron Main Ramp Pavement Rehab Design	111,809
Custom Facility Upgrades	560,338

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

**CITY OF LEESBURG, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021**

Long-Term Liabilities

At the end of fiscal year 2021, the City had total long-term liabilities outstanding of \$130.9 million, attributable to outstanding bonds, notes, compensated absences, and capital leases. \$72.4 million represents bonds secured solely by specified revenue sources. \$11.1 million of the bonds are applicable to governmental activities, and \$61.3 million is for the business-type activities. The City also has revenue notes totaling \$54.9 million, of which \$15 million is for governmental activities and \$39.9 million is for business-type activities.

The City's long-term liabilities also include an amount for the City's net pension liability (asset) in both the City-wide and proprietary Statements of Net Position of \$(3.2) million. This amount is actuarially determined and represents the City's obligation for future pension benefits to its employees based on past service already provided. The amount is calculated net of assets available to provide for these future payments. Additional information on the City's net pension liability (asset) can be found in Note 12 of the notes to the financial statements.

Other postemployment benefits (OPEB) are considered a liability on the Statement of Net Position. This is an unfunded liability which is calculated annually by the City's actuary. The calculated liability for fiscal year 2021 is \$28.6 million. Additional information on the City's OPEB liability can be found in Note 14 of the notes to the financial statements.

	Long-Term Liabilities Governmental Activities		Long-Term Liabilities Business-Type Activities		Net Change	
	9/30/2021 Balance	9/30/2020 Balance	9/30/2021 Balance	9/30/2020 Balance	9/30/2021 Balance	9/30/2020 Balance
Revenue Bonds & Notes						
Bonds	\$ 11,090,000	\$ 11,670,000	\$ 61,292,596	\$ 63,764,992	\$ (580,000)	\$ (2,472,396)
Notes	14,989,400	15,587,400	39,914,916	26,119,000	(598,000)	13,795,916
Total Revenue Bonds & Notes	<u>26,079,400</u>	<u>27,257,400</u>	<u>101,207,512</u>	<u>89,883,992</u>	<u>(1,178,000)</u>	<u>11,323,520</u>
Other Liabilities						
Compensated Absences	1,807,425	1,671,482	1,135,672	1,110,533	135,943	25,139
Capital Lease Payable	694,986	774,745	-	-	(79,759)	-
Net Pension Liability (Asset)	(2,089,316)	7,209,456	(1,135,726)	1,670,282	(9,298,772)	(2,806,008)
Other Postemployment Benefits	19,449,352	16,068,973	9,187,732	7,635,257	3,380,379	1,552,475
Total Other Liabilities	<u>19,862,447</u>	<u>25,724,656</u>	<u>9,187,678</u>	<u>10,416,072</u>	<u>(5,862,209)</u>	<u>(1,228,394)</u>
Total Long-Term Liabilities Outstanding	<u>\$ 45,941,847</u>	<u>\$ 52,982,056</u>	<u>\$ 110,395,190</u>	<u>\$ 100,300,064</u>	<u>\$ (7,040,209)</u>	<u>\$ 10,095,126</u>

**CITY OF LEESBURG, FLORIDA
MANAGEMENT’S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2021**

The City is under constant surveillance and scrutiny from Wall Street rating agencies. On November 22, 2021, Fitch upgraded the credit ratings on Capital Improvement and the Issuer Default Rating (IDR) from AA- to AA.

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

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

Economic Factors and Next Year’s Budget

- The unemployment rate for Lake County at September 2021 was 4.3%, compared to 7.4% from a year ago. This compares favorably to the State average rate of 4.8% and the national average of 4.8%.
- The millage rate for 2021 was 4.1086 mills, This was a decrease from 4.2678 in 2020, and the first decrease in millage since 2015. The City ranked 4th lowest out of the 14 cities in Lake County. The City is able to retain ad valorem rates at a minimal level due in large part from the transfers from utility fund operations.
- Population increased slightly to 24,761 from the prior fiscal year of 24,539.
- The 2022 property values are projected to improve from 2021 levels, resulting in ad valorem revenues that are expected to increase over the 2021 level. The city has adjusted the economically driven revenues back to pre COVID-19 estimates. Revenues which are tied to sales seem to have also recovered.

Other

Power supply for 2021 received through the Florida Municipal Power Agency (FMPA) and the City’s share of the St. Lucie Nuclear Power Plant represents 71% of the Electric Fund’s annual operating expenses. More information on the City's Electric and Gas funds' purchased power agreements is in Note 7 of the financial statements.

Requests for Information

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



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CITY-WIDE FINANCIAL STATEMENTS

CITY OF LEESBURG, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2021

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Assets			
Pooled Cash and Investments	\$ 37,276,582	\$ 73,770,022	\$ 111,046,604
Restricted Assets:			
Temporarily Restricted:			
Pooled Cash and Investments	931,847	16,967,159	17,899,006
Cash with Fiscal Agent	1,365,184	6,036,521	7,401,705
Receivables (Net of Allowance for Uncollectibles)	841,444	13,401,174	14,242,618
Notes Receivables, Employees	6,884	-	6,884
Internal Balances	(963,485)	963,485	-
Due from Other Governments	1,859,748	1,561,928	3,421,676
Prepaid Items	623,133	-	623,133
Inventories	307,499	6,513,931	6,821,430
Net Pension Asset	2,286,220	1,135,726	3,421,946
Capital Assets Not Being Depreciated	13,995,591	55,688,532	69,684,123
Capital Assets Being Depreciated, Net of Depreciation	61,812,810	216,812,364	278,625,174
Total Assets	<u>120,343,457</u>	<u>392,850,842</u>	<u>513,194,299</u>
Deferred Outflows of Resources			
Bond Refunding	1,714,495	922,646	2,637,141
Pensions	1,601,622	-	1,601,622
Other Postemployment Benefits	3,311,969	1,564,550	4,876,519
Total Deferred Outflows of Resources	<u>6,628,086</u>	<u>2,487,196</u>	<u>9,115,282</u>
Liabilities			
Accounts Payable	2,933,947	8,868,777	11,802,724
Accrued Liabilities	1,259,216	674,489	1,933,705
Accrued Interest Payable	430,338	1,647,783	2,078,121
Customer Advances for Construction	-	2,608,848	2,608,848
Unearned Revenue	5,691,013	2,403,324	8,094,337
Claims Payable	1,173,489	-	1,173,489
Customer Deposits	154,712	5,944,510	6,099,222
Rate Stabilization Credit	-	771,540	771,540
Due to Other Governments	262,978	79,464	342,442
Noncurrent Liabilities:			
Due Within One Year	3,060,178	5,609,947	8,670,125
Due in More Than One Year	25,863,145	96,894,565	122,757,710
Claims Payable	1,355,265	-	1,355,265
Net Pension Liability	196,904	-	196,904
Other Postemployment Benefits	19,107,840	9,026,404	28,134,244
Total Liabilities	<u>61,489,025</u>	<u>134,529,651</u>	<u>196,018,676</u>
Deferred Inflows of Resources			
Pensions	8,408,733	1,396,134	9,804,867
Other Postemployment Benefits	4,502,865	2,127,119	6,629,984
Total Deferred Inflows of Resources	<u>12,911,598</u>	<u>3,523,253</u>	<u>16,434,851</u>
Net Position			
Net Investment in Capital Assets	49,450,388	189,211,255	238,661,643
Restricted for:			
Public Safety	166,627	-	166,627
Capital Projects	1,961,928	5,859,785	7,821,713
Debt Service	2,019,750	-	2,019,750
Special Revenue	5,056,857	-	5,056,857
Unrestricted	(6,084,630)	62,214,094	56,129,464
Total Net Position	<u>\$ 52,570,920</u>	<u>\$ 257,285,134</u>	<u>\$ 309,856,054</u>

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

CITY OF LEESBURG, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2021

Functional/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities							
General Government	\$ 4,490,077	\$ 923,004	\$ 1,371,207	\$ -	\$ (2,195,866)	\$ -	\$ (2,195,866)
Public Safety	16,539,897	2,833,302	615,073	285,585	(12,805,937)	-	(12,805,937)
Physical Environment	115,573	70,773	-	1,246,762	1,201,962	-	1,201,962
Transportation	2,081,078	328,220	132,056	-	(1,620,802)	-	(1,620,802)
Economic Environment	1,004,925	1,490	-	782,633	(220,802)	-	(220,802)
Human Services	1,516,843	-	5,687	-	(1,511,156)	-	(1,511,156)
Culture and Recreation	4,442,884	870,453	64,520	832,501	(2,675,410)	-	(2,675,410)
Interest on Long-Term Debt	1,037,826	-	-	-	(1,037,826)	-	(1,037,826)
Total Governmental Activities	31,229,103	5,027,242	2,188,543	3,147,481	(20,865,837)	-	(20,865,837)
Business-Type Activities							
Electric Utility	54,580,706	60,613,854	-	558,090	-	6,591,238	6,591,238
Gas Utility	5,219,717	7,196,045	-	704,614	-	2,680,942	2,680,942
Water Utility	6,869,537	8,724,685	-	895,525	-	2,750,673	2,750,673
Wastewater Utility	9,268,867	14,125,600	237,698	1,651,846	-	6,746,277	6,746,277
Airport	2,475,256	1,352,245	93,251	6,063,187	-	5,033,427	5,033,427
Stormwater System	1,265,382	1,612,015	-	-	-	346,633	346,633
Solid Waste System	3,509,731	4,540,862	-	-	-	1,031,131	1,031,131
Total Business-Type Activities	83,189,196	98,165,306	330,949	9,873,262	-	25,180,321	25,180,321
Total Primary Government	\$ 114,418,299	\$ 103,192,548	\$ 2,519,492	\$ 13,020,743	(20,865,837)	25,180,321	4,314,484
General Revenues:							
Taxes:							
Property Taxes					6,312,854	-	6,312,854
Sales Taxes					2,617,066	-	2,617,066
Utility Service Taxes					3,807,204	-	3,807,204
Communication Services Taxes					859,035	-	859,035
Other Taxes					588,353	-	588,353
State-shared Revenues, Unrestricted					2,722,418	-	2,722,418
County-shared Revenues, Unrestricted					427,081	-	427,081
Investment Income					37,776	110,087	147,863
Miscellaneous					1,109,219	175,209	1,284,428
Transfers					8,773,695	(8,773,695)	-
Total General Revenues and Transfers					27,254,701	(8,488,399)	18,766,302
Change in Net Position					6,388,864	16,691,922	23,080,786
Net Position, Beginning of Year					46,182,056	240,593,212	286,775,268
Net Position, End of Year					\$ 52,570,920	\$ 257,285,134	\$ 309,856,054

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



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FUND FINANCIAL STATEMENTS



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MAJOR GOVERNMENTAL FUNDS

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

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

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



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**CITY OF LEESBURG, FLORIDA
BALANCE SHEET
ALL GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021**

	Major Funds			Other Nonmajor Governmental Funds	Total Governmental Funds
	General Fund	Community Redevelopment Agency Funds	Capital Projects Fund		
Assets					
Pooled Cash and Investments	\$ 17,914,337	\$ 2,332,228	\$ 4,669,460	\$ 4,959,663	\$ 29,875,688
Restricted Cash	190,070	741,777	-	-	931,847
Cash with Fiscal Agent	-	94,060	-	1,271,124	1,365,184
Accounts Receivables, Net of Allowance of \$146,350	323,565	-	183,464	28,394	535,423
Notes Receivable - Employees	6,884	-	-	-	6,884
Due from Other Funds	87,211	-	-	-	87,211
Due from Other Governments	434,206	-	1,069,587	355,955	1,859,748
Prepaid Items	613,233	9,900	-	-	623,133
Inventory	177,578	-	-	-	177,578
Total Assets	<u>\$ 19,747,084</u>	<u>\$ 3,177,965</u>	<u>\$ 5,922,511</u>	<u>\$ 6,615,136</u>	<u>\$ 35,462,696</u>
Liabilities and Fund Balances					
Liabilities					
Accounts Payable	\$ 559,550	\$ 25,958	\$ 1,243,069	\$ 230,211	\$ 2,058,788
Due to Other Funds	-	-	-	87,211	87,211
Due to Other Governments	262,978	-	-	-	262,978
Accrued Salaries	1,170,978	-	-	50,744	1,221,722
Unearned Revenue	3,291,013	-	2,400,000	-	5,691,013
Deposits	145,397	3,115	-	6,200	154,712
Advance from Other Fund	-	963,485	-	-	963,485
Total Liabilities	<u>5,429,916</u>	<u>992,558</u>	<u>3,643,069</u>	<u>374,366</u>	<u>10,439,909</u>
Fund Balances					
Nonspendable:					
Prepaid Items	613,233	9,900	-	-	623,133
Inventory	177,578	-	-	-	177,578
Notes Receivable - Employees	6,884	-	-	-	6,884
Restricted for:					
Public Safety and Other Expenditures	166,627	-	-	-	166,627
Capital Projects	9,547	1,952,381	-	-	1,961,928
Debt Service	-	835,837	-	1,183,913	2,019,750
Special Revenue Funds	-	-	-	5,056,857	5,056,857
Committed for:					
C.U.R.E. Program	38,624	-	-	-	38,624
Assigned for:					
Capital and Other Projects	2,356,415	-	2,279,442	-	4,635,857
Unassigned	10,948,260	(612,711)	-	-	10,335,549
Total Fund Balances	<u>14,317,168</u>	<u>2,185,407</u>	<u>2,279,442</u>	<u>6,240,770</u>	<u>25,022,787</u>
Total Liabilities and Fund Balances	<u>\$ 19,747,084</u>	<u>\$ 3,177,965</u>	<u>\$ 5,922,511</u>	<u>\$ 6,615,136</u>	<u>\$ 35,462,696</u>

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



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CITY OF LEESBURG, FLORIDA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
AS OF SEPTEMBER 30, 2021

Fund balances of governmental funds		\$ 25,022,787
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:		
Cost of the Assets (excluding capital assets of the Internal Service Funds included below)	\$ 127,978,280	
Accumulated Depreciation (excluding Internal Service Funds)	<u>(59,537,130)</u>	68,441,150
The internal service funds are used by management to charge the costs of health insurance and workers' compensation services, risk management costs and fleet operation costs to individual funds. The assets, deferred outflows, liabilities and deferred inflows of the internal service funds are included in governmental activities in the statement of net position.		11,191,887
Deferred Amounts on Refunding are not available to cover current liabilities and therefore are not considered revenue in the fund level statements.		1,714,495
Deferred Outflows are not reported in the governmental funds but will be recognized in expense on a long-term basis (excluding Internal Service Funds).		
Pensions		1,601,622
Other Postemployment Benefits		3,230,694
Deferred Inflows are not reported in the governmental funds but will be recognized in expense on a long-term basis (excluding Internal Service Funds).		
Pensions		(8,360,022)
Other Postemployment Benefits		(4,392,365)
Accrued interest payable is not recorded in the fund financial statements but is recorded in governmental activities.		(430,338)
Long-term liabilities are not due and payable in the current period and, accordingly, are not reported in the governmental funds. Long-term liabilities (assets) at year-end consist of:		
Capital Improvement Revenue Bonds	(11,090,000)	
Notes Payable	(14,989,400)	
Capital Lease	(694,986)	
Compensated Absences (excluding Internal Service Funds)	(1,752,226)	
Total Other Postemployment Benefits (excl. Internal Service Funds)	(18,972,068)	
Net Pension Asset (excluding Internal Service Funds)	<u>2,049,690</u>	<u>(45,448,990)</u>
Net position of governmental activities		<u><u>\$ 52,570,920</u></u>

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



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CITY OF LEEsburg, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Major Funds			Other Nonmajor Governmental Funds	Total Governmental Funds
	General Fund	Community Redevelopment Agency Funds	Capital Projects Fund		
Revenues					
Taxes	\$ 10,121,861	\$ 2,132,115	\$ -	\$ 3,203,214	\$ 15,457,190
Licenses, Permits, and Assessments	2,042,959	-	-	924,953	2,967,912
Intergovernmental	4,825,767	-	1,404,606	198,624	6,428,997
Charges for Services	1,229,062	-	-	3,154	1,232,216
Fines and Forfeitures	219,027	-	-	5,018	224,045
Impact Fees	-	-	-	496,113	496,113
Miscellaneous:					
Interest	39,492	8,850	(17,747)	6,313	36,908
Rental	726,517	1,490	-	-	728,007
Other	121,411	-	-	70,773	192,184
Total Revenues	19,326,096	2,142,455	1,386,859	4,908,162	27,763,572
Expenditures					
Current:					
General Government	4,089,807	-	-	-	4,089,807
Public Safety	16,254,933	-	-	1,100,180	17,355,113
Physical Environment	113,423	-	-	-	113,423
Transportation	1,335,163	-	-	-	1,335,163
Economic Environment	177,499	456,637	-	132,494	766,630
Human Services	1,516,843	-	-	-	1,516,843
Culture and Recreation	3,772,359	-	2,586	-	3,774,945
Debt Service:					
Principal Payments	-	293,000	-	989,464	1,282,464
Interest and Fees	-	332,662	-	623,626	956,288
Capital outlay:					
General government	131,876	-	2,226,868	-	2,358,744
Public safety	129,080	-	-	105,908	234,988
Transportation	-	-	383,655	-	383,655
Economic environment	-	34,685	-	262,266	296,951
Culture and recreation	-	-	6,393,070	-	6,393,070
Total Expenditures	27,520,983	1,116,984	9,006,179	3,213,938	40,858,084
Excess (Deficiency) of Revenues Over (Under) Expenditures	(8,194,887)	1,025,471	(7,619,320)	1,694,224	(13,094,512)
Other Financing Sources (Uses)					
Sale of Capital Assets	208,635	-	-	-	208,635
Insurance Proceeds from Losses	-	-	800,482	-	800,482
Transfers from Other Funds	10,880,481	-	717,985	1,665,788	13,264,254
Transfers to Other Funds	(1,482,109)	(100,000)	-	(3,102,452)	(4,684,561)
Total Other Financing Sources (Uses)	9,607,007	(100,000)	1,518,467	(1,436,664)	9,588,810
Net Change in Fund Balances	1,412,120	925,471	(6,100,853)	257,560	(3,505,702)
Fund Balances, Beginning of Year	12,905,048	1,259,936	8,380,295	5,983,210	28,528,489
Fund Balances, End of Year	\$ 14,317,168	\$ 2,185,407	\$ 2,279,442	\$ 6,240,770	\$ 25,022,787



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

Net change in fund balances - total governmental funds \$ (3,505,702)

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

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

Capital Purchases	\$ 9,666,319	
Net Book Value of Disposals	(166,079)	
Depreciation Expense	<u>(3,048,206)</u>	6,452,034

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

Capital Improvement Revenue Bonds	580,000	
Notes Payable	598,000	
Capital Lease	<u>79,759</u>	1,257,759

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

Accrued Interest Payable	32,856	
Compensated Absences	(128,962)	
Change in Deferred Amount on Refunding	(125,855)	
Pension Expense	2,444,002	
Change in Other Postemployment Benefits Liability	<u>376,552</u>	2,598,593

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

(413,820)

Change in net position of governmental activities \$ 6,388,864

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



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MAJOR PROPRIETARY FUNDS

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

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

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

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

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

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

INTERNAL SERVICE FUNDS

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

CITY OF LEESBURG, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2021

	Business-type Activities - Enterprise Funds		
	Major Funds		
	Electric Utility Fund	Gas Utility Fund	Water Utility Fund
Assets			
Current Assets:			
Pooled Cash and Investments	\$ 26,297,117	\$ 4,372,945	\$ 9,173,174
Restricted Pooled Cash and Investments:			
Customer Deposits Account	4,918,633	1,130,689	609,956
Prefunded Construction Projects	2,608,848	-	-
Cash with Fiscal Agent	2,203,384	288,338	1,290,673
Receivables:			
Customer Accounts, Unbilled	3,542,014	357,667	467,430
Customer Accounts, Billed	5,934,106	520,261	748,240
(Allowance for Doubtful Accounts)	(795,288)	(48,968)	(123,816)
Miscellaneous Receivables	2,508	165,141	-
Due from Other Governments	-	-	-
Advance to Other Fund	963,485	-	-
Inventories	5,597,921	582,993	333,017
Total Current Assets	51,272,728	7,369,066	12,498,674
Noncurrent Assets:			
Net Pension Asset	539,562	179,957	95,015
Restricted Assets:			
Pooled Cash and Investments:			
Impact Fees Account	-	-	1,324,588
Bond Proceeds	-	-	-
Total Restricted Assets	-	-	1,324,588
Property, Plant, and Equipment:			
Land	3,547,105	425,361	363,470
Buildings	2,913,282	554,591	9,943,258
Improvements Other Than Buildings	140,697,240	20,255,538	47,964,126
Machinery and Equipment	16,404,803	3,607,297	9,600,861
Less Accumulated Depreciation and Amortization	(63,638,118)	(9,347,755)	(27,810,908)
Intangible Assets	92,652	-	748,274
Construction in Progress	11,288,919	1,133,645	1,073,902
Total Property, Plant, and Equipment	111,305,883	16,628,677	41,882,983
Total Noncurrent Assets	111,845,445	16,808,634	43,302,586
Total Assets	163,118,173	24,177,700	55,801,260
Deferred Outflows of Resources			
Deferred Amounts on Bond Refunding	-	154,750	321,892
Deferred Outflows: OPEB	457,174	223,507	274,304
Total Deferred Outflows of Resources	457,174	378,257	596,196

Business-type Activities - Enterprise Funds				Governmental Activities
Major Funds				
Wastewater Utility Fund	Airport Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
\$ 23,893,611	\$ 3,803,089	\$ 6,230,086	\$ 73,770,022	\$ 7,400,895
1,950	-	2,845	6,664,073	-
-	-	-	2,608,848	-
2,254,126	-	-	6,036,521	-
674,871	-	346,774	5,388,756	-
1,302,968	28,096	558,386	9,092,057	-
(156,820)	530	(122,926)	(1,247,288)	-
-	-	-	167,649	306,021
636,386	925,542	-	1,561,928	-
-	-	-	963,485	-
-	-	-	6,513,931	129,921
<u>28,607,092</u>	<u>4,757,257</u>	<u>7,015,165</u>	<u>111,519,982</u>	<u>7,836,837</u>
218,945	1,787	100,460	1,135,726	39,626
4,535,197	-	-	5,859,785	-
1,834,453	-	-	1,834,453	-
<u>6,369,650</u>	<u>-</u>	<u>-</u>	<u>7,694,238</u>	<u>-</u>
5,790,529	4,698,649	771,649	15,596,763	-
24,457,845	9,555,523	13,856	47,438,355	564,988
30,136,905	27,515,769	15,930,262	282,499,840	127,577
11,594,580	153,686	349,974	41,711,201	23,430,622
(30,424,214)	(19,364,969)	(5,130,144)	(155,716,108)	(16,847,170)
38,150	-	-	879,076	-
20,574,463	5,943,441	77,399	40,091,769	91,234
<u>62,168,258</u>	<u>28,502,099</u>	<u>12,012,996</u>	<u>272,500,896</u>	<u>7,367,251</u>
68,756,853	28,503,886	12,113,456	281,330,860	7,406,877
<u>97,363,945</u>	<u>33,261,143</u>	<u>19,128,621</u>	<u>392,850,842</u>	<u>15,243,714</u>
446,004	-	-	922,646	-
386,058	20,319	203,188	1,564,550	81,275
<u>832,062</u>	<u>20,319</u>	<u>203,188</u>	<u>2,487,196</u>	<u>81,275</u>

(Continued)

CITY OF LEESBURG, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2021
(Concluded)

	Business-type Activities - Enterprise Funds		
	Major Funds		
	Electric Utility Fund	Gas Utility Fund	Water Utility Fund
Liabilities			
Current Liabilities:			
Accounts and Retainage Payable	\$ 5,007,043	\$ 402,482	\$ 136,119
Rate Stabilization Credit	771,540	-	-
Due to Other Governments	73,697	5,637	-
Other Accrued Expenses	283,434	86,065	95,250
Claims Payable	-	-	-
Compensated Absences	298,316	87,804	64,109
Other Postemployment Benefits	47,141	23,047	28,285
Unearned Revenue	-	762,122	52,003
	<u>6,481,171</u>	<u>1,367,157</u>	<u>375,766</u>
Current Liabilities Payable from Restricted Assets:			
Customer Deposits	4,918,633	393,567	609,956
Customer Advances for Construction	2,608,848	-	-
Accrued Interest Payable	800,319	84,321	352,824
Bonds and Notes Payable - Current Portion	<u>1,879,000</u>	<u>197,195</u>	<u>923,659</u>
Current Liabilities Payable from Restricted Assets	<u>10,206,800</u>	<u>675,083</u>	<u>1,886,439</u>
Total Current Liabilities	<u>16,687,971</u>	<u>2,042,240</u>	<u>2,262,205</u>
Noncurrent Liabilities:			
Claims Payable	-	-	-
Electric Utility Revenue Bond 2007B	6,570,000	-	-
Electric Utility Refunding Revenue Note 2016	5,760,916	-	-
Electric Utility Refunding Revenue Bond 2016	18,874,993	-	-
Electric Utility Revenue Note Series 2020	14,535,000	-	-
Revenue Bonds Payable, Series 2007	-	-	-
Utility Revenue Refunding Note Payable 2010	-	-	1,369,034
Utility Revenue Refunding Bond Payable 2013	-	2,502,439	5,205,275
Utility Revenue Refunding Bond 2016	-	2,024,878	11,601,907
Utility Revenue Note Series 2020	-	-	-
Compensated Absences	244,077	71,840	52,453
Other Postemployment Benefits	<u>2,637,586</u>	<u>1,289,486</u>	<u>1,582,551</u>
Total Noncurrent Liabilities	<u>48,622,572</u>	<u>5,888,643</u>	<u>19,811,220</u>
Total Liabilities	<u>65,310,543</u>	<u>7,930,883</u>	<u>22,073,425</u>
Deferred Inflows of Resources			
Deferred Inflows-Pension Related	663,277	221,218	116,801
Deferred Inflows: OPEB	<u>621,561</u>	<u>303,874</u>	<u>372,937</u>
Total Deferred Inflows of Resources	<u>1,284,838</u>	<u>525,092</u>	<u>489,738</u>
Net Position			
Net Investment in Capital Assets	78,310,887	12,222,363	24,349,489
Restricted for:			
Capital Improvements	-	-	1,324,588
Unrestricted	<u>18,669,079</u>	<u>3,877,619</u>	<u>8,160,216</u>
Total Net Position	<u>\$ 96,979,966</u>	<u>\$ 16,099,982</u>	<u>\$ 33,834,293</u>

Business-type Activities - Enterprise Funds				Governmental
Major Funds				Activities
Wastewater Utility Fund	Airport Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
\$ 3,001,749	\$ 87,616	\$ 233,768	\$ 8,868,777	\$ 875,159
-	-	-	771,540	-
-	130	-	79,464	-
130,948	7,896	70,896	674,489	37,494
-	-	-	-	1,173,489
112,688	9,015	52,687	624,619	30,359
39,808	2,095	20,952	161,328	8,381
444,199	1,145,000	-	2,403,324	-
<u>3,729,392</u>	<u>1,251,752</u>	<u>378,303</u>	<u>13,583,541</u>	<u>2,124,882</u>
1,950	17,559	2,845	5,944,510	-
-	-	-	2,608,848	-
410,319	-	-	1,647,783	-
1,824,146	-	-	4,824,000	-
<u>2,236,415</u>	<u>17,559</u>	<u>2,845</u>	<u>15,025,141</u>	<u>-</u>
<u>5,965,807</u>	<u>1,269,311</u>	<u>381,148</u>	<u>28,608,682</u>	<u>2,124,882</u>
-	-	-	-	1,355,265
-	-	-	6,570,000	-
-	-	-	5,760,916	-
-	-	-	18,874,993	-
-	-	-	14,535,000	-
705,000	-	-	705,000	-
1,645,966	-	-	3,015,000	-
7,212,274	-	-	14,919,988	-
4,260,830	-	-	17,887,615	-
14,115,000	-	-	14,115,000	-
92,199	7,376	43,108	511,053	24,840
2,227,294	117,227	1,172,260	9,026,404	468,904
<u>30,258,563</u>	<u>124,603</u>	<u>1,215,368</u>	<u>105,920,969</u>	<u>1,849,009</u>
<u>36,224,370</u>	<u>1,393,914</u>	<u>1,596,516</u>	<u>134,529,651</u>	<u>3,973,891</u>
269,146	2,197	123,495	1,396,134	48,711
524,874	27,625	276,248	2,127,119	110,500
<u>794,020</u>	<u>29,822</u>	<u>399,743</u>	<u>3,523,253</u>	<u>159,211</u>
33,890,815	28,465,976	11,971,725	189,211,255	7,312,198
4,535,197	-	-	5,859,785	-
22,751,605	3,391,750	5,363,825	62,214,094	3,879,689
<u>\$ 61,177,617</u>	<u>\$ 31,857,726</u>	<u>\$ 17,335,550</u>	<u>\$ 257,285,134</u>	<u>\$ 11,191,887</u>

CITY OF LEESBURG, FLORIDA
STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Business-type Activities - Enterprise Funds		
	Major Funds		
	Electric Utility Fund	Gas Utility Fund	Water Utility Fund
Operating Revenues			
Charges for Services	\$ 59,933,642	\$ 6,782,868	\$ 8,605,403
Other	654,370	151,590	119,282
Total Operating Revenues	<u>60,588,012</u>	<u>6,934,458</u>	<u>8,724,685</u>
Operating Expenses			
Personal Services	3,263,872	1,327,258	1,729,363
Purchased Energy	37,932,862	2,142,481	-
Supplies and Materials	737,684	140,548	648,783
Maintenance Costs	880,402	84,877	183,062
Contracted Services	1,567,834	24,585	262,661
Other Services and Charges	4,073,558	769,660	1,709,755
Depreciation and Amortization	4,708,313	566,097	1,683,603
Claims Expense	-	-	-
Insurance Premiums	-	-	-
Total Operating Expenses	<u>53,164,525</u>	<u>5,055,506</u>	<u>6,217,227</u>
Operating Income (Loss)	<u>7,423,487</u>	<u>1,878,952</u>	<u>2,507,458</u>
Nonoperating Revenues (Expenses)			
Investment Income	114,036	5,966	14,505
Other Nonoperating Income	-	-	-
Gain (Loss) on Sale of Assets	174,196	-	695
Interest Expense	(1,416,181)	(164,211)	(652,310)
Total Nonoperating Revenues (Expenses)	<u>(1,127,949)</u>	<u>(158,245)</u>	<u>(637,110)</u>
Income (Loss) Before Capital Contributions and Transfers	<u>6,295,538</u>	<u>1,720,707</u>	<u>1,870,348</u>
Capital Contributions and Transfers			
Capital Contributions	558,090	966,201	895,525
Transfers from Other Funds	-	-	-
Transfers to Other Funds	(5,171,098)	(744,751)	(1,070,598)
Total Capital Contributions and Transfers	<u>(4,613,008)</u>	<u>221,450</u>	<u>(175,073)</u>
Change in Net Position	1,682,530	1,942,157	1,695,275
Net Position, Beginning of Year	<u>95,297,436</u>	<u>14,157,825</u>	<u>32,139,018</u>
Net Position, End of Year	<u>\$ 96,979,966</u>	<u>\$ 16,099,982</u>	<u>\$ 33,834,293</u>

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

Business-type Activities - Enterprise Funds				Governmental
Major Funds				Activities
Wastewater Utility Fund	Airport Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
\$ 12,481,565	\$ 201,328	\$ 6,120,201	\$ 94,125,007	\$ 11,785,072
242,424	1,150,917	32,670	2,351,253	1,226,314
<u>12,723,989</u>	<u>1,352,245</u>	<u>6,152,871</u>	<u>96,476,260</u>	<u>13,011,386</u>
2,358,658	145,172	1,263,069	10,087,392	615,858
-	-	-	40,075,343	-
517,931	8,406	277,162	2,330,514	158,216
570,253	197,451	498,748	2,414,793	673,246
479,415	187,815	1,132,438	3,654,748	959,451
2,844,091	268,431	1,285,707	10,951,202	49,805
1,567,671	1,667,981	317,983	10,511,648	1,608,559
-	-	-	-	8,578,048
-	-	-	-	1,380,123
<u>8,338,019</u>	<u>2,475,256</u>	<u>4,775,107</u>	<u>80,025,640</u>	<u>14,023,306</u>
4,385,970	(1,123,011)	1,377,764	16,450,620	(1,011,920)
(11,288)	5,673	7,037	135,929	868
-	318	-	318	-
1,611	-	-	176,502	307,810
(930,848)	-	-	(3,163,550)	-
<u>(940,525)</u>	<u>5,991</u>	<u>7,037</u>	<u>(2,850,801)</u>	<u>308,678</u>
3,445,445	(1,117,020)	1,384,801	13,599,819	(703,242)
3,289,544	6,156,438	-	11,865,798	95,420
-	-	-	-	2,586,073
(965,823)	-	(821,425)	(8,773,695)	(2,392,071)
<u>2,323,721</u>	<u>6,156,438</u>	<u>(821,425)</u>	<u>3,092,103</u>	<u>289,422</u>
5,769,166	5,039,418	563,376	16,691,922	(413,820)
55,408,451	26,818,308	16,772,174	240,593,212	11,605,707
<u>\$ 61,177,617</u>	<u>\$ 31,857,726</u>	<u>\$ 17,335,550</u>	<u>\$ 257,285,134</u>	<u>\$ 11,191,887</u>

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

CITY OF LEESBURG, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Business-type Activities - Enterprise Funds		
	Major Funds		
	Electric Utility Fund	Gas Utility Fund	Water Utility Fund
Cash Flows from Operating Activities			
Receipts from Customers and Users	\$ 57,775,819	\$ 6,655,497	\$ 8,691,670
Payments to Suppliers for Goods and Services	(44,978,269)	(3,191,951)	(2,816,168)
Cash Paid for Insurance Claims	-	-	-
Cash Paid to Employees for Services	(3,846,305)	(1,573,865)	(1,717,475)
Net Cash Provided by (Used in) Operating Activities	8,951,245	1,889,681	4,158,027
Cash Flows from Noncapital Financing Activities			
Transfers from Other Funds	-	-	-
Transfers to Other Funds	(4,986,824)	(744,751)	(1,060,870)
Non-Capital Grant Proceeds	19,976	237	1,792
Proceeds from Interfund Loan	70,176	-	-
Principal Paid on Noncapital Debt	(510,000)	-	-
Interest Paid on Noncapital Debt	(434,830)	-	-
Net Cash Provided by (Used in) Noncapital Financing Activities	(5,841,502)	(744,514)	(1,059,078)
Cash Flows from Capital and Related Financing Activities			
Interest Paid on Revenue Bonds and Customer Deposits	(945,208)	(175,192)	(727,777)
Acquisition and Construction of Capital Assets	(11,838,535)	(959,257)	(1,186,903)
Proceeds from the Disposition of Capital Assets	13,250	-	695
Issuance of Debt	14,900,000	-	-
Principal Paid on Capital Debt	(849,084)	(187,948)	(886,878)
Receipt of Customer Advances	2,521,151	-	-
Capital Contributions	1,308,090	528,584	895,525
Net Cash Provided by (Used in) Capital and Related Financing Activities	5,109,664	(793,813)	(1,905,338)
Cash Flows from Investing Activities			
Interest Received	114,036	4,043	10,505
Net Cash Provided by (Used in) Investing Activities	114,036	4,043	10,505
Net Increase (Decrease) in Cash and Cash Equivalents	8,333,443	355,397	1,204,116
Cash and Cash Equivalents, Beginning of Year	27,694,539	5,436,575	11,194,275
Cash and Cash Equivalents, End of Year	\$ 36,027,982	\$ 5,791,972	\$ 12,398,391

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

Business-type Activities - Enterprise Funds				Governmental
Major Funds				Activities
Wastewater Utility Fund	Airport Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
\$ 13,515,089	\$ 2,196,616	\$ 6,079,374	\$ 94,914,065	\$ 11,738,952
(4,165,114)	(710,292)	(3,045,048)	(58,906,842)	(3,841,587)
-	-	-	-	(6,909,983)
(2,602,079)	(150,805)	(1,394,076)	(11,284,605)	(656,061)
<u>6,747,896</u>	<u>1,335,519</u>	<u>1,640,250</u>	<u>24,722,618</u>	<u>331,321</u>
-	-	-	-	2,392,071
(965,823)	-	(821,425)	(8,579,693)	(2,392,071)
65	70,226	17,649	109,945	5
-	-	-	70,176	-
(40,000)	-	-	(550,000)	-
(45,135)	-	-	(479,965)	-
<u>(1,050,893)</u>	<u>70,226</u>	<u>(803,776)</u>	<u>(9,429,537)</u>	<u>5</u>
(789,748)	-	-	(2,637,925)	-
(17,684,986)	(6,530,029)	(191,948)	(38,391,658)	(1,259,920)
1,611	318	-	15,874	209,467
-	-	-	14,900,000	-
(860,173)	-	-	(2,784,083)	-
-	-	-	2,521,151	-
2,653,158	6,032,358	-	11,417,715	-
<u>(16,680,138)</u>	<u>(497,353)</u>	<u>(191,948)</u>	<u>(14,958,926)</u>	<u>(1,050,453)</u>
355,315	5,673	7,037	496,609	868
<u>355,315</u>	<u>5,673</u>	<u>7,037</u>	<u>496,609</u>	<u>868</u>
(10,627,820)	914,065	651,563	830,764	(718,259)
43,147,157	2,889,024	5,581,368	95,942,938	8,119,154
<u>\$ 32,519,337</u>	<u>\$ 3,803,089</u>	<u>\$ 6,232,931</u>	<u>\$ 96,773,702</u>	<u>\$ 7,400,895</u>

(Continued)

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

CITY OF LEESBURG, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021
(Concluded)

	Business-type Activities - Enterprise Funds		
	Major Funds		
	Electric Utility Fund	Gas Utility Fund	Water Utility Fund
<u>Reconciliation of Cash and Cash Equivalents to Balance Sheet</u>			
Total Unrestricted Equity in Pooled Cash and Cash Equivalents	\$ 26,297,117	\$ 4,372,945	\$ 9,173,174
Total Restricted Equity in Pooled Cash and Cash Equivalents & Cash with Fiscal Agent	9,730,865	1,419,027	3,225,217
Total Cash and Cash Equivalents, End of Year	<u>\$ 36,027,982</u>	<u>\$ 5,791,972</u>	<u>\$ 12,398,391</u>
<u>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities</u>			
Operating Income (Loss)	\$ 7,423,487	\$ 1,878,952	\$ 2,507,458
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:			
Depreciation and Amortization	4,708,313	566,097	1,683,603
Decrease (Increase) in Assets:			
Customer Accounts (Net of Allowances)	(1,072,122)	(209,446)	(87,251)
Miscellaneous Receivables	(2,508)	(165,141)	-
Prepaid Items	-	11,579	-
Inventory	(369,324)	(196,217)	(21,127)
Net Pension Asset	(539,562)	(179,957)	(95,015)
Decrease (Increase) in Deferred Outflows: Pension	347,900	116,036	61,263
Decrease (Increase) in Deferred Outflows: OPEB	(356,477)	(172,040)	(218,361)
Increase (Decrease) in Liabilities:			
Accounts Payable	827,666	165,604	9,220
Unearned Revenue	-	-	-
Due to Other Governments	(244,271)	(10,766)	-
Accrued Expenses	27,776	7,334	17,583
Claims Payable	-	-	-
Rate Stabilization Credit	(1,948,912)	-	-
Other Postemployment Benefits Liability	439,061	164,750	363,246
Net Pension Liability	(793,507)	(264,653)	(139,730)
Other Liabilities	191,429	117,988	60,151
Increase (Decrease) in Deferred Inflows: Pension	485,141	161,717	85,387
Increase (Decrease) in Deferred Inflows: OPEB	(172,845)	(102,156)	(68,400)
Net Cash Provided by (Used in) Operating Activities	<u>\$ 8,951,245</u>	<u>\$ 1,889,681</u>	<u>\$ 4,158,027</u>
<u>Noncash Investing, Capital, or Financing Transactions:</u>			
Capital Contribution	-	-	-

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

Business-type Activities - Enterprise Funds				Governmental
Major Funds				Activities
Wastewater Utility Fund	Airport Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
\$ 23,893,611	\$ 3,803,089	\$ 6,230,086	\$ 73,770,022	\$ 7,400,895
8,625,726	-	2,845	23,003,680	-
<u>\$ 32,519,337</u>	<u>\$ 3,803,089</u>	<u>\$ 6,232,931</u>	<u>\$ 96,773,702</u>	<u>\$ 7,400,895</u>
\$ 4,385,970	\$ (1,123,011)	\$ 1,377,764	\$ 16,450,620	\$ (1,011,920)
1,567,671	1,667,981	317,983	10,511,648	1,608,559
791,340	2,922	(73,182)	(647,739)	-
-	-	-	(167,649)	(46,120)
-	-	-	11,579	-
-	-	-	(586,668)	(132,248)
(218,945)	(1,787)	(100,460)	(1,135,726)	(39,626)
141,175	1,152	64,790	732,316	25,549
(301,025)	(15,844)	(158,434)	(1,222,181)	(63,373)
246,576	(48,189)	149,768	1,350,645	(488,498)
-	836,000	-	836,000	-
-	-	(761)	(255,798)	-
12,405	606	8,590	74,294	5,600
-	-	-	-	441,751
-	-	-	(1,948,912)	-
370,764	19,515	195,139	1,552,475	78,056
(321,991)	(2,627)	(147,774)	(1,670,282)	(58,272)
23,158	5,142	(6,624)	391,244	6,981
196,756	1,341	90,272	1,020,614	35,610
(145,958)	(7,682)	(76,821)	(573,862)	(30,728)
<u>\$ 6,747,896</u>	<u>\$ 1,335,519</u>	<u>\$ 1,640,250</u>	<u>\$ 24,722,618</u>	<u>\$ 331,321</u>
-	-	-	-	\$ 194,002

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



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FIDUCIARY FUNDS

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

**CITY OF LEESBURG, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2021**

	Employee Retirement Funds
Assets	
Cash	\$ 378,351
Investments, at Fair Value:	
U.S. Government, Agency, and Municipal Securities	10,362,525
Foreign Bonds	212,046
Corporate Bonds	6,771,916
Corporate Stocks	28,973,846
Collateralized Mortgage Obligations	1,212,690
Alternative Investments	12,549,132
Money Market	1,419,464
Mutual Funds	37,900,508
Total Investments	99,402,127
Interest Receivable	185,250
Total Assets	99,965,728
Net Position	
Restricted for:	
Employees' Pension Benefits	\$ 99,965,728

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

**CITY OF LEESBURG, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<u>Employee Retirement Funds</u>
Additions	
Contributions:	
Employer	\$ 2,141,604
State	415,192
Employee	498,544
Total Contributions	<u>3,055,340</u>
Investment Income:	
Net Increase (Decrease) in Fair Value of Investments	15,697,222
Interest and Dividend Income	1,890,652
Other Income	180,708
Less: Investment Expenses	<u>(356,000)</u>
Total Investment Income	<u>17,412,582</u>
Total Additions	<u>20,467,922</u>
Deductions	
Benefit Payments	4,795,067
Refund of Contributions	130,125
Administrative Expense	<u>257,835</u>
Total Deductions	<u>5,183,027</u>
Change in Plan Net Position	15,284,895
Net Position Restricted for Employees'	
Pension Benefits:	
Beginning of Year	<u>84,680,833</u>
End of Year	<u><u>\$ 99,965,728</u></u>

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



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NOTES TO THE FINANCIAL STATEMENTS

CITY OF LEESBURG, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Financial Reporting Entity

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

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

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

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

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

CITY OF LEESBURG, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

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

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

The CRA's sole purpose is to administer funds distributed via state law for blighted areas within the City. The Governing Boards are composed of the City Commission plus two members appointed by the City Commission; therefore the City Commission has absolute influence over the CRA board. Additionally, the City provides financial support to the CRA, so a financial benefit/burden relationship exists. In accordance with 163.387, Florida Statutes, the supplemental schedule details the following: the amount and source of revenues, the amount and purpose of expenditures, including the amount of debt principal and interest paid during the current year. The CRA is reported as a major special revenue fund. The remaining amounts of indebtedness to which revenues of the fund are pledged are detailed in Note 8. To obtain a copy of the separately issued financial statements, please contact the City's Finance Department at 501 W Meadow Street (P.O. Box 490630), Leesburg, FL 34749-0630, or call (352) 728-9720.

B. Recent Governmental Accounting Standards Board (GASB) Statements

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

C. Basic Financial Statements

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

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

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

CITY OF LEESBURG, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

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

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

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

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

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

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

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

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

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

CITY OF LEESBURG, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

Expenditures are recorded when the related fund liability is incurred. Exceptions to this general rule include: (1) accumulated paid time off, which is not reported until they have been paid (matured balances are accrued); (2) prepaid insurance and similar items, which are reported only on the balance sheet and do not affect expenditures; and (3) principal and interest on long-term debt, which are recognized when due. Budgets for governmental funds are also prepared on the modified accrual basis.

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

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

E. Major Governmental Funds

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

F. Major Enterprise Funds

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

CITY OF LEESBURG, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

G. Internal Service Funds

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

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

H. Fiduciary Funds

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

I. Encumbrances

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

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

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

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

CITY OF LEESBURG, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

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

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

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

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

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

The costs of normal maintenance and repairs that do not add to the fair value of the assets or materially extend the assets' lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of major business-type activities is included as part of the capitalized value of the assets constructed. During 2021, there was no capitalized interest.

CITY OF LEESBURG, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

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

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

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

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

The City's Statement of Net Position includes deferred inflows of resources. This separate financial statement element represents an consumption of net assets that applies to future period(s) and so will not be recognized as an inflow of resources until then. The City's deferred inflows are related to pensions and other postemployment benefits and can be found in the City-wide and proprietary statements of net position. Deferred inflows related to the City's pensions and other postemployment benefits represent an acquisition of net position that applies to future periods.

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

CITY OF LEESBURG, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

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

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

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

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

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

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

CITY OF LEESBURG, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

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

12. **Long-Term Obligations** - In the City-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type Statements of Net Position. Bond premiums and discounts are amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

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

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

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

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

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

CITY OF LEESBURG, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

Constraints imposed on the use of committed amounts are imposed by City Commission, and anything separate from these constraints is not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

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

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

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

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

CITY OF LEESBURG, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

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

17. **Reclassifications** - Certain 2020 amounts have been reclassified to conform to the 2021 presentation.

**CITY OF LEESBURG, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

NOTE 2 - BUDGET AND BUDGETARY DATA

A. Budget Policy

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

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

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

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

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

B. Excess of Expenditures Over Appropriations

The Police Impact Fee and Police Education Fund contained excesses of expenditures over appropriations during the fiscal year ended September 30, 2021.

No other individual fund contained an excess of total expenditures over total appropriations during the fiscal year ended September 30, 2021, except for insignificant variances. However, within various funds, there may be an excess of expenditures over appropriations at the line item level.

C. Deficit Fund Balance/Net Position

The Worker's Compensation Insurance Fund Net Position and the Carver Heights/Montclair Area Community Redevelopment Agency Fund show a deficit fund balance at September 30, 2021. The City plans to raise individual employee rates to increase cash flow in the Worker's Compensation fund to alleviate the net position deficit in future years and the Carver Heights deficit will be corrected as the loan from the Electric Fund is paid down.

**CITY OF LEESBURG, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

NOTE 3 - PROPERTY TAXES

The City is permitted under its charter to levy up to \$10 per \$1,000 of assessed valuation for general government services other than the payment of principal and interest on general long-term debt and in unlimited amounts for the payment of principal and interest on long-term debt. Additional taxes assessed for the payment of general long-term debt issues of the City must be approved by the public. The tax rate assessed by the City for the year ended September 30, 2021 was \$4.1086 per \$1,000 of assessed property value. Current tax collections (inclusive of legally available early payment discounts) for the City were 96.51% of the total tax levy. The property calendar provides for the tax revenue to be billed and collected within the applicable fiscal year.

Calendar of Property Tax Events

Tax Collection

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

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

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

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

**CITY OF LEESBURG, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

NOTE 4 - DEPOSITS AND INVESTMENTS

A. Pooling of Cash and Investments

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

As of September 30, 2021, deposits and investments are classified in the accompanying financial statements as follows:

City-wide Cash and Investments

Statement of Net Position

Pooled Cash and Cash Equivalents	\$ 111,046,604
Restricted:	
Pooled Cash and Cash Equivalents	25,300,711

Statement of Fiduciary Net Position

Cash Equivalents	378,351
Investments	99,402,127

Total Cash and Investments	\$ 236,127,793
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Deposits and investments consist of the following:

Governmental and Business-Type Activities

Cash Deposits	\$ 60,089,372
Investments	68,856,238
Investments with Fiscal Agent:	
Community Redevelopment Agency Funds	94,060
Debt Service Fund	1,271,124
Utilities Debt Service Account	6,036,521

Fiduciary Fund Assets

Cash	378,351
Defined Benefit Pension Plan Investments	99,402,127

Total Cash and Investments	\$ 236,127,793
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CITY OF LEESBURG, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

Primary Government Activities

1. Investments and Investment Practices

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

As of September 30, 2021, the City had the following investments and maturities:

Investment Type	Fair Value	Investment Maturities (In Years)		
		Less Than 1 Year	1- 2 Years	2 -3 Years
Local Government Investment Pools	\$ 23,597,533	\$ 23,597,533	\$ -	\$ -
Bank Certificates of Deposit	4,090,899	4,090,899	-	-
U.S. Government and Agencies	29,109,723	11,632,066	13,842,991	3,634,666
Corporate Fixed Income	12,058,083	4,040,204	3,879,182	4,138,697
Total	\$ 68,856,238	\$ 43,360,702	\$ 17,722,173	\$ 7,773,363

2. Custodial Credit Risk

As of September 30, 2021, the carrying amount of the City’s deposits was \$60,089,372. Monies on deposit with financial institutions in the form of demand deposit accounts and time deposit accounts are defined as public deposits. The entire City’s public deposits are held in "qualified public depositories" as required by Chapter 280, Florida Statutes, "Security for Public Deposits" (the "Act"), and covered by federal depository insurance. In addition, all qualified public depositories must deposit with the State Chief Financial Officer eligible collateral in such amounts as required by the Act. Qualified public depositories are required under the Act to assume mutual responsibility against loss caused by the default or insolvency of other qualified public depositories of the same type. Should a default or insolvency occur, the State Chief Financial Officer would implement procedures for payment of losses according to the validated claims of the City.

3. Interest Rate Risk

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

CITY OF LEESBURG, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

invested in securities not exceeding five years. As of September 30, 2021 the weighted average maturity of the City's investments was 1.26 years.

4. Credit Risk

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

5. Concentration of Credit Risk

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

6. Local Government Investment Pools

For the fiscal year ended September 30, 2021, the City invested in the Florida Surplus Asset Fund Trust (FLSAFE), Florida Cooperative Liquid Assets Securities System (FLCLASS) and Florida Prime (FP) local government investment pools. The investment pools operate under investment guidelines established by Sections 215.47 and 218.415, Florida Statutes. None of the investment pools are registrants with the Securities and Exchange Commission; however, they have adopted operating procedures consistent with the requirements for a 2a-7-like fund and the fair value of the positions in the pools are equal to the value of the pool shares. The City's investments in FLSAFE, FLCLASS and FP were rated AAAM by Standard & Poor's.

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

FLCLASS and FLSAFE allow for daily redemptions from their funds. The investment pools may temporarily suspend or postpone the right of redemption under extraordinary circumstances such as (a) war, emergency or act of God; (b) suspension of trading on major stock exchanges or a general banking moratorium; or (c) when an emergency exists such that the investment pools may not dispose of their investments because of substantial losses or it is not reasonably practical for the pools to value their net assets. As of September 30, 2021, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit the City's daily access to 100% of the account values.

CITY OF LEESBURG, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

FP's rules regarding redemption and penalties and redemption fees are governed by Section 218.409, Florida Statutes, which notes that the Executive Director of the FP may, in good faith, on the occurrence of an event that has a material impact on liquidity or operations, limit contributions or withdrawals. The Trustees of the pool may extend this for an additional 15 days. Section 218.409(4), Florida Statutes, provides for the FP to impose penalties for early withdrawal, subject to disclosure in the enrollment materials; at present, no such disclosure has been made. As of September 30, 2021, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit the City's daily access to 100% of the account value.

7. Fair Value

The City has adopted GASB Statement No. 72, *Fair Value Measurement and Application* (GASB 72). The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The City's investments in government and agencies and corporate fixed income are high-quality bonds that are valued using a matrix pricing model (Level 2). Investments in local government investment pools and non-negotiable certificates of deposit are exempt from the GASB 72 fair value hierarchy disclosures per paragraph 69 of GASB 72, and are valued at the City's cost and any accrued interest on these investments.

B. Fiduciary Activities

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

CITY OF LEESBURG, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

1. Credit Rating – All Fiduciary Funds

As of September 30, 2021, ratings for the fiduciary funds' corporate and agency obligations by Standard & Poor's is as follows:

Rating	General Employees'	Municipal Police Officers'	Municipal Firemen's	Total
AAA	\$ -	\$ 5,261	\$ 112,172	\$ 117,433
AA+	4,697,122	3,949,503	2,681,243	11,327,868
AA	217,256	-	206,433	423,689
AA-	-	27,263	72,063	99,326
A+	-	149,383	99,384	248,767
A	-	215,414	136,360	351,774
A-	647,719	581,044	424,651	1,653,414
BBB+	432,034	737,873	296,429	1,466,336
BBB	431,612	387,174	546,714	1,365,500
BBB-	-	57,241	532,714	589,955
BB+	-	-	79,856	79,856
Not rated	-	454,674	380,585	835,259
	<u>\$ 6,425,743</u>	<u>\$ 6,564,830</u>	<u>\$ 5,568,604</u>	<u>\$ 18,559,177</u>

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

2. General Employees' Retirement Plan

City of Leesburg General Employees' Retirement Plan
Distribution by Asset Type
September 30, 2021

Investment Type	Investment Maturities (In Years)			
	Fair Value	Less Than 1 Year	1-5 Years	6-10 Years
Money Market	\$ 27,996	\$ 27,996	\$ -	\$ -
Mutual Funds, UITs and ETFs	5,013,535	5,013,535	-	-
U.S. Government and Agencies	4,697,122	-	4,409,589	287,533
Corporate Obligations	1,728,621	-	1,296,858	431,763
Total	<u>11,467,274</u>	<u>\$ 5,041,531</u>	<u>\$ 5,706,447</u>	<u>\$ 719,296</u>
Corporate Stock	24,287,220			
Alternative Investments*	7,826,762			
Total	<u>\$ 43,581,256</u>			

*Alternative Investments include partnerships and hedge fund.

a. Custodial Credit Risk

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

CITY OF LEESBURG, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

b. Interest Rate Risk

Interest rate risk is the risk that as market rates change, the fair value of an investment will vary. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in the market interest rates. The Plan does not have a policy related to limiting its exposure to fair value losses arising from rising interest rates. As of September 30, 2021, the Plan's investments weighted average maturity was 3.46 years.

c. Credit Risk

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

d. Concentration of Credit Risk

The investment policy of the Plan contains limitations on the amount that can be invested in any one issuer as well as maximum portfolio allocation percentages. Investments in corporate common stock and convertible bonds are limited to 60% of Plan assets. No more than 10% of Plan assets shall be invested in one company. Except for U.S. Government and agency obligations, no more than 10% of Plan assets can be invested in one issuer. No investments exceeded these thresholds at September 30, 2021.

e. Foreign Currency

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

f. Fair Value

The Plan categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

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

CITY OF LEESBURG, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

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

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

Alternative Investments Redemption						
Style	Fund Name	Deposit or Commitment	Fair Value	Unfunded Commitment	Frequency (if currently eligible)	Redemption Notice Period
Global equity/directional hedge funds						
	Weatherlow Off I Ltd CI NI	\$ 1,425,000	\$ 2,978,388	\$ -	Quarterly	65 Days Notice
	UBS Trumbull Property	3,069,184	4,848,374	-	Quarterly *	60 Days Notice
	Total	<u>\$ 4,494,184</u>	<u>\$ 7,826,762</u>	<u>\$ -</u>		

*UBS has quarterly redemptions subject to available liquidity.

3. Municipal Police Officers' Retirement Plan

City of Leesburg Municipal Police Officers' Retirement Plan
Distribution by Asset Type
September 30, 2021

Investment Type	Investment Maturities (In Years)				
	Fair Value	Less Than 1 Year	1-5 Years	6-10 Years	More Than 10 Years
Money Market	\$ 549,090	\$ 549,090	\$ -	\$ -	-
Mutual Funds	19,679,575	19,679,575	-	-	-
U.S. Government and Agencies	3,949,503	-	844,328	1,061,597	2,043,578
Corporate Obligations	2,615,327	446,499	904,300	836,364	428,164
Total	<u>26,793,495</u>	<u>\$ 20,675,164</u>	<u>\$ 1,748,628</u>	<u>\$ 1,897,961</u>	<u>\$ 2,471,742</u>
Alternative Investment*	2,528,036				
Total	<u>\$ 29,321,531</u>				

*Alternative Investment is a real estate partnership.

a. Custodial Credit Risk

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

b. Interest Rate Risk

Interest rate risk is the risk that as market rates change, the fair value of an investment will vary. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in the market interest rates. The Plan does not have a policy related to limiting its exposure to fair value losses arising from rising interest rates. As of September 30, 2021, the Plan's investments weighted average maturity was 12.10 years.

CITY OF LEESBURG, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

c. Credit Risk

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

d. Concentration of Credit Risk

The investment policy of the Plan contains limitations on the amount that can be invested in any one issuer as well as maximum portfolio allocation percentages. Investments in corporate common stock may not exceed 70% of Plan assets. No more than 5% of Plan assets may be invested in the common stock of any one company. Foreign investments are limited to 10% of Plan assets. Investments in domestic fixed income obligations are limited to 45% of Plan assets. No investments exceeded these thresholds at September 30, 2021.

e. Foreign Currency

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

f. Fair Value

The Plan categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

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

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

CITY OF LEESBURG, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

4. Municipal Firemen’s Retirement Plan

City of Leesburg Municipal Firemen’s Retirement Plan
Distribution by Asset Type
September 30, 2021

Investment Type	Investment Maturities (In Years)				
	Fair Value	Less Than 1 Year	1-5 Years	6-10 Years	More Than 10 Years
Money Market	\$ 842,378	\$ 842,378	\$ -	\$ -	\$ -
Mutual Funds, UITs and ETFs	13,207,398	13,207,398	-	-	-
U.S. Government and Agencies	1,715,900	20,738	337,548	533,848	823,766
Collateralized Mortgage Obligations	1,212,690	-	381,605	142,294	688,791
Corporate Obligations	2,427,968	-	1,279,041	689,978	458,949
Foreign Bonds	212,046	-	95,059	40,232	76,755
Total	19,618,380	\$ 14,070,514	\$ 2,093,253	\$ 1,406,352	\$ 2,048,261
Corporate Stock	4,686,626				
Alternative Investment *	2,194,334				
Total	<u>\$ 26,499,340</u>				

*Alternative Investment is an investment limited partnership.

a. Custodial Credit Risk

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

b. Interest Rate Risk

Interest rate risk is the risk that as market rates change, the fair value of an investment will vary. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in the market interest rates. The Plan does not have a policy related to limiting its exposure to fair value losses arising from rising interest rates. As of September 30, 2021, the Plan's investments weighted average maturity was 12.12 years.

c. Credit Risk

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

CITY OF LEESBURG, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

d. Concentration of Credit Risk

The investment policy of the Plan contains limitations on the amount that can be invested in any one issuer as well as maximum portfolio allocation percentages. Investments in corporate common stock and convertible bonds are limited to 60% of Plan assets. No more than 5% of Plan assets may be invested in one company. Foreign investments are limited to 10% of Plan assets. No investments exceeded these thresholds at September 30, 2021.

e. Foreign Currency

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

f. Fair Value

The Plan categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

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

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

CITY OF LEESBURG, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

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

As of September 30, 2021, the composition of interfund balances is as follows:

a. Interfund Advances

On September 10, 2018, the City Commission approved an interfund loan from the Electric Utility Fund to the Community Redevelopment Agency Fund (CRA Fund) to finance the construction of the Leesburg Resource Center by the CRA Fund. The interfund loan in the amount of \$1,200,000 will be repaid over fifteen years with annual repayments at 2.50% interest. The balance of the interfund loan as of September 30, 2021 is \$963,485.

b. Interfund Receivables and Payables

Receivable Fund	Payable Fund	Amount
General Fund	Debt Service Fund	\$ 87,211

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

c. Interfund Transfers

	<u>Transfers In</u>	<u>Transfers Out</u>
Major Funds:		
Governmental:		
General Fund	\$ 10,880,481	\$ 1,482,109
Community Redevelopment Agencies	-	100,000
Capital Projects	717,985	-
Enterprise:		
Electric Utility	-	5,171,098
Gas Utility	-	744,751
Water Utility	-	1,070,598
Wastewater Utility	-	965,823
Airport	-	-
Internal Service	2,586,073	2,392,071
Nonmajor Funds:		
Governmental	1,665,788	3,102,452
Enterprise	-	821,425
	\$ 15,850,327	\$ 15,850,327

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

CITY OF LEESBURG, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

NOTE 6 - CAPITAL ASSETS

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

A. Governmental Activities

Governmental Activities	Beginning Balances	Increases	Decreases	Ending Balances
Capital Assets Not being Depreciated:				
Land	\$ 5,455,412	\$ 77,110	\$ 9,660	\$ 5,522,862
Construction in Progress	2,829,431	11,104,880	5,461,582	8,472,729
Total Capital Assets Not Being Depreciated	8,284,843	11,181,990	5,471,242	13,995,591
Capital Assets Being Depreciated:				
Buildings	49,607,757	2,503,431	514,201	51,596,987
Improvements Other than Buildings	10,590,130	1,024,049	1,226,892	10,387,287
Equipment	32,239,469	2,138,062	1,644,667	32,732,864
Infrastructure (Roads and Streets)	43,479,972	-	-	43,479,972
Total Capital Assets Being Depreciated	135,917,328	5,665,542	3,385,760	138,197,110
Less Accumulated Depreciation for:				
Buildings	13,921,519	989,216	457,602	14,453,133
Improvements Other than Buildings	6,544,756	540,495	1,226,892	5,858,359
Equipment	23,430,457	2,093,092	1,636,255	23,887,294
Infrastructure (Roads and Streets)	31,141,593	1,043,921	-	32,185,514
Total Accumulated Depreciation	75,038,325	4,666,724	3,320,749	76,384,300
Total Capital Assets Being Depreciated, Net	60,879,003	998,818	65,011	61,812,810
Governmental Activities Capital Assets, Net	\$ 69,163,846	\$ 12,180,808	\$ 5,536,253	\$ 75,808,401

B. Business-type Activities

Business-type Activities	Beginning Balances	Increases	Decreases	Ending Balances
Capital Assets Not being Depreciated:				
Land	\$ 15,596,789	\$ -	\$ 26	\$ 15,596,763
Construction in Progress	17,055,136	40,235,285	17,198,652	40,091,769
Total Capital Assets Not Being Depreciated	32,651,925	40,235,285	17,198,678	55,688,532
Capital Assets Being Depreciated:				
Buildings	45,661,410	1,844,967	68,022	47,438,355
Improvements Other than Buildings	271,034,353	13,445,716	1,980,229	282,499,840
Intangible Assets	879,076	-	-	879,076
Equipment	46,445,906	2,822,257	7,556,962	41,711,201
Total Capital Assets Being Depreciated	364,020,745	18,112,940	9,605,213	372,528,472
Less Accumulated Depreciation for:				
Buildings	15,075,096	1,167,302	68,021	16,174,377
Improvements Other than Buildings	110,549,567	7,844,232	1,752,293	116,641,506
Intangible Assets	489,241	39,884	-	529,125
Equipment	28,273,830	1,460,230	7,362,960	22,371,100
Total Accumulated Depreciation	154,387,734	10,511,648	9,183,274	155,716,108
Total Capital Assets Being Depreciated, Net	209,633,011	7,601,292	421,939	216,812,364
Business-type Activities Capital Assets, Net	\$ 242,284,936	\$ 47,836,577	\$ 17,620,617	\$ 272,500,896

**CITY OF LEESBURG, FLORIDA
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FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

C. Depreciation Expense

Depreciation Expense - Governmental Activities	
General Government and Administration	\$ 990,224
Public Safety	396,959
Physical Environment	2,150
Transportation	754,767
Economic Environment	231,000
Culture and Recreation	673,106
Fleet Services	1,608,559
Total Depreciation Expense -Governmental Activities	<u><u>\$ 4,656,765</u></u>
Depreciation Expense - Business-type Activities	
Electric Utility	\$ 4,708,313
Gas Utility	566,097
Water Utility	1,683,603
Wastewater Utility	1,567,671
Airport Utility	1,667,981
Stormwater	304,533
Solid Waste Utility	13,450
Total Depreciation Expense - Business-type Activities	<u><u>\$ 10,511,648</u></u>

*Governmental depreciation expense does not match governmental accumulated depreciation increases due to transfers between Fleet and other entity funds.

CITY OF LEESBURG, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

NOTE 7 - PURCHASED POWER AGREEMENTS

A. Florida Municipal Power Agency

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

1. St. Lucie No. 2 Power Purchase Agreement

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

2. All-Requirement Power Supply Project Agreement

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

B. Florida Gas Utility

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

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

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

CITY OF LEESBURG, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

NOTE 8 – LONG-TERM LIABILITIES

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

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
<u>Governmental Activities:</u>					
<u>Revenue Bonds:</u>					
Capital Improve Refunding Rev Bonds - 2013	\$ 11,670,000	\$ -	\$ 580,000	\$ 11,090,000	\$ 605,000
Total Revenue Bonds	<u>11,670,000</u>	<u>-</u>	<u>580,000</u>	<u>11,090,000</u>	<u>605,000</u>
<u>Notes From Direct Borrowings and Direct Placements:</u>					
<u>Placements:</u>					
Note Payable - 2009 Capital Improve Rev	3,792,400	-	305,000	3,487,400	320,000
Note Payable - 2015 Greater Leesburg CRA	637,000	-	83,000	554,000	86,000
Note Payable - 2016 441/27 CRA	11,158,000	-	210,000	10,948,000	607,000
Total Revenue Notes	<u>15,587,400</u>	<u>-</u>	<u>598,000</u>	<u>14,989,400</u>	<u>1,013,000</u>
Total Revenue Bonds and Notes	<u>27,257,400</u>	<u>-</u>	<u>1,178,000</u>	<u>26,079,400</u>	<u>1,618,000</u>
<u>Other Liabilities:</u>					
Compensated Absences	1,671,482	1,838,972	1,703,029	1,807,425	994,084
Capital Leases Payable	774,745	-	79,759	694,986	106,582
Net Pension Liability (Asset)	7,209,456	274,145	9,572,917	(2,089,316)	-
Other Postemployment Benefits	16,068,973	4,134,969	754,590	19,449,352	341,512
Total Other Liabilities	<u>25,724,656</u>	<u>6,248,086</u>	<u>12,110,295</u>	<u>19,862,447</u>	<u>1,442,178</u>
Total Governmental Activities	<u>\$ 52,982,056</u>	<u>\$ 6,248,086</u>	<u>\$ 13,288,295</u>	<u>\$ 45,941,847</u>	<u>\$ 3,060,178</u>
<u>Business-type Activities:</u>					
<u>Revenue Bonds:</u>					
Taxable Utility System Rev Bond - 2007B	\$ 785,000	\$ -	\$ 40,000	\$ 745,000	\$ 40,000
Taxable Electric System Rev Bond - 2007B	7,625,000	-	510,000	7,115,000	545,000
Utility System Refund Rev Bonds - 2013	16,020,000	-	800,000	15,220,000	845,000
Electric System Refund Rev Bonds - 2016	18,140,000	-	405,000	17,735,000	415,000
Utility System Refund Rev Bonds - 2016	17,200,000	-	475,000	16,725,000	490,000
Add: Premium, Less: Discount	3,994,992	-	242,396	3,752,596	-
Total Revenue Bonds	<u>63,764,992</u>	<u>-</u>	<u>2,472,396</u>	<u>61,292,596</u>	<u>2,335,000</u>
<u>Notes From Direct Borrowings and Direct Placements:</u>					
<u>Placements:</u>					
Utility System Rev Refunding Note - 2010	4,360,000	-	660,000	3,700,000	685,000
Electric System Refunding Rev Note - 2016	6,659,000	-	444,084	6,214,916	454,000
Utility System Revenue Note- 2020	15,000,000	-	-	15,000,000	885,000
Electric System Revenue Note - 2020	100,000	14,900,000	-	15,000,000	465,000
Total Revenue Notes	<u>26,119,000</u>	<u>14,900,000</u>	<u>1,104,084</u>	<u>39,914,916</u>	<u>2,489,000</u>
Total Revenue Bonds and Notes Payable	<u>89,883,992</u>	<u>14,900,000</u>	<u>3,576,480</u>	<u>101,207,512</u>	<u>4,824,000</u>
<u>Other Liabilities:</u>					
Compensated Absences	1,110,533	1,106,199	1,081,060	1,135,672	624,619
Net Pension Liability (Asset)	1,670,282	-	2,806,008	(1,135,726)	-
Other Postemployment Benefits	7,635,257	1,936,889	384,414	9,187,732	161,328
Total Other Liabilities	<u>10,416,072</u>	<u>3,043,088</u>	<u>4,271,482</u>	<u>9,187,678</u>	<u>785,947</u>
Total Business-type Activities	<u>\$ 100,300,064</u>	<u>\$ 17,943,088</u>	<u>\$ 7,847,962</u>	<u>\$ 110,395,190</u>	<u>\$ 5,609,947</u>

CITY OF LEESBURG, FLORIDA
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B. The following is a schedule of bonds and notes outstanding at September 30, 2021:

<u>Description of Bonds/Notes</u>	<u>Purpose of Issue</u>	<u>Issued</u>	<u>Outstanding</u>	<u>Rates</u>
Governmental Activities:				
Revenue Bonds and Revenue Notes:				
Capital Improvement Revenue Note - 2009	Capital Improvement	\$ 6,227,400	\$ 3,487,400	4.73%
Capital Improvement Refunding Revenue Bonds - 2013	Capital Improvement	15,345,000	11,090,000	.4%-3.78%
Note Payable - Greater Leesburg CRA -2015	Capital Improvement	1,000,000	554,000	2.91%
Note Payable - 441/27 CRA - 2016	Capital Improvement	11,563,000	10,948,000	2.59%
Total Governmental Activities		<u>\$ 34,135,400</u>	<u>\$ 26,079,400</u>	
Business-type Activities:				
Taxable Electric System Revenue Bond - 2007B	Electric	\$ 11,710,000	\$ 7,115,000	5.64% - 5.90%
Electric System Refunding Revenue Note - 2016	Electric	8,318,000	6,214,916	2.35%
Electric System Refunding Revenue Bonds - 2016	Electric	19,290,000	17,735,000	2.00% - 5.00%
Electric System Revenue Note - 2020	Electric	15,000,000	15,000,000	2.13%
Taxable Utility System Revenue Bond - 2007B	Wastewater	1,070,000	745,000	5.90%
Utility System Revenue Refunding Note - 2010	Water/Wastewater	8,000,000	3,700,000	4.68%
Utility System Refunding Revenue Bonds - 2013	Gas/Water/Wastewater	21,010,000	15,220,000	2.00% - 5.00%
Utility System Refunding Revenue Bonds - 2016	Gas/Water/Wastewater	18,115,000	16,725,000	2.00% - 5.00%
Utility System Revenue Note - 2020	Wastewater	15,000,000	15,000,000	1.70%
Total Business-type Activities		<u>\$ 117,513,000</u>	<u>\$ 97,454,916</u>	

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

Fiscal Year	<u>Bonds Payable</u>			
	<u>Governmental Activities</u>		<u>Business-type Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2022	\$ 605,000	\$ 403,538	\$ 2,335,000	\$ 2,349,927
2023	630,000	372,663	2,435,000	2,248,102
2024	665,000	340,288	2,535,000	2,141,360
2025	700,000	309,663	2,655,000	2,020,030
2026	725,000	281,163	2,775,000	1,898,117
2027-2031	4,020,000	1,022,997	15,725,000	7,581,217
2032-2036	3,745,000	276,847	21,735,000	3,872,042
2037	-	-	7,345,000	191,575
Total	<u>\$ 11,090,000</u>	<u>\$ 3,007,159</u>	<u>\$ 57,540,000</u>	<u>\$ 22,302,370</u>

Fiscal Year	<u>Notes From Direct Borrowings and Direct Placements Payable</u>			
	<u>Governmental Activities</u>		<u>Business-type Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2022	\$ 1,013,000	\$ 455,809	\$ 2,489,000	\$ 864,798
2023	1,045,000	422,065	3,015,000	791,333
2024	1,079,000	387,151	3,091,000	710,796
2025	1,119,000	350,907	3,168,000	627,979
2026	1,153,000	313,322	3,253,000	542,776
2027-2031	5,455,400	990,402	12,999,000	1,855,854
2032-2036	4,125,000	326,003	11,899,916	547,956
Total	<u>\$ 14,989,400</u>	<u>\$ 3,245,659</u>	<u>\$ 39,914,916</u>	<u>\$ 5,941,492</u>

**CITY OF LEESBURG, FLORIDA
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D. The future minimum lease obligations and the net present value of these minimum lease payments as of September 30, 2021, were as follows:

<u>Fiscal Year</u>	<u>Capital Leases</u> <u>Governmental Activities</u>
2022	\$ 122,282
2023	122,282
2024	122,282
2025	122,282
2026	87,297
2027-2028	174,596
Total minimum lease payments	751,021
Less: Amount representing interest costs	(56,035)
Present value of minimum lease payments	\$ 694,986

E. Governmental Activities Liabilities

A summary of all governmental activities long-term debt as of September 30, 2021, except for Net Pension Liability (Note 12) and Other Postemployment Benefits (Note 14), is as follows:

1. Capital Improvement Revenue Refunding Note – 2009

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

2. Capital Improvement Revenue Refunding Bonds, Series 2013

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

3. Greater Leesburg Community Redevelopment Agency Note – 2015

On January 12, 2015, the Greater Leesburg Community Redevelopment Agency (the "Agency") authorized the issuance of its Redevelopment Revenue Note, Series 2015, pursuant to Resolution No. 31. Also on January 12, 2015, the City signed a loan agreement with Citizens First Bank in the amount of \$1,000,000 pursuant to Resolution No. 9533. The proceeds were used to finance the acquisition, construction and improvements of streets and street improvements, undergrounding and replacement of all electric, water, wastewater,

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

4. 441/27 Community Redevelopment Agency Note - 2016

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

5. Fire Capital Lease - 2018

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

6. Emergency Network Radios Capital Lease - 2018

On June 25, 2018, the City approved an Interlocal Agreement with Lake County, Florida to obtain radio equipment compatible with the County-wide Communications System for the City's Police and Fire Departments at a total acquisition cost of \$780,683 for 9 years at 3.374% interest, with an annual payment \$90,116. In September 2020, Lake County renegotiated a lower rate of 1.85% over the remainder of the lease with an reduced annual payment \$87,298.

7. Compensated Absences

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

F. Business-type Activities Liabilities

A summary of all business-type activities long-term debt as of September 30, 2021, except for Net Pension Liability (Note 12) and Other Postemployment Benefits (Note 14), is as follows:

1. Taxable Electric System Revenue Bonds, Series 2007B

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

CITY OF LEESBURG, FLORIDA
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FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

2. Electric System Refunding Revenue Note – 2016

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

3. Electric System Refunding Revenue Bonds – 2016

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

4. Taxable Utility System Revenue Bonds, Series 2007B

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

5. Utility System Revenue Refunding Note – 2010

On July 8, 2010, the City issued an \$8,000,000 note to be used solely to refinance the City's Bond Anticipation Note (BAN), 2006. The original BAN was used to acquire a water and wastewater utility system from the Plantation of Leesburg Limited Partnership. The note is payable solely from the net revenues of the gas, water, and wastewater systems on parity with the City's outstanding Taxable Utility System Revenue Bonds, 2007B, Utility System Refunding Revenue Bonds, Series 2013 and Utility System Refunding Revenue Bonds, Series 2016. The note contains a provision that in the event of default of any payment due to the lender, filing a petition of bankruptcy, appointment of a receiver, failure to meet performance covenants, or other similar events by the City, the lender may appoint a trustee to enforce and protect the lender's rights, which may include legal remedies, and to collect of costs and expenses related to such.

CITY OF LEESBURG, FLORIDA
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6. Utility System Refunding Revenue Bonds, Series 2013

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

7. Utility System Refunding Revenue Bonds, Series 2016

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

8. Utility System Revenue Note – 2020

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

9. Electric System Revenue Note – 2020

On July 16, 2020, the City issued a note for up to \$15,000,000 pursuant to Resolution No. 10,683. Proceeds from the note were used for the construction and installation of a feeder backbone line, underground residential distribution facilities and individual services and meters, reconductoring lines, and purchase of 3 substation transformers and other improvements to the City’s Electric System. The note is payable from and secured solely by net revenues of the City’s Electric System on parity with the City’s outstanding Taxable Electric System Revenue Bonds, 2007B, outstanding Electric System Refunding Revenue Note, Series 2016, and the City’s outstanding Electric Systems Refunding Revenue Bonds, Series 2016. The note bears interest at 2.13%, with a final payment due October 1, 2035. The note contains a provision that in the event of default of any payment due to the lender, filing a petition of bankruptcy, appointment of a receiver, failure to meet performance covenants, or other similar events by the City, the lender may appoint a trustee to enforce and protect the lender’s

CITY OF LEESBURG, FLORIDA
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right, which may include legal remedies and to collect costs of expenses related to such, and interest will be at the Default Rate, which is 12%.

10. Compensated Absences

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

G. Pledged Revenues

The City pledged certain revenues to repay certain bonds and notes outstanding as of September 30, 2021. The following tables report the revenues pledged for each debt issue, the amounts of such revenues received in the current year, the current year principal and interest paid on the debt, the approximate percentage of each revenue which is pledged to meet the debt obligation, the date through which the revenue is pledged under the debt agreement, and the total pledged future revenues for each debt, which is the amount of the remaining principal and interest on the bonds and notes at September 30, 2021:

Debt Description	Governmental Activities						Debt Service Payments Until Debt Maturity	Pledged Through
	Half Cent Sales Tax ¹	Guaranteed Entitlement ²	Public Service Tax ³	Tax Increment Revenue ⁴				
				GLCRA	441/27CRA			
2009 Capital Improvement Refunding Promissory Note	\$ 484,954	\$ -	\$ -	\$ -	\$ -	\$ -	4,279,812	2030
2013 Capital Improvement Bonds	1,023,663	-	-	-	-	-	14,097,159	2035
2015 Greater Leesburg (GL) CRA Note	-	-	-	102,121	-	-	603,702	2027
2016 441/27 CRA Note	-	-	-	-	496,273	-	13,351,545	2036
Total Debt Service	\$ 1,508,617	\$ -	\$ -	\$ 102,121	\$ 496,273	\$ -	\$ 32,332,218	
Total pledged revenues available for fiscal year 2021 debt service	\$ 1,644,070	\$ 309,234	\$ 3,807,204	\$ 544,798	\$ 1,176,392			
Total pledged revenues used for fiscal year 2021 debt service	1,508,617	-	-	102,121	496,273			
Fiscal year 2021 pledged revenues used as a percentage of revenues available	91.76%	-%	-%	18.74%	42.19%			

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

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

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

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

CITY OF LEESBURG, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

Debt Description	Business-type Activities					Total Gas, Water, Wastewater Revenues	Debt Service Payments Until Debt Maturity	Pledged Through
	Electric Revenues ¹	Gas Revenues ²	Water Revenues ²	Wastewater Revenues ²	Wastewater Revenues			
2007 B Utility System Revenue Bonds	\$ -	\$ -	\$ -	\$ 83,955	\$ 83,955	\$ 1,066,699	2034	
2007 B Electric System Revenue Bonds	964,785	-	-	-	-	9,410,841	2032	
2013 Utility System Refunding Revenue Bonds	-	234,678	488,151	676,365	1,399,194	19,271,805	2035	
2016 Electric System Refunding Revenue Bonds ³	1,130,300	-	-	-	-	25,871,450	2038	
2016 Utility System Refunding Revenue Bonds ⁴	-	131,159	751,500	275,990	1,158,649	24,221,575	2038	
2010 Utility System Revenue Note	-	-	389,656	468,475	858,131	4,146,163	2026	
2016 Electric System Refunding Revenue Note ⁵	600,022	-	-	-	-	7,131,641	2033	
2020 Utility System Revenue Note	-	-	-	1,140,000	1,140,000	16,992,570	2035	
2020 Electric System Revenue Note	386,063	-	-	-	-	17,586,033	2035	
Total Debt Service	\$ 3,081,170	\$ 365,837	\$ 1,629,307	\$ 2,644,785	\$ 4,639,929	\$ 125,698,777		
Total pledged revenues available for fiscal year 2021 debt service	\$ 12,245,836	\$ 2,451,015	\$ 4,205,566	\$ 5,942,353	\$ 12,598,934			
Total pledged revenues used for fiscal year 2021 debt service	3,081,170	365,837	1,629,307	2,644,785	4,639,929			
Fiscal year 2021 pledged revenues used as a percentage of revenues available	25.16%	14.93%	38.74%	44.51%	36.83%			

Definitions:

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

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

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

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

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

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

⁵**2016 Electric System Refunding Revenue Note** - a refunding of the 2013 Electric System Refunding Revenue Note.

H. Defeased Debt

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

Utility System Refunding Revenue Bonds, Series 1999 A/B	\$	11,995,000
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CITY OF LEESBURG, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

NOTE 9 – CONDUIT DEBT

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

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

As of September 30, 2021, the City had an aggregate principal amount of hospital and not-for-profit revenue refunding bonds of approximately \$85,702,422. The amount of bonds outstanding for The Villages Tri-County Medical Center was \$26,775,000. The amount of bonds outstanding for Leesburg Regional Medical Center and The Villages Tri-County Medical Center as a combined entity was \$50,160,000. The amount of bonds outstanding for LifeStream Behavioral Center, Inc. was \$8,767,422.

NOTE 10 – ARBITRAGE REBATE

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

There is no arbitrage rebate liability as of September 30, 2021.

NOTE 11 – OPERATING LEASE REVENUES

The City is lessor on various leases of facilities located at the Leesburg Regional Airport and other leases for property owned by the City. Estimated amounts for leased assets are: cost \$12,481,630 and accumulated depreciation \$3,001,354. The following is a schedule of minimum future lease income on non-cancelable operating leases:

Fiscal Year	Amount
2022	\$ 855,958
2023	841,631
2024	772,522
2025	586,627
2026	453,135
2027-2031	1,482,553
2032-2036	1,358,132
2037-2041	1,303,878
2042-2046	841,232
2047-2048	14,173
Total Minimum Lease Payment Revenues	\$ 8,509,841

CITY OF LEESBURG, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

NOTE 12 – DEFINED BENEFIT PENSION PLANS (PLANS)

A. Plan Descriptions and Contribution Information

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

B. Basis of Accounting

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

C. Methods Used to Value Investments

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

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

SCHEDULE OF FIDUCIARY NET POSITION AS OF SEPTEMBER 30, 2021

	General Employees' Retirement Plan	Municipal Police Officers' Retirement Plan	Municipal Firemen's Retirement Plan	Total
Assets				
Cash	\$ 378,350	\$ 1	\$ -	\$ 378,351
Investments, at Fair Value:				
U.S. Government Securities	4,697,122	3,949,503	1,715,900	10,362,525
Foreign Bonds	-	-	212,046	212,046
Corporate Bonds	1,728,621	2,615,327	2,427,968	6,771,916
Corporate Stocks	24,287,220	-	4,686,626	28,973,846
Collateralized Mortgage Obligations	-	-	1,212,690	1,212,690
Alternative Investments	7,826,762	2,528,036	2,194,334	12,549,132
Money Market	27,996	549,090	842,378	1,419,464
Mutual Funds	5,013,535	19,679,575	13,207,398	37,900,508
Total Investments	<u>43,581,256</u>	<u>29,321,531</u>	<u>26,499,340</u>	<u>99,402,127</u>
Interest Receivable	133,607	-	51,643	185,250
Total Assets	<u>\$ 44,093,213</u>	<u>\$ 29,321,532</u>	<u>\$ 26,550,983</u>	<u>\$ 99,965,728</u>
Net Position Restricted for Employees' Pension Benefits	<u>\$ 44,093,213</u>	<u>\$ 29,321,532</u>	<u>\$ 26,550,983</u>	<u>\$ 99,965,728</u>

CITY OF LEESBURG, FLORIDA
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SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION AS OF SEPTEMBER 30, 2021

	General Employees' Retirement Plan	Municipal Police Officers' Retirement Plan	Municipal Firemen's Retirement Plan	Total
Additions				
Contributions:				
Employer	\$ 910,414	\$ 435,703	\$ 795,487	\$ 2,141,604
State	-	242,702	172,490	415,192
Employee	-	318,470	180,074	498,544
Total Contributions	910,414	996,875	1,148,051	3,055,340
Investment Income:				
Net Increase (Decrease) in				
Fair Value of Investments	7,481,986	4,309,211	3,906,025	15,697,222
Interest and Dividend Income	602,384	743,579	544,689	1,890,652
Other Income	11,452	92,993	76,263	180,708
Less: Investment Expenses	(224,504)	(42,725)	(88,771)	(356,000)
Total Investment Income	7,871,318	5,103,058	4,438,206	17,412,582
Total Additions	8,781,732	6,099,933	5,586,257	20,467,922
Deductions				
Benefit Payments	2,618,108	935,058	1,241,901	4,795,067
Refund of Contributions	5,571	58,890	65,664	130,125
Administrative Expense	77,334	97,351	83,150	257,835
Total Deductions	2,701,013	1,091,299	1,390,715	5,183,027
Change in Plan Net Position	6,080,719	5,008,634	4,195,542	15,284,895
Net Position Restricted for Employees'				
Pension Benefits:				
Beginning of Year	38,012,494	24,312,898	22,355,441	84,680,833
End of Year	\$ 44,093,213	\$ 29,321,532	\$ 26,550,983	\$ 99,965,728

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

1. General Employees' Retirement Plan (GERP)

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

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

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

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

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

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

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

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

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

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

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

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

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

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

DROP Participation: Not to exceed 60 months.

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

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

BAC-DROP Period: Not to exceed 60 months.

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

The DROP balance as of September 30, 2021 is \$100,137.

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2. Municipal Police Officers' Retirement Plan (MPRP)

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

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

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

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

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

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

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

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

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

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

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

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

DROP Participation: Not to exceed 60 months.

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

The DROP balance as of September 30, 2021 is \$657,636.

3. Municipal Firemen's Retirement Plan (MFRP)

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

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

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

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

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

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

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

Disability – Eligibility - Total and permanent as determined by Board of Trustees, this benefit is payable from the first day of the month following the last day the participant was paid basic compensation. The benefit is payable in the form of a 10-year certain and continuous annuity. The last payment is that due next preceding the earlier of (1) the date of recovery prior to the normal retirement date and (2) the later of the date of death or the 120th payment. Non-line-of-duty benefit amount: Less than 10 years: The monthly income which can be provided by the greater of (i) the single-sum value of the accrued benefit and (ii) 2 x basic compensation paid in the calendar year immediately preceding disability. The monthly retirement income which may be provided by (ii) is limited to 60% x anticipated monthly retirement income at the normal retirement date. More than 10 years: The monthly income which is the greater of (i) the monthly retirement income which can be provided by the single-sum value of the accrued benefit and (ii) 30% x basic compensation paid in the calendar year immediately preceding disability. Note the single-sum value of (ii) is limited to 100 x the anticipated monthly retirement income at the normal retirement date. The minimum amount payable is 25% of the participant's average monthly compensation at the time of disability. Line-of-Duty benefit amount: A monthly income equal to 50% x basic compensation paid in the

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

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

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

D. Membership

Membership of each Plan consisted of the following:

Membership as of:	10/1/2020 GERP	10/1/2020 MPRP	10/1/2020 MFRP
Retirees and Beneficiaries Receiving Benefits	252	36	33
Terminated Plan Members Entitled to But Not Yet Receiving Benefits	248	14	8
Active Plan Members	138	62	46
Total	638	112	87

E. Investment Policy

The following were the Boards' adopted asset allocation policies as of September 30, 2021:

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

F. Concentrations

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

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G. Rate of Return

GERP– For the year ended September 30, 2021 the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 21.16 percent.

MPRP – For the year ended September 30, 2021 the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 21.0 percent.

MFRP – For the year ended September 30, 2021 the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 20.39 percent.

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

H. Net Pension Liability of Sponsor

The components of the net pension liability (asset) of the sponsor as of September 30, 2021 were as follows:

	<u>GERP</u>	<u>MPRP</u>	<u>MFRP</u>
Total Pension Liability	\$ 41,764,218	\$ 28,229,983	\$ 26,747,885
Plan Fiduciary Net Position	<u>(44,093,212)</u>	<u>(29,322,935)</u>	<u>(26,550,981)</u>
Sponsor's Net Pension Liability (Asset)	<u>\$ (2,328,994)</u>	<u>\$ (1,092,952)</u>	<u>\$ 196,904</u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	<u>105.58%</u>	<u>103.87%</u>	<u>99.26%</u>

Actuarial Assumptions:

The measurement date is September 30, 2021 for all three pension plans. The measurement period for the pension expense is October 1, 2020 to September 30, 2021. The reporting period is October 1, 2020 through September 30, 2021.

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

	<u>GERP</u>	<u>MPRP</u>	<u>MFRP</u>
Inflation	2%	2.5%	2.27%
Salary Increases	None (frozen)	Service based	4%-6%
Discount Rate	7.25%	6.80%	7.4%
Investment Rate of Return	7.25%	6.80%	7.4%

Mortality rates (healthy lives) for the General plan was based on Female: PubG.H-2010, Male: PubG.H-2010, set back one year; the Police plan was based on Female: PubS.H-2010, set forward one year, Male: PubS.H-2010, set forward one year; the Fire plan was based on Female: PubS.H-2010, set forward one year, Male: PubS.H-2010, set forward one year. Mortality rates (disabled lives) for the General plan was based on PubG.H-2010, set forward three years; the Police plan was based on 80% PubG.H-2010 and 20% PubS.H-2010; the Fire plan was based on 80% PubG.H-2010 and 20% PubS.H-2010.

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

I. Long Term Expected Rate of Return—All Plans

The long-term expected rate of return on all pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return for each major asset class included in the Pension Plan's target asset allocation as of September 30, 2021 are summarized in the following table:

Asset Class	GERP	MPRP	MFRP
	Long Term Expected Real Rate of Return	Long Term Expected Real Rate of Return	Long Term Expected Real Rate of Return
Domestic Equity	5.86%	7.50%	8.47%
International Equity	4.71%	8.50%	4.07%
Broad Market Fixed Income	1.40%	2.50%	3.74%
Global Fixed Income	-	3.50%	-
TIPS	-	2.50%	-
Convertibles	-	-	7.44%
Real Estate	4.85%	4.50%	4.95%
Hedge Funds	3.18%	-	-
Infrastructure	2.67%	-	6.39%

J. Discount Rate

The discount rates used to measure the General Employees' pension liability was 7.25%, the Police Officers' pension liability was 6.80%, and the Firemen's pension liability was 7.40%.

The projection of cash flows used to determine the discount rate assumed that Plan Member contributions will be made at the current contribution rate and the Sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the Member rate. Based on those assumptions, the Pension Plans' Fiduciary Net Position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the Long-Term Expected Rate of Return on Pension Plan investments was applied to all periods of projected benefit payment to determine the Total Pension Liability.

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K. Net Pension Liability (Asset)

General Employees' Plan

CHANGES IN NET PENSION LIABILITY (ASSET)

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Balances at September 30, 2020	\$ 41,439,631	\$ 38,012,493	\$ 3,427,138
Changes for the year:			
Service cost	87,124	-	87,124
Interest	2,915,581	-	2,915,581
Differences between Expected and Actual Experience	(54,439)	-	(54,439)
Changes of assumptions	-	-	-
Contributions - Employer	-	910,414	(910,414)
Net Investment Income	-	7,871,318	(7,871,318)
Benefit Payments, including Refunds of Employee Contributions	(2,623,679)	(2,623,679)	-
Administrative Expense	-	(77,334)	77,334
Net Changes	<u>324,587</u>	<u>6,080,719</u>	<u>(5,756,132)</u>
Balances at September 30, 2021	<u>\$ 41,764,218</u>	<u>\$ 44,093,212</u>	<u>\$ (2,328,994)</u>

Police Officers' Plan

CHANGES IN NET PENSION LIABILITY (ASSET)

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Balances at September 30, 2020	\$ 26,538,305	\$ 24,313,376	\$ 2,224,929
Changes for the year:			
Service cost	687,968	-	687,968
Interest	1,871,051	-	1,871,051
Differences between Expected and Actual Experience	(509,406)	-	(509,406)
Changes of assumptions	636,013	-	636,013
Contributions - Employer	-	436,251	(436,251)
Contributions - State	-	242,702	(242,702)
Contributions - Employee	-	318,845	(318,845)
Net Investment Income	-	5,073,633	(5,073,633)
Benefit Payments, including Refunds of Employee Contributions	(993,948)	(993,948)	-
Administrative Expense	-	(67,924)	67,924
Net Changes	<u>1,691,678</u>	<u>5,009,559</u>	<u>(3,317,881)</u>
Balances at September 30, 2021	<u>\$ 28,229,983</u>	<u>\$ 29,322,935</u>	<u>\$ (1,092,952)</u>

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Firemen's Plan

	NET PENSION LIABILITY		
	Total Pension Liability	Increase (Decrease) Plan Fiduciary Net Position	Net Pension Liability
Balances at September 30, 2020	\$ 25,583,111	\$ 22,355,440	\$ 3,227,671
Changes for the year:			
Service cost	537,622	-	537,622
Interest	1,884,126	-	1,884,126
Change of benefit terms	7,927	-	7,927
Differences between Expected and Actual Experience	380,868	-	380,868
Changes of assumptions	(338,204)	-	(338,204)
Contributions - Employer	-	795,488	(795,488)
Contributions - State	-	172,490	(172,490)
Contributions - Employee	-	180,074	(180,074)
Contributions - Buy Back	-	-	-
Net Investment Income	-	4,438,206	(4,438,206)
Benefit Payments, including Refunds of Employee Contributions	(1,307,565)	(1,307,565)	-
Administrative Expense	-	(83,152)	83,152
Net changes	1,164,774	4,195,541	(3,030,767)
Balances at September 30, 2021	<u>\$ 26,747,885</u>	<u>\$ 26,550,981</u>	<u>\$ 196,904</u>

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

General Employees' Plan

	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
Plan's Net Pension Liability (Asset)	\$ 1,995,631	\$ (2,328,994)	\$ (5,982,959)

Police Officers' Plan

	1% Decrease 5.80%	Current Discount Rate 6.80%	1% Increase 7.80%
Plan's Net Pension Liability (Asset)	\$ 2,378,275	\$ (1,092,952)	\$ (3,969,550)

Firemen's Plan

	1% Decrease 6.40%	Current Discount Rate 7.40%	1% Increase 8.40%
Plan's Net Pension Liability	\$ 3,204,563	\$ 196,904	\$ (2,331,908)

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

Pension expense for the fiscal year ended September 30, 2021 was: 1) General Employees' Plan \$(1,250,607); 2) Police Officers' Plan \$161,664; and 3) Firemen's Plan \$112,481 (total reduction of expenses of (\$976,462)). On September 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

General Employees' Plan

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	\$ -	\$ 27,220
Net Difference between Projected and Actual Earnings	-	2,835,782
Total	<u>\$ -</u>	<u>\$ 2,863,002</u>

Police Officers' Plan

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	\$ 73,470	\$ 1,160,724
Changes of Assumptions	1,094,496	-
Net Difference between Projected and Actual Earnings	-	2,790,434
Total	<u>\$ 1,167,966</u>	<u>\$ 3,951,158</u>

Firemen's Plan

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	\$ 433,656	\$ 293,851
Changes of Assumptions	-	270,563
Net Difference between Projected and Actual Earnings	-	2,426,293
Total	<u>\$ 433,656</u>	<u>\$ 2,990,707</u>

Deferred Inflows/Outflows Schedule for Future Years:

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

<u>Total year ended September 30:</u>	<u>General Employees'</u>	<u>Police Officers'</u>	<u>Firemen's</u>
2022	\$ (609,801)	\$ (633,250)	\$ (507,658)
2023	(427,663)	(669,718)	(679,917)
2024	(789,474)	(805,436)	(818,156)
2025	(1,036,064)	(674,788)	(551,320)

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NOTE 13 - DEFINED CONTRIBUTION PENSION PLAN

General employees of the City participate in the 401(a) Defined Contribution Pension Plan (401(a) Plan) administered by MassMutual Financial Group. The 401(a) Plan was authorized by City Commission Resolution. New employees become fully vested over a four-year period. For the year ended September 30, 2021, the City Commission approved a contribution rate of 5% of compensation. Total contributions amounted to \$798,603, or 100% of the amount authorized.

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

NOTE 14 - OTHER POSTEMPLOYMENT BENEFITS (OPEB)

A. Plan Description and Benefits Provided

In accordance with Section 112.0801, Florida Statutes, the City allows retirees the option of continuing to participate in the City's group health insurance coverage at a premium cost of no more than the premium cost applicable to active employees. The City administers a single-employer defined other postemployment benefit (OPEB) plan which provides postretirement health care benefits, in accordance with City ordinance, to all employees who retire from the City with at least 15 years of continuous service. Benefit provisions for the Plan are established by the City Commission and may be amended by the City Commission. Employees retiring before age 55 may remain in the City's plan and pay all premium costs. Employees who retire between the ages of 55 and 58 and continue health coverage will become eligible for employer subsidized premiums at age 58. Employees retiring on or after attaining age 58 with at least 15 years of service remain in the plan with all employee premiums paid by the City up to a maximum of \$400 per month; if the cost to the City for health insurance coverage on the retired employee exceeds \$400 per month, the retiree will bear the cost over and above \$400; this \$400 per month stipend is no longer available to employees who were hired on or after October 1, 2008. This explicit City subsidy is available only for retiree coverage and is not available in whole or in part as an explicit subsidy for spouse or dependent coverage. A voluntary early retirement incentive program (VERIP) was implemented in 2014, allowing for retirees to retire as early as age 50 with 27 years of service, with varying amounts of service required from ages 51-57. The VERIP pays the maximum subsidy of \$400 per month. The City has implemented a \$400 per month subsidy cap in instances where the retiree is eligible to receive a subsidy. In instances where the premium exceeds the monthly cap, the excess premium becomes the responsibility of the retiree. In July 2018, the City began to offer a \$400 per month stipend as a cash benefit to retirees eligible for such who no longer remain in the City's health insurance plan. The plan does not issue a publicly available financial report. The OPEB payable from the governmental funds are typically liquidated in the General Fund.

B. Funding Policy

Currently, the City's OPEB benefits are unfunded. That is, there is no separate Trust Fund or equivalent arrangement into which the City would make contributions to advance-fund the obligation. Therefore, the ultimate subsidies which are provided over time are financed directly by general assets of the City. For the fiscal year ended September 30, 2021, retiree contributions for amounts not covered by the \$400 per month described in "Plan Description" above totaled \$357,353.

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C. Employees Covered by Benefit Terms

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

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

D. Total OPEB Liability

The City's total OPEB liability of \$28,637,084 was measured as of September 30, 2020, and was determined by an actuarial valuation as of September 30, 2019.

E. Significant Actuarial Assumptions and Other Inputs

The total OPEB liability was determined by an actuarial valuation as of September 30, 2019, updated to September 30, 2020, using the following actuarial assumptions:

Inflation Rate	2.50%
Salary Increase Rate(s)	Varies by Service
Discount Rate	2.14%
Initial Healthcare Trend Rate	7.50%
Ultimate Healthcare Trend Rate	4.00%
Years to Ultimate	55

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

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

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

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

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Discount Rate - Given the City's decision not to fund the OPEB plan, all future benefit payments were discounted using a high-quality municipal bond rate of 2.14%. The high-quality municipal bond rate was based on the measurement date of the S&P Municipal Bond 20 Year High Grade Rate Index as published by the S&P Dow Jones Indices. The S&P Municipal 20 Year High Grade Rate Index consists of bonds in the S&P Municipal Bond Index with a maturity of 20 years. Eligible bonds must be rated at least AA by Standard & Poor's Ratings Services, Aa2 by Moody's or AA by Fitch. If there are multiple ratings, the lowest rating is used.

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

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

E. Changes in Total OPEB Liability

	Total OPEB Liability
Balance at September 30, 2020	\$ 23,704,230
Changes for the Fiscal Year:	
Service Cost	647,555
Interest on the Total OPEB Liability	853,113
Differences Between Expected and Actual Experience	-
Changes of Assumptions	4,485,018
Benefit Payments	<u>(1,052,832)</u>
Net Changes	<u>4,932,854</u>
Balance at September 30, 2021	<u><u>\$ 28,637,084</u></u>

Changes in assumptions reflect a change in the discount rate from 3.58% for the reporting period ended September 30, 2020, to 2.14% for the reporting period ended September 30, 2021.

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

	1% Decrease 1.14%	Current Discount Rate 2.14%	1% Increase 3.14%
Total OPEB Liability	\$ 32,618,173	\$ 28,637,084	\$ 25,392,157

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

	1% Decrease 3.00% - 6.50%	Healthcare Costs Trend Rates 4.00% - 7.50%	1% Increase 5.00% - 8.50%
Total OPEB Liability	\$ 26,525,141	\$ 28,637,084	\$ 31,264,859

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

OPEB expense for the fiscal year ended September 30, 2021 was \$502,839. On September 30, 2021, the City reported Deferred Outflows of Resources and Deferred Inflows of Resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ -	\$ 389,506
Changes of Assumptions	3,737,515	6,240,478
Employer Contributions Subsequent to the Measurement Date	1,139,004	-
Total	<u>\$ 4,876,519</u>	<u>\$ 6,629,984</u>

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

\$1,139,004 reported as deferred outflows of resources related to OPEB resulting from benefit payments made subsequent to the measurement date will be recognized as a decrease of the total OPEB liability in fiscal year 2022. Other amounts reported as deferred inflows and outflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended September 30:	
2022	\$ (1,007,909)
2023	(1,007,909)
2024	(1,007,909)
2025	(616,245)
2026	747,503

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NOTE 15 - SELF-INSURANCE FUND

A. Employee Health Insurance Fund

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

B. Workers' Compensation Insurance Fund

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

Changes in claims liabilities for the last two years follow:

	<u>Balance October 1, 2020</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>(Claims Paid)</u>	<u>Balance September 30, 2021</u>
Employee Health Insurance Fund	\$ 417,942	\$ 6,463,650	\$ (6,437,861)	\$ 443,731
Workers' Compensation Insurance Fund	<u>1,669,061</u>	<u>888,084</u>	<u>(472,122)</u>	<u>2,085,023</u>
	<u>\$ 2,087,003</u>	<u>\$ 7,351,734</u>	<u>\$ (6,909,983)</u>	<u>\$ 2,528,754</u>

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

Claim liabilities are calculated based on actuarial valuations, which include consideration of non-incremental claims adjustment expenses. Management estimates that \$729,758 of Workers' Compensation and \$443,731 of Employee Health Insurance claim liabilities are payable within one year. The amount of settlements have not exceeded insurance coverage in each of the past three fiscal years.

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NOTE 16 – CONTINGENCIES AND COMMITMENTS

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

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

NOTE 17 – ENCUMBRANCES

The City has outstanding encumbrances on various contracts for construction and other projects. These encumbrances, as of September 30, 2021, in the respective funds are as follows:

General Fund	\$	291,512
Community Redevelopment Agency Funds		4,500
Capital Projects Fund		3,722,766
Stormwater Utility Fund		29,259
Electric Utility Fund		2,402,424
Gas Utility Fund		12,952
Water Utility Fund		699,641
Wastewater Utility Fund		9,156,244
Airport Fund		114,338
Non-Major Enterprise Funds		106,476
Internal Service Funds		412,274
Total	\$	<u>16,952,386</u>

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

NOTE 18 – RISK MANAGEMENT

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

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

**CITY OF LEESBURG, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

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

NOTE 19 – TAX ABATEMENTS

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

Currently, the City has an agreement with Coreslab to abate ad valorem property taxes on new buildings and equipment recently constructed and installed from tax years 2019-2021 (fiscal years 2019-2021). The amount of the abatement under the agreement was \$39,326 in fiscal year 2021, and estimated to be \$38,210 in fiscal year 2022. The City also sold additional property to Coreslab, and will have no tax abatements in relation to new buildings and equipment placed on the additional property until the property is developed.



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REQUIRED SUPPLEMENTARY INFORMATION

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

CITY OF LEESBURG, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance With</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$ 9,972,793	\$ 9,998,709	\$ 10,121,861	\$ 123,152
Licenses, Permits, and Assessments	1,880,000	1,880,000	2,042,959	162,959
Intergovernmental	2,402,101	7,230,871	4,825,767	(2,405,104)
Charges for Services	934,643	976,174	1,229,062	252,888
Fines and Forfeitures	189,000	189,000	219,027	30,027
Miscellaneous:				
Interest	250,000	250,000	39,492	(210,508)
Rental	632,400	632,400	726,517	94,117
Other	87,282	87,282	121,411	34,129
Total Revenues	<u>16,348,219</u>	<u>21,244,436</u>	<u>19,326,096</u>	<u>(1,918,340)</u>
Expenditures				
Current:				
General Government	3,923,721	4,226,696	4,089,807	136,889
Public Safety	16,011,606	16,380,623	16,254,933	125,690
Physical Environment	114,363	115,383	113,423	1,960
Transportation	1,329,873	1,334,237	1,335,163	(926)
Economic Environment	166,681	168,845	177,499	(8,654)
Human Services	211,484	4,929,977	1,516,843	3,413,134
Culture and Recreation	3,723,363	3,827,431	3,772,359	55,072
Capital Outlay:				
General government	182,200	172,200	131,876	40,324
Public safety	35,000	302,273	129,080	173,193
Total Expenditures	<u>25,698,291</u>	<u>31,457,665</u>	<u>27,520,983</u>	<u>3,936,682</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(9,350,072)</u>	<u>(10,213,229)</u>	<u>(8,194,887)</u>	<u>2,018,342</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	-	161,522	208,635	47,113
Transfers from Other Funds	10,841,139	11,094,208	10,880,481	(213,727)
Transfers to Other Funds	(1,491,067)	(1,491,067)	(1,482,109)	8,958
Fund Balance Appropriated	-	448,566	-	(448,566)
Total Other Financing Sources (Uses)	<u>9,350,072</u>	<u>10,213,229</u>	<u>9,607,007</u>	<u>(606,222)</u>
Net Change in Fund Balance	-	-	1,412,120	1,412,120
Fund Balance, Beginning of Year	-	-	12,905,048	12,905,048
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,317,168</u>	<u>\$ 14,317,168</u>

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

CITY OF LEESBURG, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
COMMUNITY REDEVELOPMENT AGENCY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$ 2,168,540	\$ 2,168,540	\$ 2,132,115	\$ (36,425)
Miscellaneous:				
Interest	22,500	22,500	8,850	(13,650)
Rental	4,000	4,000	1,490	(2,510)
Total Revenues	<u>2,195,040</u>	<u>2,195,040</u>	<u>2,142,455</u>	<u>(52,585)</u>
Expenditures				
Current:				
Economic Environment	1,400,966	1,525,646	456,637	1,069,009
Debt Service:				
Principal Payments	363,176	363,176	293,000	70,176
Interest and Fees	333,898	333,898	332,662	1,236
Capital Outlay:				
Economic environment	-	41,800	34,685	7,115
Total Expenditures	<u>2,098,040</u>	<u>2,264,520</u>	<u>1,116,984</u>	<u>1,147,536</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>97,000</u>	<u>(69,480)</u>	<u>1,025,471</u>	<u>1,094,951</u>
Other Financing Sources (Uses)				
Transfers to Other Funds	(200,000)	(100,000)	(100,000)	-
Fund Balance Appropriated	103,000	169,480	-	(169,480)
Total Other Financing Sources (Uses)	<u>(97,000)</u>	<u>69,480</u>	<u>(100,000)</u>	<u>(169,480)</u>
Net Change in Fund Balance	-	-	925,471	925,471
Fund Balance, Beginning of Year	-	-	1,259,936	1,259,936
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,185,407</u>	<u>\$ 2,185,407</u>

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



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

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

Notes to Schedule:

Changes of assumptions:

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

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

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

	2018	2019	2020	2021
Total Pension Liability				
Service Cost	\$ 112,163	\$ 94,887	\$ 90,827	\$ 87,124
Interest	2,983,558	3,009,995	2,997,173	2,915,581
Differences Between Expected and Actual Experience	(40,907)	(295,102)	(818,934)	(54,439)
Changes of Assumptions	-	832,857	(722,065)	-
Benefit payments, Including Refunds of Member Contributions	(2,677,281)	(2,688,066)	(2,713,707)	(2,623,679)
Net Change in Total Pension Liability	377,533	954,571	(1,166,706)	324,587
Total Pension Liability - Beginning	41,274,233	41,651,766	42,606,337	41,439,631
Total Pension Liability - Ending (a)	<u>\$ 41,651,766</u>	<u>\$ 42,606,337</u>	<u>\$ 41,439,631</u>	<u>\$ 41,764,218</u>
Plan Fiduciary Net Position				
Contributions - Employer	\$ 1,090,938	\$ 1,065,288	\$ 1,028,808	\$ 910,414
Net Investment Income	3,480,669	1,030,679	1,479,649	7,871,318
Benefit Payments, Including Refunds of Member Contributions	(2,677,281)	(2,688,066)	(2,713,707)	(2,623,679)
Administrative Expense	(85,994)	(78,157)	(79,702)	(77,334)
Net Change in Plan Fiduciary Net Position	1,808,332	(670,256)	(284,952)	6,080,719
Plan Fiduciary Net Position - Beginning	37,159,369	38,967,701	38,297,445	38,012,493
Plan Fiduciary Net Position - Ending (b)	<u>\$ 38,967,701</u>	<u>\$ 38,297,445</u>	<u>\$ 38,012,493</u>	<u>\$ 44,093,212</u>
City's Net Pension Liability (Asset) - Ending (a) - (b)	<u>\$ 2,684,065</u>	<u>\$ 4,308,892</u>	<u>\$ 3,427,138</u>	<u>\$ (2,328,994)</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	93.56%	89.89%	91.73%	105.58%
Covered Payroll	\$ 9,804,536	\$ 9,150,481	\$ 8,605,507	\$ 8,614,389
City's Net Pension Liability as a Percentage of the Covered Payroll	27.38%	47.09%	39.82%	(27.04)%

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

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

Notes to Schedule:

Changes of assumptions:

For measurement date 09/30/2021, the Board approved the following assumption changes based on the December 3, 2021 actuarial experience study:

1. Decrease in investment return assumption from 7.0% to 6.8% per year, net of investment related expenses.
2. Increase the expected individual salary increases from 7.0% to 12.0% for the first year of employment and reduce the expectation in years 1-4 from 7.0% to 5.0% per year.
3. Update the expected rate of Early Retirement to be 10% per year, regardless of Credited Service and the expected rate of Normal Retirement to be 75% at first eligibility and 100% beginning one year after first eligibility.
4. Switch to an entirely service-based assumption for expected turnover rates, with 13% for each of the first 5 years of employment, 9% for the next 5 years of employment, 8% for the next 5 years of employment and 2% per year beginning at 15 years of employment.

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

For measurement date 09/30/2020, amounts reported as changes of assumptions resulted from lowering the investment return from 7.40% to 7.00%, net of investment related expenses.

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

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

	2018	2019	2020	2021
Total Pension Liability				
Service cost	\$ 562,191	\$ 585,643	\$ 664,416	\$ 687,968
Interest	1,723,065	1,834,860	1,893,071	1,871,051
Changes of Benefit Terms	-	-	-	-
Differences Between Expected and Actual Experience	367,350	(434,190)	(1,008,318)	(509,406)
Changes of Assumptions	-	687,014	571,135	636,013
Benefit Payments, Including Refunds of Member Contributions	(1,118,288)	(1,311,084)	(999,239)	(993,948)
Net Change in Total Pension Liability	1,534,318	1,362,243	1,121,065	1,691,678
Total Pension Liability - Beginning	22,520,679	24,054,997	25,417,240	26,538,305
Total Pension Liability - Ending (a)	\$ 24,054,997	\$ 25,417,240	\$ 26,538,305	\$ 28,229,983
Plan Fiduciary Net Position				
Contributions - Employer	\$ 526,010	\$ 626,706	\$ 542,982	\$ 436,251
Contributions - State	199,426	213,641	227,475	242,702
Contributions - Employee	303,473	328,464	314,179	318,845
Net Investment Income	1,687,710	1,193,339	2,022,845	5,073,633
Benefit Payments, Including Refunds of Member Contributions	(1,118,288)	(1,311,084)	(999,239)	(993,948)
Administrative Expense	(55,301)	(45,160)	(59,279)	(67,924)
Net Change in Plan Fiduciary Net Position	1,543,030	1,005,906	2,048,963	5,009,559
Plan Fiduciary Net Position - Beginning	19,715,477	21,258,507	22,264,413	24,313,376
Plan Fiduciary Net Position - Ending (b)	\$ 21,258,507	\$ 22,264,413	\$ 24,313,376	\$ 29,322,935
City's Net Pension Liability (Asset) - Ending (a) - (b)	\$ 2,796,490	\$ 3,152,827	\$ 2,224,929	\$ (1,092,952)
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	88.37%	87.60%	91.62%	103.87%
Covered Payroll *	\$ 3,969,532	\$ 4,293,645	\$ 4,106,916	\$ 4,167,910
City's Net Pension Liability as a Percentage of the Covered Payroll	70.45%	73.43%	54.18%	(26.22)%

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

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

Notes to Schedule:

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

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

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

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

	2018	2019	2020	2021
Total Pension Liability				
Service Cost	\$ 503,047	\$ 508,217	\$ 490,171	\$ 537,622
Interest	1,702,512	1,777,194	1,825,455	1,884,126
Share Plan Allocation	-	-	-	-
Changes in Benefit Terms	-	-	-	7,927
Differences Between Expected and Actual Experience	23,441	105,551	(503,745)	380,868
Changes of Assumptions	-	-	-	(338,204)
Contributions - Buy Back	40,613	58,654	17,667	-
Benefit Payments, Including Refunds of Member Contributions	(1,229,206)	(1,268,317)	(1,279,859)	(1,307,565)
Net Change in Total Pension Liability	1,040,407	1,181,299	549,689	1,164,774
Total Pension Liability - Beginning	22,811,716	23,852,123	25,033,422	25,583,111
Total Pension Liability - Ending (a)	<u>\$ 23,852,123</u>	<u>\$ 25,033,422</u>	<u>\$ 25,583,111</u>	<u>\$ 26,747,885</u>
Plan Fiduciary Net Position				
Contributions - Employer	\$ 694,423	\$ 665,627	\$ 760,104	\$ 795,488
Contributions - State	141,149	144,627	152,264	172,490
Contributions - Employee	169,310	166,141	177,275	180,074
Contributions - Buy Back	40,613	58,655	17,667	-
Net Investment Income	931,592	721,628	2,465,384	4,438,206
Benefit Payments, Including Refunds of Member Contributions	(1,229,206)	(1,268,317)	(1,279,859)	(1,307,565)
Administrative Expense	(44,950)	(46,936)	(78,542)	(83,152)
Net Change in Plan Fiduciary Net Position	702,931	441,425	2,214,293	4,195,541
Plan Fiduciary Net Position - Beginning	18,996,791	19,699,722	20,141,147	22,355,440
Plan Fiduciary Net Position - Ending (b)	<u>\$ 19,699,722</u>	<u>\$ 20,141,147</u>	<u>\$ 22,355,440</u>	<u>\$ 26,550,981</u>
City's Net Pension Liability - Ending (a) - (b)	<u>\$ 4,152,401</u>	<u>\$ 4,892,275</u>	<u>\$ 3,227,671</u>	<u>\$ 196,904</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	82.59%	80.46%	87.38%	99.26%
Covered Payroll*	\$ 2,604,765	\$ 2,556,006	\$ 2,727,308	\$ 2,770,370
City's Net Pension Liability as a Percentage of the Covered Payroll	159.42%	191.40%	118.35%	7.11%



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

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

Notes to Schedule

Valuation Date: 10/1/2019

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

Methods and assumptions used to determine contribution rates:

Funding method: Entry Age Normal Method
Mortality: Mortality Rate Healthy Active Lives: Female: PubG.H-2010 for Employees. Male: PubG.H-2010 for Employees, set back one year. Mortality Rate Healthy Retiree Lives: Female: PubG.H-2010 for Healthy Retirees. Male: PubG.H-2010 (Below Median) for Healthy Retirees, set back one year. Mortality Rate Beneficiary Lives: Female: PubG.H-2010 (Below Median) for Healthy Retirees. Male: PubG.H-2010 for Healthy Retirees, set back one year. Mortality Rate Disabled Lives: PubG.H-2010 for Disabled Retirees, set forward three years.
Termination Rates: See Table below.
Disability Rates: See Table below.

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

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

Other Information

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

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

CITY OF LEESBURG, FLORIDA

GENERAL EMPLOYEES' PENSION PLAN
 SCHEDULE OF CONTRIBUTIONS
 LAST NINE FISCAL YEARS

	2018	2019	2020	2021
Actuarially Determined Contribution	\$ 1,090,938	\$ 1,065,288	\$ 1,028,808	\$ 910,414
Contributions in Relation To The Actuarially Determined Contributions	<u>1,090,938</u>	<u>1,065,288</u>	<u>1,028,808</u>	<u>910,414</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 9,804,536	\$ 9,150,481	\$ 8,605,507	\$ 8,614,389
Contributions as a Percentage Of Covered payroll	11.13%	11.64%	11.96%	10.57%

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

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

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

Notes to Schedule

Valuation Date: 10/1/2019

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

Methods and assumptions used to determine contribution rates:

Funding Method	Frozen Entry Age Actuarial Cost Method
Mortality	Mortality Rate Healthy Active Lives: Female: PubS.H-2010 (Below Median) for Employees, set forward one year. Male: PubS.H-2010 (Below Median) for Employees, set forward one year. Mortality Rate Healthy Retiree Lives: Female: PubS.H-2010 (Below Median) for Healthy Retirees, set forward one year. Male: PubS.H-2010 (Below Median) for Healthy Retirees, set forward one year. Mortality Rate Beneficiary Lives: Female: PubG.H-2010 (Below Median) for Healthy Retirees. Male: PubG.H-2010 (Below Median) for Healthy Retirees, set back one year. Mortality Rate Disabled Lives: 80% PubG.H-2010 for Disabled Retirees/20% PubS.H-2010 for Disabled Retirees.
Interest Rate	7.00% per year compounded annually, net of investment related expenses.
Retirement Age	See Table below.
Early Retirement	Commencing at eligibility for early retirement members are assumed to retire with an immediate benefit at the rate of 2% per year if they have 25+ years of credited service (10% if less than 25 years of credited service).
Disability Rates	See Table on next page. It is assumed that 75% of disablements are service related.
Termination Rates	See Table on next page. (This applies after 10 years of service. The assumption is 9.0% for each of the first 10 years)
Salary Increases	See Table on next page. (Projected salary at retirement is increased individually to account for non-regular compensation)
Cost-of-Living Adjustment	None
Payroll growth assumption	0% annually for amortizing UAAL
Asset Valuation	All assets are valued at market value with an adjustment to uniformly spread actuarial investment gains and losses (as measured by actual market value investment return against expected market value investment return) over a five-year period. Previously, the prior actuarial value of assets were brought forward utilizing the historical geometric 4-year average market value return.

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

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

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

CITY OF LEESBURG, FLORIDA

**MUNICIPAL POLICE OFFICERS' PENSION PLAN
SCHEDULE OF CONTRIBUTIONS
LAST NINE FISCAL YEARS**

	2018	2019	2020	2021
Actuarially Determined Contribution	\$ 722,852	\$ 843,272	\$ 770,457	\$ 678,953
Contributions In Relation To The Actuarially Determined Contributions	725,436	840,347	770,457	678,953
Contribution Deficiency (Excess)	<u>\$ (2,584)</u>	<u>\$ 2,925</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll*	\$ 3,969,532	\$ 4,293,645	\$ 4,106,916	\$ 4,167,910
Contributions as a Percentage of Covered Payroll	18.28%	19.57%	18.76%	16.29%

Notes to Schedule (continued)

Other Information

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

Salary Increases:

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

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

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

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

Notes to Schedule

Valuation Date: 10/1/2018

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

Methods and assumptions used to determine contribution rates:

Funding Method	Entry Age Normal Cost Method.
Mortality	Healthy mortality (post retirement): Female- PubS.H-2010. set forward one year. Male- PubS.H-2010, set forward one year. Disabled lives: Female- 80% PubG.H-2010/20% PubS.H-2010 Male- 80% PubG.H-2010/20% PubS.H-2010
Termination Rates	25% in less than year one; 10% in years 1 through 4; 3% in years 5 through 9; and 2% in years 10 and up.
Disability Rates	See Table below. 75% of disabilities are assumed to occur in the line of duty.
Retirement Age	100% at age 55+ with 10+ years of service. 100% at age 52 to 54 with 30+ years of service. Otherwise, 50% at first eligibility for normal retirement. 50% in second year of eligibility. 100% in third year of eligibility.
Interest Rate	7.50% net of investment expenses, including inflation
Salary Increases	4% to 6%, including inflation
Payroll Growth	UAAL is amortized as a level dollar amount
Asset Valuation Method	5- year smoothed market

Other Information

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

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

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

	2018	2019	2020	2021
Actuarially Determined Contribution	\$ 804,872	\$ 810,254	\$ 905,466	\$ 970,869
Contributions In Relation To The Actuarially Determined Contributions	835,572	803,407	912,368	960,051
Contribution Deficiency (Excess)	<u>\$ (30,700)</u>	<u>\$ 6,847</u>	<u>\$ (6,902)</u>	<u>\$ 10,818</u>
Covered Payroll*	\$ 2,604,765	\$ 2,556,006	\$ 2,727,308	\$ 2,770,370
Contributions as a Percentage of Covered Payroll	32.08%	31.43%	33.45%	34.65%

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

GENERAL EMPLOYEES' PENSION PLAN

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

MUNICIPAL POLICE OFFICERS' PENSION PLAN

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

MUNICIPAL FIREMEN'S PENSION PLAN

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

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

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

GENERAL EMPLOYEES' PENSION PLAN

	2018	2019	2020	2021
Annual Money-Weighted Rate of Return, Net of Investment Expenses	9.56%	2.70%	3.95%	21.16%

MUNICIPAL POLICE OFFICERS' PENSION PLAN

	2018	2019	2020	2021
Annual Money-Weighted Rate of Return, Net of Investment Expenses	8.60%	5.68%	9.10%	21.00%

MUNICIPAL FIREMEN'S PENSION PLAN

	2018	2019	2020	2021
Annual Money-Weighted Rate of Return, Net of Investment Expenses	4.95%	4.40%	12.48%	20.39%

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

Reporting Period Ending	1/30/2018	9/30/2019	9/30/2020	9/30/2021
Measurement Date	1/30/2017	9/30/2018	9/30/2019	9/30/2020
Total OPEB Liability				
Service Cost	\$ 780,397	\$ 697,594	\$ 632,158	\$ 647,555
Interest	1,031,898	1,150,040	1,227,490	853,113
Changes of Benefit Terms	-	(578,802)	-	-
Differences Between Expected and Actual Experience	-	-	(584,258)	-
Changes of Assumptions	(2,741,648)	(2,235,297)	(5,682,261)	4,485,018
Benefit Payments	(1,069,840)	(1,163,451)	(1,232,447)	(1,052,832)
Net Change in Total OPEB Liability	(1,999,193)	(2,129,916)	(5,639,318)	4,932,854
Total OPEB Liability - Beginning	33,472,657	31,473,464	29,343,548	23,704,230
Total OPEB Liability - Ending	\$ 31,473,464	\$ 29,343,548	\$ 23,704,230	\$ 28,637,084
Covered-Employee Payroll (Projected)	\$ 22,252,459	\$ 22,066,596	\$ 20,709,128	\$ 21,595,479
Total OPEB Liability as a Percentage of Covered-Employee Payroll	141.44%	132.98%	114.46%	132.61%

Notes to Schedule:

Covered Employee Payroll was projected one year forward from the valuation date for the reporting period ending September 30, 2021.

Changes of Assumptions:

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

FY2021	2.14%
FY2020	3.58%
FY2019	4.18%

Benefit Payments:

The plan sponsor did not provide actual net benefits paid by the plan for the fiscal year ending on September 30, 2021. Expected net benefit payments produced by the valuation model for the same period are shown in the table above.

No assets are accumulated in a trust that meets the criteria detailed in GASB 75, paragraph 4 to pay related benefits.

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



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SUPPLEMENTAL INFORMATION

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



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NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

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

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

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

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

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

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

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

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

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

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

DEBT SERVICE FUND

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

**CITY OF LEESBURG, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021**

	Special Revenue Funds				
	Housing Assistance Fund	Police Forfeitures Fund	Police Education Fund	Discretionary Sales Tax Fund	Gas Tax Fund
Assets					
Pooled Cash and Investments	\$ 339,163	\$ 81,164	\$ 1,916	\$ 865,177	\$ 411,315
Cash with Fiscal Agent	-	-	-	-	-
Accounts Receivables, Net	28,394	-	-	-	-
Due from Other Governments	-	-	335	286,420	69,200
Total Assets	\$ 367,557	\$ 81,164	\$ 2,251	\$ 1,151,597	\$ 480,515
Liabilities and Fund Balances					
Liabilities					
Accounts Payable	\$ 2,961	\$ -	\$ -	\$ -	\$ -
Due to Other Funds	-	-	-	-	-
Accrued Salaries	3,252	-	-	-	-
Deposits	6,200	-	-	-	-
Total Liabilities	12,413	-	-	-	-
Fund Balances					
Restricted for:					
Debt Service	-	-	-	-	-
Special Revenue Funds	355,144	81,164	2,251	1,151,597	480,515
Total Fund Balances	355,144	81,164	2,251	1,151,597	480,515
Total Liabilities and Fund Balances	\$ 367,557	\$ 81,164	\$ 2,251	\$ 1,151,597	\$ 480,515

Special Revenue Funds				Debt Service	Total Nonmajor Governmental Funds
Police Impact Fee Fund	Fire Impact Fee Fund	Recreation Impact Fee Fund	Building Permits Fund	Debt Service Fund	
\$ 625,986	\$ 47,481	\$ 250,947	\$ 2,336,514	\$ -	\$ 4,959,663
-	-	-	-	1,271,124	1,271,124
-	-	-	-	-	28,394
-	-	-	-	-	355,955
<u>\$ 625,986</u>	<u>\$ 47,481</u>	<u>\$ 250,947</u>	<u>\$ 2,336,514</u>	<u>\$ 1,271,124</u>	<u>\$ 6,615,136</u>
\$ 22,357	\$ -	\$ -	\$ 204,893	\$ -	\$ 230,211
-	-	-	-	87,211	87,211
-	-	-	47,492	-	50,744
-	-	-	-	-	6,200
<u>22,357</u>	<u>-</u>	<u>-</u>	<u>252,385</u>	<u>87,211</u>	<u>374,366</u>
-	-	-	-	1,183,913	1,183,913
603,629	47,481	250,947	2,084,129	-	5,056,857
<u>603,629</u>	<u>47,481</u>	<u>250,947</u>	<u>2,084,129</u>	<u>1,183,913</u>	<u>6,240,770</u>
<u>\$ 625,986</u>	<u>\$ 47,481</u>	<u>\$ 250,947</u>	<u>\$ 2,336,514</u>	<u>\$ 1,271,124</u>	<u>\$ 6,615,136</u>

CITY OF LEESBURG, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Special Revenue Funds				
	Housing Assistance Fund	Police Forfeitures Fund	Police Education Fund	Discretionary Sales Tax Fund	Gas Tax Fund
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ 2,617,066	\$ 586,148
Licenses, Permits, and Assessments	-	-	-	-	-
Intergovernmental	-	-	-	-	198,624
Charges for Services	-	-	-	-	-
Fines and Forfeitures	-	-	5,018	-	-
Impact Fees	-	-	-	-	-
Miscellaneous:					
Interest	33	72	(23)	3,406	1,043
Other	70,773	-	-	-	-
Total Revenues	<u>70,806</u>	<u>72</u>	<u>4,995</u>	<u>2,620,472</u>	<u>785,815</u>
Expenditures					
Current:					
Public Safety	-	-	6,027	-	-
Economic Environment	132,494	-	-	-	-
Debt Service:					
Principal Payments	-	-	-	-	-
Interest and Fees	-	-	-	-	-
Capital Outlay:					
Public safety	-	-	-	-	-
Economic environment	-	-	-	-	-
Total Expenditures	<u>132,494</u>	<u>-</u>	<u>6,027</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(61,688)</u>	<u>72</u>	<u>(1,032)</u>	<u>2,620,472</u>	<u>785,815</u>
Other Financing Sources (Uses)					
Transfers from Other Funds	-	-	-	-	-
Transfers to Other Funds	-	-	-	(1,867,587)	(1,203,665)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,867,587)</u>	<u>(1,203,665)</u>
Net Change in Fund Balance	(61,688)	72	(1,032)	752,885	(417,850)
Fund Balance, Beginning of Year	416,832	81,092	3,283	398,712	898,365
Fund Balance, End of Year	<u>\$ 355,144</u>	<u>\$ 81,164</u>	<u>\$ 2,251</u>	<u>\$ 1,151,597</u>	<u>\$ 480,515</u>

Special Revenue Funds				Debt Service	
Police Impact Fee Fund	Fire Impact Fee Fund	Recreation Impact Fee Fund	Building Permits Fund	Debt Service Fund	Total Nonmajor Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,203,214
-	-	-	924,953	-	924,953
-	-	-	-	-	198,624
-	-	-	3,154	-	3,154
-	-	-	-	-	5,018
261,753	23,832	210,528	-	-	496,113
1,212	158	1,162	(750)	-	6,313
-	-	-	-	-	70,773
<u>262,965</u>	<u>23,990</u>	<u>211,690</u>	<u>927,357</u>	<u>-</u>	<u>4,908,162</u>
5,020	-	-	1,089,133	-	1,100,180
-	-	-	-	-	132,494
-	-	-	-	989,464	989,464
-	-	-	-	623,626	623,626
105,908	-	-	-	-	105,908
-	-	-	262,266	-	262,266
<u>110,928</u>	<u>-</u>	<u>-</u>	<u>1,351,399</u>	<u>1,613,090</u>	<u>3,213,938</u>
152,037	23,990	211,690	(424,042)	(1,613,090)	1,694,224
-	-	-	52,440	1,613,348	1,665,788
(20,400)	(440)	(10,360)	-	-	(3,102,452)
<u>(20,400)</u>	<u>(440)</u>	<u>(10,360)</u>	<u>52,440</u>	<u>1,613,348</u>	<u>(1,436,664)</u>
131,637	23,550	201,330	(371,602)	258	257,560
471,992	23,931	49,617	2,455,731	1,183,655	5,983,210
<u>\$ 603,629</u>	<u>\$ 47,481</u>	<u>\$ 250,947</u>	<u>\$ 2,084,129</u>	<u>\$ 1,183,913</u>	<u>\$ 6,240,770</u>

CITY OF LEESBURG, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
MAJOR CAPITAL PROJECTS FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
Revenues			
Intergovernmental	\$ 5,283,215	\$ 1,404,606	\$ (3,878,609)
Miscellaneous:			
Interest	-	(17,747)	(17,747)
Total Revenues	<u>5,283,215</u>	<u>1,386,859</u>	<u>(3,896,356)</u>
Expenditures			
Current:			
General Government	3,260,765	2,229,368	1,031,397
Transportation	3,203,406	383,655	2,819,751
Culture and Recreation	8,538,154	6,393,156	2,144,998
Total Expenditures	<u>15,002,325</u>	<u>9,006,179</u>	<u>5,996,146</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(9,719,110)</u>	<u>(7,619,320)</u>	<u>2,099,790</u>
Other Financing Sources (Uses)			
Insurance Proceeds from Losses	-	800,482	800,482
Transfers from Other Funds	739,000	717,985	(21,015)
Fund Balance Appropriated	8,980,110	-	(8,980,110)
Total Other Financing Sources (Uses)	<u>9,719,110</u>	<u>1,518,467</u>	<u>(8,200,643)</u>
Net Change in Fund Balance	-	(6,100,853)	(6,100,853)
Fund Balance, Beginning of Year	-	8,380,295	8,380,295
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ 2,279,442</u>	<u>\$ 2,279,442</u>

CITY OF LEESBURG, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
HOUSING ASSISTANCE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
Revenues			
Miscellaneous:			
Interest	\$ 7,250	\$ 33	\$ (7,217)
Other	102,100	70,773	(31,327)
Total Revenues	<u>109,350</u>	<u>70,806</u>	<u>(38,544)</u>
Expenditures			
Current:			
Economic Environment	138,166	132,494	5,672
Total Expenditures	<u>138,166</u>	<u>132,494</u>	<u>5,672</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(28,816)</u>	<u>(61,688)</u>	<u>(32,872)</u>
Other Financing Sources (Uses)			
Fund Balance Appropriated	28,816	-	(28,816)
Total Other Financing Sources (Uses)	<u>28,816</u>	<u>-</u>	<u>(28,816)</u>
Net Change in Fund Balance	-	(61,688)	(61,688)
Fund Balance, Beginning of Year	-	416,832	416,832
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ 355,144</u>	<u>\$ 355,144</u>

CITY OF LEESBURG, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
POLICE FORFEITURES FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
Revenues			
Miscellaneous:			
Interest	\$ -	\$ 72	\$ 72
Total Revenues	<u>-</u>	<u>72</u>	<u>72</u>
Expenditures			
Current:			
Public Safety	7,000	-	7,000
Total Expenditures	<u>7,000</u>	<u>-</u>	<u>7,000</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(7,000)</u>	<u>72</u>	<u>7,072</u>
Other Financing Sources (Uses)			
Fund Balance Appropriated	7,000	-	(7,000)
Total Other Financing Sources (Uses)	<u>7,000</u>	<u>-</u>	<u>(7,000)</u>
Net Change in Fund Balance	-	72	72
Fund Balance, Beginning of Year	<u>-</u>	<u>81,092</u>	<u>81,092</u>
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ 81,164</u>	<u>\$ 81,164</u>

CITY OF LEESBURG, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
POLICE EDUCATION FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
Revenues			
Fines and Forfeitures	\$ -	\$ 5,018	\$ 5,018
Miscellaneous:			
Interest	-	(23)	(23)
Total Revenues	<u>-</u>	<u>4,995</u>	<u>4,995</u>
Expenditures			
Current:			
Public Safety	6,000	6,027	(27)
Total Expenditures	<u>6,000</u>	<u>6,027</u>	<u>(27)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(6,000)</u>	<u>(1,032)</u>	<u>4,968</u>
Other Financing Sources (Uses)			
Fund Balance Appropriated	6,000	-	(6,000)
Total Other Financing Sources (Uses)	<u>6,000</u>	<u>-</u>	<u>(6,000)</u>
Net Change in Fund Balance	-	(1,032)	(1,032)
Fund Balance, Beginning of Year	-	3,283	3,283
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ 2,251</u>	<u>\$ 2,251</u>

CITY OF LEESBURG, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
DISCRETIONARY SALES TAX FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
Revenues			
Taxes	\$ 1,624,534	\$ 2,617,066	\$ 992,532
Miscellaneous:			
Interest	-	3,406	3,406
Total Revenues	<u>1,624,534</u>	<u>2,620,472</u>	<u>995,938</u>
Expenditures	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,624,534</u>	<u>2,620,472</u>	<u>995,938</u>
Other Financing Sources (Uses)			
Transfers to Other Funds	(1,877,603)	(1,867,587)	10,016
Fund Balance Appropriated	253,069	-	(253,069)
Total Other Financing Sources (Uses)	<u>(1,624,534)</u>	<u>(1,867,587)</u>	<u>(243,053)</u>
Net Change in Fund Balance	-	752,885	752,885
Fund Balance, Beginning of Year	<u>-</u>	<u>398,712</u>	<u>398,712</u>
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ 1,151,597</u>	<u>\$ 1,151,597</u>

CITY OF LEESBURG, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
GAS TAX FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
Revenues			
Taxes	\$ 428,984	\$ 586,148	\$ 157,164
Intergovernmental	127,705	198,624	70,919
Miscellaneous:			
Interest	-	1,043	1,043
Total Revenues	<u>556,689</u>	<u>785,815</u>	<u>229,126</u>
Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>556,689</u>	<u>785,815</u>	<u>229,126</u>
Other Financing Sources (Uses)			
Transfers to Other Funds	(1,203,665)	(1,203,665)	-
Fund Balance Appropriated	646,976	-	(646,976)
Total Other Financing Sources (Uses)	<u>(556,689)</u>	<u>(1,203,665)</u>	<u>(646,976)</u>
Net Change in Fund Balance	-	(417,850)	(417,850)
Fund Balance, Beginning of Year	<u>-</u>	<u>898,365</u>	<u>898,365</u>
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ 480,515</u>	<u>\$ 480,515</u>

CITY OF LEESBURG, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
POLICE IMPACT FEE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
Revenues			
Impact Fees	\$ -	\$ 261,753	\$ 261,753
Miscellaneous:			
Interest	-	1,212	1,212
Total Revenues	<u>-</u>	<u>262,965</u>	<u>262,965</u>
Expenditures			
Current:			
Public Safety	5,000	5,020	(20)
Capital Outlay	104,624	105,908	(1,284)
Total Expenditures	<u>109,624</u>	<u>110,928</u>	<u>(1,304)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(109,624)</u>	<u>152,037</u>	<u>261,661</u>
Other Financing Sources (Uses)			
Transfers to Other Funds	(7,500)	(20,400)	(12,900)
Fund Balance Appropriated	117,124	-	(117,124)
Total Other Financing Sources (Uses)	<u>109,624</u>	<u>(20,400)</u>	<u>(130,024)</u>
Net Change in Fund Balance	-	131,637	131,637
Fund Balance, Beginning of Year	-	471,992	471,992
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ 603,629</u>	<u>\$ 603,629</u>

CITY OF LEESBURG, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
FIRE IMPACT FEE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
Revenues			
Impact Fees	\$ -	\$ 23,832	\$ 23,832
Miscellaneous:			
Interest	-	158	158
Total Revenues	<u>-</u>	<u>23,990</u>	<u>23,990</u>
Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>23,990</u>	<u>23,990</u>
Other Financing Sources (Uses)			
Transfers to Other Funds	-	(440)	(440)
Total Other Financing Sources (Uses)	<u>-</u>	<u>(440)</u>	<u>(440)</u>
Net Change in Fund Balance	-	23,550	23,550
Fund Balance, Beginning of Year	<u>-</u>	<u>23,931</u>	<u>23,931</u>
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ 47,481</u>	<u>\$ 47,481</u>

CITY OF LEESBURG, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
RECREATION IMPACT FEE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
Revenues			
Impact Fees	\$ -	\$ 210,528	\$ 210,528
Miscellaneous:			
Interest	-	1,162	1,162
Total Revenues	<u>-</u>	<u>211,690</u>	<u>211,690</u>
Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>211,690</u>	<u>211,690</u>
Other Financing Sources (Uses)			
Transfers to Other Funds	-	(10,360)	(10,360)
Total Other Financing Sources (Uses)	<u>-</u>	<u>(10,360)</u>	<u>(10,360)</u>
Net Change in Fund Balance	-	201,330	201,330
Fund Balance, Beginning of Year	<u>-</u>	<u>49,617</u>	<u>49,617</u>
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ 250,947</u>	<u>\$ 250,947</u>

CITY OF LEESBURG, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
BUILDING PERMITS FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
Revenues			
Licenses, Permits, and Assessments	\$ 566,500	\$ 924,953	\$ 358,453
Charges for Services	4,500	3,154	(1,346)
Miscellaneous:			
Interest	20,000	(750)	(20,750)
Total Revenues	<u>591,000</u>	<u>927,357</u>	<u>336,357</u>
Expenditures			
Current:			
Public Safety	1,018,942	1,089,133	(70,191)
Capital Outlay	403,299	262,266	141,033
Total Expenditures	<u>1,422,241</u>	<u>1,351,399</u>	<u>70,842</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(831,241)</u>	<u>(424,042)</u>	<u>407,199</u>
Other Financing Sources (Uses)			
Transfers from Other Funds	17,950	52,440	34,490
Fund Balance Appropriated	813,291	-	(813,291)
Total Other Financing Sources (Uses)	<u>831,241</u>	<u>52,440</u>	<u>(778,801)</u>
Net Change in Fund Balance	-	(371,602)	(371,602)
Fund Balance, Beginning of Year	-	2,455,731	2,455,731
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ 2,084,129</u>	<u>\$ 2,084,129</u>

CITY OF LEESBURG, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
DEBT SERVICE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
Expenditures			
Debt Service:			
Principal Payments	\$ 982,732	\$ 989,464	\$ (6,732)
Interest and Fees	633,438	623,626	9,812
Total Expenditures	<u>1,616,170</u>	<u>1,613,090</u>	<u>3,080</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,616,170)</u>	<u>(1,613,090)</u>	<u>3,080</u>
Other Financing Sources (Uses)			
Transfers from Other Funds	1,616,170	1,613,348	(2,822)
Total Other Financing Sources (Uses)	<u>1,616,170</u>	<u>1,613,348</u>	<u>(2,822)</u>
Net Change in Fund Balance	-	258	258
Fund Balance, Beginning of Year	<u>-</u>	<u>1,183,655</u>	<u>1,183,655</u>
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ 1,183,913</u>	<u>\$ 1,183,913</u>



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NONMAJOR ENTERPRISE FUNDS

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

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

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

CITY OF LEESBURG, FLORIDA
COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS
SEPTEMBER 30, 2021

	Business-type Activities - Enterprise Funds		Total Nonmajor Enterprise Funds
	Stormwater Fund	Solid Waste Fund	
Assets			
Current Assets:			
Pooled Cash and Investments	\$ 3,042,013	\$ 3,188,073	\$ 6,230,086
Restricted Pooled Cash and Investments:			
Customer Deposits Account	-	2,845	2,845
Receivables:			
Customer Accounts, Unbilled	91,025	255,749	346,774
Customer Accounts, Billed	133,823	424,563	558,386
(Allowance for Doubtful Accounts)	(23,991)	(98,935)	(122,926)
Total Current Assets	3,242,870	3,772,295	7,015,165
Noncurrent Assets:			
Net Pension Asset	20,895	79,565	100,460
Property, Plant and Equipment:			
Land	742,949	28,700	771,649
Buildings	-	13,856	13,856
Improvements Other Than Buildings	15,738,571	191,691	15,930,262
Machinery and Equipment	80,187	269,787	349,974
Less Accumulated Depreciation and Amortization	(4,803,486)	(326,658)	(5,130,144)
Construction in Progress	77,399	-	77,399
Total Property, Plant and Equipment	11,835,620	177,376	12,012,996
Total Noncurrent Assets	11,856,515	256,941	12,113,456
Total Assets	15,099,385	4,029,236	19,128,621
Deferred Outflows of Resources			
Deferred Outflows: OPEB	50,797	152,391	203,188
Total Deferred Outflows of Resources	50,797	152,391	203,188

**CITY OF LEESBURG, FLORIDA
COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS
SEPTEMBER 30, 2021**

	Business-type Activities - Enterprise Funds		Total Nonmajor Enterprise Funds
	Stormwater Fund	Solid Waste Fund	
Liabilities			
Current Liabilities:			
Accounts and Retainage Payable	\$ 43,060	\$ 190,708	\$ 233,768
Other Accrued Expenses	18,171	52,725	70,896
Compensated Absences	4,502	48,185	52,687
Other Postemployment Benefits	5,238	15,714	20,952
	<u>70,971</u>	<u>307,332</u>	<u>378,303</u>
Current Liabilities Payable from Restricted Assets:			
Customer Deposits	-	2,845	2,845
Total Current Liabilities Payable from Restricted Assets	<u>-</u>	<u>2,845</u>	<u>2,845</u>
Total Current Liabilities	<u>70,971</u>	<u>310,177</u>	<u>381,148</u>
Noncurrent Liabilities:			
Compensated Absences	3,684	39,424	43,108
Other Postemployment Benefits	293,065	879,195	1,172,260
Total Noncurrent Liabilities	<u>296,749</u>	<u>918,619</u>	<u>1,215,368</u>
Total Liabilities	<u>367,720</u>	<u>1,228,796</u>	<u>1,596,516</u>
Deferred Inflows of Resources			
Deferred Inflows: Pension Related	25,686	97,809	123,495
Deferred Inflows: OPEB	69,061	207,187	276,248
Total Deferred Inflows of Resources	<u>94,747</u>	<u>304,996</u>	<u>399,743</u>
Net Position			
Net Investment in Capital Assets	11,794,349	177,376	11,971,725
Unrestricted	2,893,366	2,470,459	5,363,825
Total Net Position	<u>\$ 14,687,715</u>	<u>\$ 2,647,835</u>	<u>\$ 17,335,550</u>



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CITY OF LEESBURG, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Business-type Activities - Enterprise Funds		Total Nonmajor Enterprise Funds
	Stormwater Fund	Solid Waste Fund	
Operating Revenues			
Charges for Services	\$ 1,611,181	\$ 4,509,020	\$ 6,120,201
Other	834	31,836	32,670
Total Operating Revenues	<u>1,612,015</u>	<u>4,540,856</u>	<u>6,152,871</u>
Operating Expenses			
Personal Services	368,886	894,183	1,263,069
Supplies and Materials	32,198	244,964	277,162
Maintenance Costs	112,873	385,875	498,748
Contracted Services	133,438	999,000	1,132,438
Other Services and Charges	313,454	972,253	1,285,707
Depreciation and Amortization	304,533	13,450	317,983
Total Operating Expenses	<u>1,265,382</u>	<u>3,509,725</u>	<u>4,775,107</u>
Operating Income	<u>346,633</u>	<u>1,031,131</u>	<u>1,377,764</u>
Nonoperating Revenues			
Investment Income	6,055	982	7,037
Total Nonoperating Revenues	<u>6,055</u>	<u>982</u>	<u>7,037</u>
Income Before Capital Contributions and Transfers	<u>352,688</u>	<u>1,032,113</u>	<u>1,384,801</u>
Transfers and Capital Contributions			
Transfers to Other Funds	-	(821,425)	(821,425)
Total Transfers and Capital Contributions	<u>-</u>	<u>(821,425)</u>	<u>(821,425)</u>
Change in Net Position	352,688	210,688	563,376
Net Position, Beginning of Year	<u>14,335,027</u>	<u>2,437,147</u>	<u>16,772,174</u>
Net Position, End of Year	<u>\$ 14,687,715</u>	<u>\$ 2,647,835</u>	<u>\$ 17,335,550</u>

**CITY OF LEESBURG, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Business-type Activities - Enterprise Funds		
	Stormwater Fund	Solid Waste	Total Nonmajor Enterprise Funds
Cash Flows from Operating Activities			
Receipts from Customers and Users	\$ 1,597,073	\$ 4,482,301	\$ 6,079,374
Payments to Suppliers for Goods and Services	(593,332)	(2,451,716)	(3,045,048)
Cash Paid to Employees for Services	(327,706)	(1,066,370)	(1,394,076)
Net Cash Provided by (Used in) Operating Activities	<u>676,035</u>	<u>964,215</u>	<u>1,640,250</u>
Cash Flows from Noncapital Financing Activities			
Transfers to Other Funds	-	(821,425)	(821,425)
Non-Capital Grant Proceeds	17	17,632	17,649
Net Cash Provided by (Used in) Noncapital Financing Activities	<u>17</u>	<u>(803,793)</u>	<u>(803,776)</u>
Cash Flows from Capital and Related Financing Activities			
Acquisition and Construction of Capital Assets	(56,737)	(135,211)	(191,948)
Net Cash Provided by (Used in) Capital and Related Financing Activities	<u>(56,737)</u>	<u>(135,211)</u>	<u>(191,948)</u>
Cash Flows from Investing Activities			
Interest Received	6,055	982	7,037
Net Cash Provided by (Used in) Investing Activities	<u>6,055</u>	<u>982</u>	<u>7,037</u>
Net Increase (Decrease) in Cash and Cash Equivalents	625,370	26,193	651,563
Cash and Cash Equivalents, Beginning of Year	2,416,643	3,164,725	5,581,368
Cash and Cash Equivalents, End of Year	<u>\$ 3,042,013</u>	<u>\$ 3,190,918</u>	<u>\$ 6,232,931</u>

**CITY OF LEESBURG, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Business-type Activities - Enterprise Funds		
	Stormwater Fund	Solid Waste	Total Nonmajor Enterprise Funds
<u>Reconciliation of Cash and Cash Equivalents to Balance Sheet</u>			
Total Unrestricted Equity in Pooled Cash and Cash Equivalents	\$ 3,042,013	\$ 3,188,073	\$ 6,230,086
Total Restricted Equity in Pooled Cash and Cash Equivalents	-	2,845	2,845
Total Cash and Cash Equivalents, End of Year	\$ 3,042,013	\$ 3,190,918	\$ 6,232,931
<u>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities</u>			
Operating Income (Loss)	\$ 346,633	\$ 1,031,131	\$ 1,377,764
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:			
Depreciation and Amortization	304,533	13,450	317,983
Decrease (Increase) in Assets:			
Customer Accounts (Net of Allowances)	(14,942)	(58,240)	(73,182)
Net Pension Asset	(20,895)	(79,565)	(100,460)
Decrease (Increase) in Deferred Outflows:			
Pension	13,473	51,317	64,790
OPEB	(41,846)	(116,588)	(158,434)
Increase (Decrease) in Liabilities:			
Accounts Payable	(1,369)	151,137	149,768
Due to Other Governments	-	(761)	(761)
Accrued Expenses	5,035	3,555	8,590
Other Postemployment Benefits Liability	98,688	96,451	195,139
Net Pension Liability	(30,730)	(117,044)	(147,774)
Other Liabilities	231	(6,855)	(6,624)
Increase (Decrease) in Deferred Inflows:			
Pension	18,777	71,495	90,272
OPEB	(1,553)	(75,268)	(76,821)
Net Cash Provided by (Used in) Operating Activities	\$ 676,035	\$ 964,215	\$ 1,640,250



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INTERNAL SERVICE FUNDS

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

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

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

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

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

CITY OF LEESBURG, FLORIDA
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
SEPTEMBER 30, 2021

	General Employees' Health Insurance	Workers' Compensation Insurance	Risk Management	Fleet Maintenance	Total
Assets					
Current Assets:					
Pooled Cash and Investments	\$ 2,299,009	\$ 1,060,094	\$ 158,501	\$ 3,883,291	\$ 7,400,895
Miscellaneous Receivables	267,171	38,850	-	-	306,021
Inventories	-	-	-	129,921	129,921
Total Current Assets	2,566,180	1,098,944	158,501	4,013,212	7,836,837
Noncurrent Assets:					
Net Pension Asset	-	-	-	39,626	39,626
Property, Plant and Equipment:					
Buildings	-	-	-	564,988	564,988
Improvements Other Than Buildings	-	-	-	127,577	127,577
Machinery and Equipment	-	-	-	23,430,622	23,430,622
Less Accumulated Depreciation and Amortization	-	-	-	(16,847,170)	(16,847,170)
Construction in Progress	-	-	-	91,234	91,234
Total Property, Plant and Equipment	-	-	-	7,367,251	7,367,251
Total Assets	2,566,180	1,098,944	158,501	11,420,089	15,243,714
Deferred Outflows of Resources					
Deferred Outflows: OPEB	-	-	-	81,275	81,275
Total Deferred Outflows of Resources	-	-	-	81,275	81,275
Liabilities					
Current Liabilities:					
Accounts and Retainage Payable	\$ 711,777	\$ 3,842	\$ -	\$ 159,540	\$ 875,159
Other Accrued Expenses	4,521	2,898	-	30,075	37,494
Claims Payable	443,731	729,758	-	-	1,173,489
Compensated Absences	-	-	-	30,359	30,359
Other Postemployment Benefits	-	-	-	8,381	8,381
Total Current Liabilities	1,160,029	736,498	-	228,355	2,124,882
Noncurrent Liabilities:					
Claims Payable	-	1,355,265	-	-	1,355,265
Compensated Absences	-	-	-	24,840	24,840
Other Postemployment Benefits	-	-	-	468,904	468,904
Total Noncurrent Liabilities	-	1,355,265	-	493,744	1,849,009
Total Liabilities	1,160,029	2,091,763	-	722,099	3,973,891
Deferred Inflows of Resources					
Deferred Inflows: Pension Related	-	-	-	48,711	48,711
Deferred Inflows: OPEB	-	-	-	110,500	110,500
Total Deferred Inflows of Resources	-	-	-	159,211	159,211
Net Position					
Net Investment in Capital Assets	-	-	-	7,312,198	7,312,198
Unrestricted	1,406,151	(992,819)	158,501	3,307,856	3,879,689
Total Net Position	\$ 1,406,151	\$ (992,819)	\$ 158,501	\$ 10,620,054	\$ 11,191,887

**CITY OF LEESBURG, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	General Employees' Health Insurance	Workers' Compensation Insurance	Risk Management	Fleet Maintenance	Total
Operating Revenues					
Charges for Services	\$ 7,667,202	\$ 681,545	\$ 835,129	\$ 2,601,196	\$ 11,785,072
Other	1,194,455	31,859	-	-	1,226,314
Total Operating Revenues	<u>8,861,657</u>	<u>713,404</u>	<u>835,129</u>	<u>2,601,196</u>	<u>13,011,386</u>
Operating Expenses					
Personal Services	75,071	52,582	-	488,205	615,858
Supplies and Materials	115,505	-	-	42,711	158,216
Maintenance Costs	3,257	-	-	669,989	673,246
Contracted Services	894,960	51,840	-	12,651	959,451
Other Services and Charges	7,042	-	-	42,763	49,805
Depreciation and Amortization	-	-	-	1,608,559	1,608,559
Claims Expense	7,658,105	919,943	-	-	8,578,048
Insurance Premiums	403,789	139,491	836,843	-	1,380,123
Total Operating Expenses	<u>9,157,729</u>	<u>1,163,856</u>	<u>836,843</u>	<u>2,864,878</u>	<u>14,023,306</u>
Operating Income (Loss)	<u>(296,072)</u>	<u>(450,452)</u>	<u>(1,714)</u>	<u>(263,682)</u>	<u>(1,011,920)</u>
Nonoperating Revenues					
Investment Income	3,006	(5,535)	134	3,263	868
Gain (Loss) on Sale of Assets	-	-	-	307,810	307,810
Total Nonoperating Revenues	<u>3,006</u>	<u>(5,535)</u>	<u>134</u>	<u>311,073</u>	<u>308,678</u>
Income (Loss) Before Capital Contributions and Transfers	<u>(293,066)</u>	<u>(455,987)</u>	<u>(1,580)</u>	<u>47,391</u>	<u>(703,242)</u>
Transfers and Capital Contributions					
Capital Contributions	-	-	-	95,420	95,420
Transfers from Other Funds	1,000,000	-	-	1,586,073	2,586,073
Transfers to Other Funds	-	(1,000,000)	-	(1,392,071)	(2,392,071)
Total Transfers and Capital Contributions	<u>1,000,000</u>	<u>(1,000,000)</u>	<u>-</u>	<u>289,422</u>	<u>289,422</u>
Change in Net Position	706,934	(1,455,987)	(1,580)	336,813	(413,820)
Total Net Position, Beginning of Year	<u>699,217</u>	<u>463,168</u>	<u>160,081</u>	<u>10,283,241</u>	<u>11,605,707</u>
Total Net Position, End of Year	<u>\$ 1,406,151</u>	<u>\$ (992,819)</u>	<u>\$ 158,501</u>	<u>\$ 10,620,054</u>	<u>\$ 11,191,887</u>

CITY OF LEESBURG, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	<u>General Employees' Health Insurance</u>	<u>Workers' Compensation Insurance</u>	<u>Risk Management</u>	<u>Fleet Maintenance</u>	<u>Total</u>
Cash Flows from Operating Activities					
Receipts from Customers and Users	\$ 7,625,930	\$ 676,697	\$ 835,129	\$ 2,601,196	\$ 11,738,952
Cash Paid to Suppliers for Goods and Services	(1,955,893)	(188,809)	(836,843)	(860,042)	(3,841,587)
Cash Paid for Insurance Claims	(6,437,861)	(472,122)	-	-	(6,909,983)
Cash Paid to Employees for Services	(74,101)	(52,337)	-	(529,623)	(656,061)
Net Cash Provided by (Used in) Operating Activities	<u>(841,925)</u>	<u>(36,571)</u>	<u>(1,714)</u>	<u>1,211,531</u>	<u>331,321</u>
Cash Flows from Noncapital Financing Activities					
Transfers from Other Funds	1,000,000	-	-	1,392,071	2,392,071
Transfers to Other Funds	-	(1,000,000)	-	(1,392,071)	(2,392,071)
Non-Capital Grant Proceeds	-	-	-	5	5
Net Cash Provided by (Used in) Noncapital Financing Activities	<u>1,000,000</u>	<u>(1,000,000)</u>	<u>-</u>	<u>5</u>	<u>5</u>
Cash Flows from Capital and Related Financing Activities					
Acquisition and Construction of Capital Assets	-	-	-	(1,259,920)	(1,259,920)
Proceeds from the Disposition of Capital Assets	-	-	-	209,467	209,467
Net Cash Provided by (Used in) Capital and Related Financing Activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,050,453)</u>	<u>(1,050,453)</u>
Cash Flows from Investing Activities					
Interest Received	3,006	(5,535)	134	3,263	868
Net Cash Flows from Investing Activities	<u>3,006</u>	<u>(5,535)</u>	<u>134</u>	<u>3,263</u>	<u>868</u>
Net Increase (Decrease) in Cash and Cash Equivalents	161,081	(1,042,106)	(1,580)	164,346	(718,259)
Cash and Cash Equivalents, Beginning of Year	<u>2,137,928</u>	<u>2,102,200</u>	<u>160,081</u>	<u>3,718,945</u>	<u>8,119,154</u>
Cash and Cash Equivalents, End of Year	<u>\$ 2,299,009</u>	<u>\$ 1,060,094</u>	<u>\$ 158,501</u>	<u>\$ 3,883,291</u>	<u>\$ 7,400,895</u>
<u>Reconciliation of Operating Income (Loss) to Cash Provided by (Used in) Operating Activities</u>					
Operating Income (Loss)	\$ (296,072)	\$ (450,452)	\$ (1,714)	\$ (263,682)	\$ (1,011,920)
Adjustment to Reconcile Operating Income to Cash Flows Provided by (Used in) Operating Activities:					
Depreciation	-	-	-	1,608,559	1,608,559
Decrease (Increase) in Miscellaneous Receivables	(41,272)	(4,848)	-	-	(46,120)
Decrease (Increase) in Inventory	-	-	-	(132,248)	(132,248)
Decrease (Increase) in Net Pension Asset	-	-	-	(39,626)	(39,626)
Decrease (Increase) in Deferred Outflows: Pension	-	-	-	25,549	25,549
Decrease (Increase) in Deferred Outflows: OPEB	-	-	-	(63,373)	(63,373)
Increase (Decrease) in Accounts Payable	(531,340)	2,522	-	40,320	(488,498)
Increase (Decrease) in Accrued Expenses	970	245	-	4,385	5,600
Increase (Decrease) in Claims Payable	25,789	415,962	-	-	441,751
Increase (Decrease) in OPEB	-	-	-	78,056	78,056
Increase (Decrease) in Net Pension Liability	-	-	-	(58,272)	(58,272)
Increase (Decrease) in Other Liabilities	-	-	-	6,981	6,981
Increase (Decrease) in Deferred Inflows: Pension	-	-	-	35,610	35,610
Increase (Decrease) in Deferred Inflows: OPEB	-	-	-	(30,728)	(30,728)
Net Cash Provided by (Used in) Operating Activities	<u>\$ (841,925)</u>	<u>\$ (36,571)</u>	<u>\$ (1,714)</u>	<u>\$ 1,211,531</u>	<u>\$ 331,321</u>
<u>Noncash Investing, Capital, or Financing Transactions:</u>	174				
Contribution of Capital Assets	-	-	-	\$ 194,002	\$ 194,002

COMMUNITY REDEVELOPMENT AGENCY FUNDS

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

**CITY OF LEESBURG, FLORIDA
BALANCE SHEET
COMMUNITY REDEVELOPMENT AGENCY FUNDS
SEPTEMBER 30, 2021**

	Greater Leesburg Community Redevelopment Agency Fund	Carver Heights/ Montclair Area Community Redevelopment Agency Fund	U.S. Highway 441/27 Community Redevelopment Agency Fund	Total Community Redevelopment Agency Funds
Assets				
Pooled Cash and Investments	\$ 154,523	\$ 377,797	\$ 1,799,908	\$ 2,332,228
Restricted Cash	-	-	741,777	741,777
Cash with Fiscal Agent	94,060	-	-	94,060
Prepaid Items	3,300	3,300	3,300	9,900
Total Assets	\$ 251,883	\$ 381,097	\$ 2,544,985	\$ 3,177,965
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$ -	\$ 25,908	\$ 50	\$ 25,958
Deposits	-	1,115	2,000	3,115
Advance from Other Fund	-	963,485	-	963,485
Total Liabilities	-	990,508	2,050	992,558
Fund Balances (Deficit)				
Nonspendable:				
Prepaid Items	3,300	3,300	3,300	9,900
Restricted for:				
Capital Projects	154,523	-	1,797,858	1,952,381
Debt Service	94,060	-	741,777	835,837
Unassigned	-	(612,711)	-	(612,711)
Total Fund Balances (Deficit)	251,883	(609,411)	2,542,935	2,185,407
Total Liabilities and Fund Balances	\$ 251,883	\$ 381,097	\$ 2,544,985	\$ 3,177,965

**CITY OF LEESBURG, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
COMMUNITY REDEVELOPMENT AGENCY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Greater Leesburg Community Redevelopment Agency Fund	Carver Heights/ Montclair Area Community Redevelopment Agency Fund	U.S. Highway 441/27 Community Redevelopment Agency Fund	Total Community Redevelopment Agency Funds
Revenues				
Taxes	\$ 544,798	\$ 410,925	\$ 1,176,392	\$ 2,132,115
Miscellaneous:				
Interest	(285)	1,929	7,206	8,850
Rental	-	1,490	-	1,490
Total Revenues	<u>544,513</u>	<u>414,344</u>	<u>1,183,598</u>	<u>2,142,455</u>
Expenditures				
Current:				
Economic Environment	295,426	112,354	48,857	456,637
Debt Service:				
Principal Payments	83,000	-	210,000	293,000
Interest and Fees	17,328	25,842	289,492	332,662
Capital Outlay:				
Economic environment	-	34,685	-	34,685
Total Expenditures	<u>395,754</u>	<u>172,881</u>	<u>548,349</u>	<u>1,116,984</u>
Excess of Revenues Over Expenditures	<u>148,759</u>	<u>241,463</u>	<u>635,249</u>	<u>1,025,471</u>
Other Financing Sources (Uses)				
Transfers to Other Funds	(100,000)	-	-	(100,000)
Total Other Financing Sources (Uses)	<u>(100,000)</u>	<u>-</u>	<u>-</u>	<u>(100,000)</u>
Net Change in Fund Balances	48,759	241,463	635,249	925,471
Fund Balances (Deficit), Beginning of Year	<u>203,124</u>	<u>(850,874)</u>	<u>1,907,686</u>	<u>1,259,936</u>
Fund Balances (Deficit), End of Year	<u>\$ 251,883</u>	<u>\$ (609,411)</u>	<u>\$ 2,542,935</u>	<u>\$ 2,185,407</u>



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STATISTICAL SECTION ***(Unaudited)***

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

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

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



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**CITY OF LEESBURG, FLORIDA
STATISTICAL SECTION**

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

CONTENTS

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

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

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

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Governmental Activities					
Net Investment in Capital Assets	\$ 45,112,290	\$ 45,611,934	\$ 46,464,509	\$ 20,864,865	\$ 22,304,328
Restricted	3,628,410	3,785,234	3,833,845	6,117,848	7,253,410
Unrestricted	3,884,988	7,729,470	10,327,265	5,133,917	5,457,637
Total Governmental Activities, Net Position	<u>\$ 52,625,688</u>	<u>\$ 57,126,638</u>	<u>\$ 60,625,619</u>	<u>\$ 32,116,630</u>	<u>\$ 35,015,375</u>
Business-Type Activities					
Net Investment in Capital Assets	\$ 120,694,245	\$ 115,138,968	\$ 116,147,661	\$ 148,453,634	\$ 156,110,922
Restricted	5,821,230	9,816,240	14,966,539	425,869	215,183
Unrestricted	36,856,836	44,628,044	40,319,508	50,230,057	52,852,630
Total Business-Type Activities, Net Position	<u>\$ 163,372,311</u>	<u>\$ 169,583,252</u>	<u>\$ 171,433,708</u>	<u>\$ 199,109,560</u>	<u>\$ 209,178,735</u>
Primary Government					
Net Investment in Capital Assets	\$ 165,806,535	\$ 160,750,902	\$ 162,612,170	\$ 169,318,499	\$ 178,415,250
Restricted	9,449,640	13,601,474	18,800,384	6,543,717	7,468,593
Unrestricted	40,741,824	52,357,514	50,646,773	55,363,974	58,310,267
Total Primary Government, Net Position	<u>\$ 215,997,999</u>	<u>\$ 226,709,890</u>	<u>\$ 232,059,327</u>	<u>\$ 231,226,190</u>	<u>\$ 244,194,110</u>

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

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

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Governmental Activities					
Net Investment in Capital Assets	\$ 25,845,388	\$ 36,350,667	\$ 36,350,667	\$ 42,701,384	\$ 49,450,388
Restricted	8,143,253	7,357,874	7,357,874	8,276,202	9,205,162
Unrestricted	5,260,757	(1,264,432)	(1,264,432)	(4,795,530)	(6,084,630)
Total Governmental Activities, Net Position	<u>\$ 39,249,398</u>	<u>\$ 42,444,109</u>	<u>\$ 42,444,109</u>	<u>\$ 46,182,056</u>	<u>\$ 52,570,920</u>
Business-Type Activities					
Net Investment in Capital Assets	\$ 159,475,980	\$ 172,603,318	\$ 172,603,318	\$ 178,502,750	\$ 189,211,255
Restricted	2,663,517	3,166,299	3,166,299	4,592,640	5,859,785
Unrestricted	54,527,844	51,157,231	51,157,231	57,497,822	62,214,094
Total Business-Type Activities, Net Position	<u>\$ 216,667,341</u>	<u>\$ 226,926,848</u>	<u>\$ 226,926,848</u>	<u>\$ 240,593,212</u>	<u>\$ 257,285,134</u>
Primary Government					
Net Investment in Capital Assets	\$ 185,321,368	\$ 208,953,985	\$ 208,953,985	\$ 221,204,134	\$ 238,661,643
Restricted	10,806,770	10,524,173	10,524,173	12,868,842	15,064,947
Unrestricted	59,788,601	49,892,799	49,892,799	52,702,292	56,129,464
Total Primary Government, Net Position	<u>\$ 255,916,739</u>	<u>\$ 269,370,957</u>	<u>\$ 269,370,957</u>	<u>\$ 286,775,268</u>	<u>\$ 309,856,054</u>

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

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

Expenses	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Governmental Activities:					
General Government	\$ 8,225,542	\$ 2,783,141	\$ 4,207,463	\$ 3,699,829	\$ 4,332,531
Public Safety	14,475,082	12,533,637	13,436,493	13,774,093	15,963,879
Physical Environments	144,545	96,957	164,599	145,811	158,565
Transportation	4,110,736	3,452,836	4,026,402	2,447,892	2,494,645
Economic Environment	599,815	617,173	601,599	665,364	704,682
Human Services	520,403	89,462	62,313	56,147	51,380
Culture and Recreation	4,486,471	4,000,195	3,787,423	3,724,975	4,165,256
Interest on Long Term Debt	1,749,214	2,055,215	1,014,659	1,245,289	2,295,754
Total Governmental Activities Expenses	<u>34,311,808</u>	<u>25,628,616</u>	<u>27,300,951</u>	<u>25,759,400</u>	<u>30,166,692</u>
Business-Type Activities:					
Electric Utility	49,405,166	54,765,248	57,032,000	52,304,667	53,842,698
Gas Utility	4,940,220	6,950,627	5,820,355	5,127,380	4,797,668
Water Utility	5,375,968	6,270,374	6,087,119	5,973,909	6,773,513
Wastewater Utility	8,502,626	8,516,232	8,255,645	8,436,457	8,194,810
Stormwater System	1,276,750	988,175	930,551	847,931	911,432
Solid Waste System	2,979,724	3,137,439	3,105,018	2,724,326	2,863,103
Communication Services Utility	1,109,831	1,235,660	1,398,675	1,476,913	1,567,038
Airport	-	-	-	1,997,024	2,368,149
Housing	161,114	-	-	-	-
Total Business-Type Activities Expenses	<u>73,751,399</u>	<u>81,863,755</u>	<u>82,629,363</u>	<u>78,888,607</u>	<u>81,318,411</u>
Total Primary Government Expenses	<u>\$ 108,063,207</u>	<u>\$ 107,492,371</u>	<u>\$ 109,930,314</u>	<u>\$ 104,648,007</u>	<u>\$ 111,485,103</u>
Program Revenues					
Governmental Activities:					
Charges for Services:					
General Government	\$ 3,422,553	\$ 374,052	\$ 403,638	\$ 710,031	\$ 742,308
Public Safety	470,043	552,253	808,461	937,188	2,487,371
Physical Environment	23,379	-	34,240	124,885	165,014
Transportation	1,091,481	1,033,409	1,378,294	467,402	-
Economic Environment	-	-	-	-	-
Human Services	-	-	-	-	-
Culture and Recreation	480,587	519,757	550,146	593,150	598,701
Operating Grants and Contributions	705,802	764,401	369,821	449,269	201,225
Capital Grants and Contributions	956,929	1,786,112	2,168,876	425,396	559,279
Total Governmental Activities Program Revenues	<u>7,150,774</u>	<u>5,029,984</u>	<u>5,713,476</u>	<u>3,707,321</u>	<u>4,753,898</u>
Business-Type Activities:					
Charges for Services	86,870,566	93,582,078	92,013,588	91,894,164	92,563,401
Operating Grants and Contributions	48,396	111,360	3,605	-	-
Capital Grants and Contributions	3,635,520	2,743,174	2,742,221	1,069,990	2,046,797
Total Business-Type Activities Program Revenues	<u>90,554,482</u>	<u>96,436,612</u>	<u>94,759,414</u>	<u>92,964,154</u>	<u>94,610,198</u>
Total Primary Government Program Revenue	<u>\$ 97,705,256</u>	<u>\$ 101,466,596</u>	<u>\$ 100,472,890</u>	<u>\$ 96,671,475</u>	<u>\$ 99,364,096</u>
Net (Expense)/Revenue					
Governmental Activities	\$ (27,161,034)	\$ (20,598,632)	\$ (21,587,475)	\$ (22,052,079)	\$ (25,412,794)
Business-Type Activities	16,803,083	14,572,857	12,130,051	14,075,547	13,291,787
Total Primary Government Net Expense	<u>\$ (10,357,951)</u>	<u>\$ (6,025,775)</u>	<u>\$ (9,457,424)</u>	<u>\$ (7,976,532)</u>	<u>\$ (12,121,007)</u>

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

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

CITY OF LEESBURG, FLORIDA
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Expenses	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Governmental Activities:					
General Government	\$ 4,308,723	\$ 4,316,993	\$ 4,316,993	\$ 3,478,302	\$ 4,490,077
Public Safety	15,218,300	16,221,272	16,221,272	16,285,754	16,539,897
Physical Environment	197,267	84,061	84,061	101,602	115,573
Transportation	2,300,390	2,085,647	2,085,647	2,072,205	2,081,078
Economic Environment	868,608	1,040,933	1,040,933	1,124,000	1,004,925
Human Services	92,742	296,365	296,365	303,807	1,516,843
Culture and Recreation	3,962,261	3,862,143	3,862,143	4,042,393	4,442,884
Interest on Long Term Debt	1,146,553	1,146,628	1,146,628	1,096,516	1,037,826
Total Governmental Activities Expenses	<u>28,094,844</u>	<u>29,054,042</u>	<u>29,054,042</u>	<u>28,504,579</u>	<u>31,229,103</u>
Business-Type Activities:					
Electric Utility	55,636,953	55,241,760	55,241,760	52,373,341	54,580,706
Gas Utility	4,888,424	5,908,980	5,908,980	5,152,566	5,219,717
Water Utility	6,536,301	7,008,398	7,008,398	6,662,035	6,869,537
Wastewater Utility	8,147,865	8,265,558	8,265,558	9,107,135	9,268,867
Stormwater System	976,741	2,165,042	2,165,042	1,018,538	1,265,382
Solid Waste System	3,402,964	3,406,525	3,406,525	3,625,574	3,509,731
Communication Services Utility	1,676,759	-	-	-	-
Airport	1,985,875	2,269,693	2,269,693	2,171,954	2,475,256
Housing	-	-	-	-	-
Total Business-Type Activities Expenses	<u>83,251,882</u>	<u>84,265,956</u>	<u>84,265,956</u>	<u>80,111,143</u>	<u>83,189,196</u>
Total Primary Government Expenses	<u>\$ 111,346,726</u>	<u>\$ 113,319,998</u>	<u>\$ 113,319,998</u>	<u>\$ 108,615,722</u>	<u>\$ 114,418,299</u>
Program Revenues					
Governmental Activities:					
Charges for Services:					
General Government	\$ 594,609	\$ 817,395	\$ 817,395	\$ 768,233	\$ 923,004
Public Safety	2,624,676	2,554,584	2,554,584	2,453,732	2,833,302
Physical Environment	118,279	97,989	97,989	86,830	70,773
Transportation	287,807	304,753	304,753	316,358	328,220
Economic Environment	-	4,625	4,625	1,830	1,490
Human Services	-	-	-	-	-
Culture and Recreation	660,316	680,499	680,499	714,550	870,453
Operating Grants and Contributions	165,986	315,203	315,203	628,643	2,188,543
Capital Grants and Contributions	1,189,437	352,436	352,436	1,397,720	3,147,481
Total Governmental Activities Program Revenues	<u>5,641,110</u>	<u>5,127,484</u>	<u>5,127,484</u>	<u>6,367,896</u>	<u>10,363,266</u>
Business-Type Activities:					
Charges for Services	97,691,509	97,806,450	97,806,450	94,418,697	98,165,306
Operating Grants and Contributions	45,474	565,210	565,210	430,733	330,949
Capital Grants and Contributions	3,021,413	2,391,074	2,391,074	5,132,748	9,873,262
Total Business-Type Activities Program Revenues	<u>100,758,396</u>	<u>100,762,734</u>	<u>100,762,734</u>	<u>99,982,178</u>	<u>108,369,517</u>
Total Primary Government Program Revenue	<u>\$ 106,399,506</u>	<u>\$ 105,890,218</u>	<u>\$ 105,890,218</u>	<u>\$ 106,350,074</u>	<u>\$ 118,732,783</u>
Net (Expense)/Revenue					
Governmental Activities	\$ (22,453,734)	\$ (23,926,558)	\$ (23,926,558)	\$ (22,136,683)	\$ (20,865,837)
Business-Type Activities	17,506,514	16,496,778	16,496,778	19,871,035	25,180,321
Total Primary Government Net Expense	<u>\$ (4,947,220)</u>	<u>\$ (7,429,780)</u>	<u>\$ (7,429,780)</u>	<u>\$ (2,265,648)</u>	<u>\$ 4,314,484</u>

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

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

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	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
General Revenues and Other Changes in Net Position					
Governmental Activities:					
Property Taxes	\$ 4,858,023	\$ 4,684,694	\$ 4,685,546	\$ 4,712,444	\$ 4,977,437
Other Taxes	6,857,316	6,857,316	6,857,316	7,339,909	7,561,374
Intergovernmental Revenues, Unrestricted	2,040,040	2,040,040	2,040,040	2,375,390	2,468,220
Investment Income	290,742	91,653	105,996	246,563	552,507
Miscellaneous	56,819	217,330	179,925	111,601	95,650
Transfers	6,956,641	11,072,770	10,864,327	(15,323,267)	12,656,351
Total Governmental Activities	<u>21,059,581</u>	<u>24,963,803</u>	<u>24,733,150</u>	<u>(537,360)</u>	<u>28,311,539</u>
Business-Type Activities:					
Investment Income	214,620	1,030,643	566,516	785,893	1,671,744
Miscellaneous	2,109,318	11,954	18,216	131,805	34,595
Special Item	-	-	-	-	-
Extraordinary Gain	-	-	-	-	7,727,400
Transfers	(6,956,641)	(11,072,770)	(10,864,327)	15,323,267	(12,656,351)
Total Business-Type Activities	<u>(4,632,703)</u>	<u>(10,030,173)</u>	<u>(10,279,595)</u>	<u>16,240,965</u>	<u>(3,222,612)</u>
Total Primary Government	<u>\$ 16,426,878</u>	<u>\$ 14,933,630</u>	<u>\$ 14,453,555</u>	<u>\$ 15,703,605</u>	<u>\$ 25,088,927</u>
Changes in Net Position					
Governmental Activities	\$ (6,101,453)	\$ 4,500,950	\$ 3,498,981	\$ (22,589,439)	\$ 2,898,745
Business-Type Activities	12,170,380	4,542,684	1,850,456	30,316,512	10,069,175
Total Government	<u>\$ 6,068,927</u>	<u>\$ 9,043,634</u>	<u>\$ 5,349,437</u>	<u>\$ 7,727,073</u>	<u>\$ 12,967,920</u>

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

CITY OF LEESBURG, FLORIDA
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	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
General Revenues and Other Changes in Net Position					
Governmental Activities:					
Property Taxes	\$ 5,204,939	\$ 6,228,596	\$ 6,228,596	\$ 5,934,099	\$ 6,312,854
Other Taxes	7,633,585	7,594,686	7,594,686	7,538,413	7,871,658
Intergovernmental Revenues, Unrestricted	2,587,802	2,760,235	2,760,235	2,731,028	3,149,499
Investment Income	266,051	1,135,647	1,135,647	697,381	37,776
Miscellaneous	230,746	319,468	319,468	227,220	1,109,219
Transfers	10,764,634	8,442,590	8,442,590	8,746,489	8,773,695
Total Governmental Activities	<u>26,687,757</u>	<u>26,481,222</u>	<u>26,481,222</u>	<u>25,874,630</u>	<u>27,254,701</u>
Business-Type activities:					
Investment Income	562,575	2,102,062	2,102,062	1,676,009	110,087
Miscellaneous	184,151	4,027,281	4,027,281	865,809	175,209
Special Item	-	-	-	-	-
Extraordinary Gain	-	-	-	-	-
Transfers	(10,764,634)	(8,442,590)	(8,442,590)	(8,746,489)	(8,773,695)
Total Business-Type Activities	<u>(10,017,908)</u>	<u>(2,313,247)</u>	<u>(2,313,247)</u>	<u>(6,204,671)</u>	<u>(8,488,399)</u>
Total Primary Government General Revenues	<u>\$ 16,669,849</u>	<u>\$ 24,167,975</u>	<u>\$ 24,167,975</u>	<u>\$ 19,669,959</u>	<u>\$ 18,766,302</u>
Changes in Net Position					
Governmental Activities	\$ 4,234,023	\$ 2,554,664	\$ 2,554,664	\$ 3,737,947	\$ 6,388,864
Business-Type Activities	7,488,606	14,183,531	14,183,531	13,666,364	16,691,922
Total Government	<u>\$ 11,722,629</u>	<u>\$ 16,738,195</u>	<u>\$ 16,738,195</u>	<u>\$ 17,404,311</u>	<u>\$ 23,080,786</u>

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

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

CITY OF LEESBURG, FLORIDA
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
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	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
General Fund					
Nonspendable	\$ 633,615	\$ 121,153	\$ 50,075	\$ 35,361	\$ 77,154
Restricted	659,224	963,818	1,017,596	1,332,191	1,474,147
Committed	4,563	4,033	2,919	3,285	4,138
Assigned	1,000,000	437,312	235,269	322,141	1,263,580
Unassigned	7,239,114	8,592,849	10,689,238	12,684,625	9,928,466
Total General Fund	<u>\$ 9,536,516</u>	<u>\$ 10,119,165</u>	<u>\$ 11,995,097</u>	<u>\$ 14,377,603</u>	<u>\$ 12,747,485</u>
All Other Governmental Funds					
Nonspendable	\$ 478	\$ 63	\$ -	\$ -	\$ -
Restricted	11,815,626	10,915,723	9,082,457	10,336,400	10,557,678
Committed	-	-	-	-	-
Assigned	1,071,842	898,723	1,348,285	-	6,623,792
Unassigned	(197,714)	(369,538)	(151,106)	(38,449)	(10,211)
Total All Other Governmental Funds	<u>\$ 12,690,232</u>	<u>\$ 11,444,971</u>	<u>\$ 10,279,636</u>	<u>\$ 10,297,951</u>	<u>\$ 17,171,259</u>

Notes: This information is provided as part of the Financial Trend Data.
Beginning in 2015, Airport is no longer classified as a governmental fund.

CITY OF LEESBURG, FLORIDA
FUND BALANCES OF GOVERNMENTAL FUNDS
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	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
General Fund					
Nonspendable	\$ 108,198	\$ 699,163	\$ 699,163	\$ 795,314	\$ 797,695
Restricted	1,485,054	182,232	182,232	182,182	176,174
Committed	5,289	3,288	3,288	69,480	38,624
Assigned	1,253,310	-	-	-	2,356,415
Unassigned	10,969,154	13,409,580	13,409,580	10,935,760	10,948,260
Total General Fund	<u>\$ 13,821,005</u>	<u>\$ 14,294,263</u>	<u>\$ 14,294,263</u>	<u>\$ 11,982,736</u>	<u>\$ 14,317,168</u>
All Other Governmental Funds					
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ 9,900
Restricted	6,886,746	7,175,642	7,175,642	8,094,020	9,028,988
Committed	-	-	-	-	-
Assigned	6,921,025	-	7,731,691	8,380,295	2,279,442
Unassigned	-	(820,318)	(820,318)	(850,874)	(612,711)
Total All Other Governmental Funds	<u>\$ 13,807,771</u>	<u>\$ 6,355,324</u>	<u>\$ 14,087,015</u>	<u>\$ 15,623,441</u>	<u>\$ 10,705,619</u>

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CITY OF LEESBURG, FLORIDA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
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	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Revenues					
Taxes	\$ 11,715,341	\$ 11,906,834	\$ 12,002,708	\$ 12,362,071	\$ 12,538,811
Licenses, Permits, and Assessments	458,798	494,057	815,905	1,006,590	2,620,855
Intergovernmental	3,506,336	4,042,615	4,354,607	2,743,845	2,635,483
Charges for Services	541,758	588,212	896,780	1,023,985	553,600
Fines and Forfeitures	159,137	186,038	165,356	156,640	134,622
Impact Fees	-	-	68,685	106,719	159,680
Interest	50,943	193,761	25,755	173,320	394,035
Miscellaneous	4,604,621	4,604,621	4,604,621	776,766	740,160
Total Revenues	<u>21,036,934</u>	<u>22,016,138</u>	<u>22,934,417</u>	<u>18,349,936</u>	<u>19,777,246</u>
Expenditures					
General Government	2,730,096	1,999,318	3,257,326	3,242,396	3,601,492
Public Safety	14,472,095	14,295,487	13,823,843	12,837,293	13,052,692
Physical Environment	60,774	61,867	77,191	69,833	92,080
Transportation	1,797,161	1,705,097	1,954,674	1,380,217	1,466,803
Economic Environment	516,751	534,375	563,007	572,566	541,578
Human Services	520,403	89,462	62,313	56,147	51,380
Culture and Recreation	3,813,858	3,711,224	2,346,340	2,906,347	3,022,899
Capital Outlay	3,342,072	3,391,687	4,169,896	3,105,201	1,570,631
Debt Service:					
Principal Payments	802,334	1,782,127	1,964,296	1,972,996	2,297,062
Interest and Fees	1,749,214	2,007,786	1,619,394	1,197,860	1,515,971
Total Expenditures	<u>29,804,758</u>	<u>29,578,430</u>	<u>29,838,280</u>	<u>27,340,856</u>	<u>27,212,588</u>
Excess of Revenues Over (Under) Expenditures	<u>(8,767,824)</u>	<u>(7,562,292)</u>	<u>(6,903,863)</u>	<u>(8,990,920)</u>	<u>(7,435,342)</u>
Other Financing Sources (Uses)					
Sale of Capital Assets	68,233	11,750	13,781	3,141	25,808
Insurance Proceeds from Losses	-	-	-	-	-
Transfers In	11,617,850	13,759,425	13,650,373	13,974,025	19,862,843
Transfers Out	(3,706,887)	(4,103,870)	(2,895,496)	(3,585,425)	(7,210,119)
Issuance of Debt	-	16,028,219	-	1,000,000	-
Payment to Escrow Agent	-	(15,693,431)	-	-	-
Total Other Financing Sources (Uses)	<u>7,979,196</u>	<u>10,002,093</u>	<u>10,768,658</u>	<u>11,391,741</u>	<u>12,678,532</u>
Net Change In Fund Balances	<u>\$ (788,628)</u>	<u>\$ 2,439,801</u>	<u>\$ 3,864,795</u>	<u>\$ 2,400,821</u>	<u>\$ 5,243,190</u>
Debt Service Expenditures as a Percentage of Noncapital Expenditures	9.6%	14.4%	14.0%	13.1%	14.9%

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

CITY OF LEESBURG, FLORIDA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
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	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Revenues:					
Taxes	\$ 12,838,524	\$ 13,838,251	\$ 13,838,251	\$ 14,351,608	\$ 15,457,190
Licenses, Permits, and Assessments	2,771,289	2,702,964	2,702,964	2,663,269	2,967,912
Intergovernmental	3,692,475	3,131,748	3,131,748	3,347,440	6,428,997
Charges for Services	682,962	840,324	840,324	891,513	1,232,216
Fines and Forfeitures	187,801	200,030	200,030	151,779	224,045
Impact Fees	189,152	175,634	175,634	325,067	496,113
Interest	210,854	919,438	919,438	566,791	36,908
Miscellaneous	736,683	827,471	827,471	845,447	920,191
Total Revenues	<u>21,309,740</u>	<u>22,635,860</u>	<u>22,635,860</u>	<u>23,142,914</u>	<u>27,763,572</u>
Expenditures:					
General Government	3,515,915	3,869,799	3,869,799	3,678,770	4,089,807
Public Safety	14,052,120	15,900,236	15,900,236	16,193,013	17,355,113
Physical Environment	102,643	81,508	81,508	99,049	113,423
Transportation	1,251,321	1,269,450	1,269,450	1,292,655	1,335,163
Economic Environment	534,142	767,122	767,122	847,079	766,630
Human Services	92,742	296,365	296,365	303,807	1,516,843
Culture and Recreation	3,113,041	3,361,892	3,361,892	3,380,029	3,774,945
Capital Outlay	4,551,586	9,731,723	9,731,723	5,216,221	9,667,408
Debt Service:					
Principal Payments	1,907,204	1,100,533	1,100,533	1,234,648	1,282,464
Interest and Fees	1,367,060	1,016,705	1,016,705	1,010,067	956,288
Total Expenditures	<u>30,487,774</u>	<u>37,395,333</u>	<u>37,395,333</u>	<u>33,255,338</u>	<u>40,858,084</u>
Excess Of Revenue Over (Under) Expenditures	<u>(9,178,034)</u>	<u>(14,759,473)</u>	<u>(14,759,473)</u>	<u>(10,112,424)</u>	<u>(13,094,512)</u>
Other Financing Sources (Uses):					
Sale of Capital Assets	3,808	16,424	16,424	42,923	208,635
Insurance Proceeds from Losses	-	-	-	-	800,482
Transfers In	15,155,227	13,999,732	13,999,732	18,589,505	13,264,254
Transfers Out	(4,408,932)	(5,565,699)	(5,565,699)	(9,950,841)	(4,684,561)
Issuance of Debt	11,563,000	-	-	-	-
Payment to Escrow Agent	(15,425,037)	-	-	-	-
Total Other Financing Sources (Uses)	<u>6,888,066</u>	<u>8,450,457</u>	<u>8,450,457</u>	<u>8,681,587</u>	<u>9,588,810</u>
Net Change In Fund Balances	<u>\$ (2,289,968)</u>	<u>\$ (6,309,016)</u>	<u>\$ (6,309,016)</u>	<u>\$ (1,430,837)</u>	<u>\$ (3,505,702)</u>
Debt Service Expenditures as a Percentage of Noncapital Expenditures	12.6%	7.7%	7.7%	8.0%	7.2%

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

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

Fiscal Year ¹	Real Property	Personal Property	Less: Tax-Exempt Property		Taxable Value for Operating Millages	Total Direct Tax Rate ²
			Real Property	Personal Property		
2012	\$ 1,345,917,698	\$ 284,962,752	\$ 355,981,439	\$ 108,052,050	\$ 1,166,846,961	4.3179
2013	1,292,100,846	289,671,068	355,770,105	108,475,254	\$ 1,117,526,555	4.3179
2014	1,290,485,803	283,156,954	358,695,894	99,001,842	\$ 1,115,945,021	4.3179
2015	1,312,948,029	280,285,609	365,395,977	105,531,482	\$ 1,122,306,179	4.3179
2016	1,361,579,903	289,307,979	391,733,605	121,489,389	\$ 1,137,664,888	4.2678
2017	1,361,579,903	278,678,832	391,733,605	121,489,389	\$ 1,127,035,741	4.2678
2018	1,523,633,410	284,531,327	444,745,793	117,834,707	\$ 1,245,584,237	4.2678
2019	1,584,053,657	279,400,419	415,085,347	119,619,590	\$ 1,328,749,139	4.2678
2020	1,732,580,044	300,798,467	466,519,278	130,199,387	\$ 1,436,659,846	4.2678
2021	1,909,085,464	310,079,836	496,935,842	130,687,788	\$ 1,591,541,670	4.1086

Notes: ¹Information is reported based on the fiscal year in which associated tax revenue is recognized - e.g. the 2020 tax roll data is reported here for Fiscal Year 2021, as that is the period of collection and revenue recognition.

²Tax rates are per \$1,000 of assessed value.

Source: Lake County Property Appraiser

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

Fiscal Year	Total Direct	Overlapping Governments						Total
	City	School District	Lake County	Ambulance District	Northwest Hospital District	Lake County Water Authority	Water Management District	
2012	4.3179	7.3940	4.8410	0.3853	1.0000	0.2405	0.3313	18.5100
2013	4.3179	7.3200	4.9209	0.3853	1.0000	0.2554	0.3313	18.5308
2014	4.3179	7.1700	4.9209	0.3853	1.0000	0.2554	0.3283	18.3778
2015	4.3179	7.2460	5.5456	0.4629	1.0000	0.2554	0.3164	19.1442
2016	4.2678	7.1970	5.4651	0.4629	1.0000	0.2554	0.3023	18.9505
2017	4.2678	6.8750	5.2704	0.4629	1.0000	0.2554	0.2885	18.4200
2018	4.2678	6.6030	5.2704	0.4629	1.0000	0.2554	0.2724	18.1319
2019	4.2678	6.3550	5.2504	0.4629	0.9800	0.4900	0.2562	18.0623
2020	4.2678	6.8830	5.1800	0.4629	0.9500	0.3557	0.2414	18.3408
2021	4.1086	6.6990	5.1427	0.4629	0.8950	0.3368	0.2287	17.8737

Notes: The Florida Constitution limits the City and County millage capacity (non-debt related) to 10.000 mills.
Information is reported based on the fiscal year in which associated tax revenue is recognized - e.g. the 2020 tax roll data is reported here for Fiscal Year 2021, as that is the period of collection and revenue recognition.

Source: Lake County Property Appraiser

**CITY OF LEESBURG, FLORIDA
PRINCIPAL PROPERTY TAXPAYERS
FOR THE CURRENT CALENDAR YEAR AND NINE YEARS AGO**

Taxpayer	2021			2012		
	2020 Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	2011 Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
CCRC - Lake Port Square, LLC	\$ 20,986,152	1	1.32%	\$ 18,925,632	3	1.62%
Cutrale Citrus Juices, U.S.A., Inc.	17,206,722	2	1.08%	32,964,422	1	2.83%
Minute Maid Company	13,637,302	3	0.86%	12,145,967	5	1.04%
Village Lake Promenade LLC	13,107,843	4	0.82%	-	-	-
DRJ Land Company LLC	12,533,555	5	0.79%	-	-	-
Coreslab Structures (Orlando) Inc.	10,720,082	6	0.67%	25,398,505	2	2.18%
Embarq-Florida, Inc (fka Sprint Florida)	9,837,773	7	0.62%	7,178,541	9	0.62%
City of Leesburg	8,975,132	8	0.56%	-	-	-
Duke Energy Florida LLC	8,811,536	9	0.55%	-	-	-
Lake Village Station LLC	8,096,956	10	0.51%	-	-	-
SDG Macerich Properties	-	-	-	16,087,705	4	1.38%
Redus Arlington Ridge, FL, LLC	-	-	-	9,250,404	6	0.79%
Lowe's Home Centers, Inc.	-	-	-	7,918,831	7	0.68%
Leware Const Co of Florida, Inc	-	-	-	7,373,421	8	0.63%
Shoppes of Lake Village, LTD	-	-	-	6,754,603	10	0.58%
Subtotal	<u>123,913,053</u>		<u>7.79%</u>	<u>143,998,031</u>		<u>12.34%</u>
All Others	<u>1,467,628,617</u>		<u>92.21%</u>	<u>1,022,848,930</u>		<u>87.66%</u>
Total	<u>\$ 1,591,541,670</u>		<u>100.00%</u>	<u>\$ 1,166,846,961</u>		<u>100.00%</u>

Notes: Taxable Assessed Values (Section 193.011, Florida Statutes) are as of January 1, 2011 and 2020, and represent total property values including real property, personal property and centrally assessed property.

Blank information in Taxable Assessed Value does not mean the business no longer exists.

Source: Lake County Property Appraiser

**CITY OF LEESBURG, FLORIDA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

Fiscal Year ²	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy ¹		Collections for Previous Years of Levy	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2012	\$ 5,038,328	\$ 4,846,506	96.19%	\$ 11,517	\$ 4,858,023	96.42%
2013	4,825,368	4,651,799	96.40%	32,894	4,684,693	97.08%
2014	4,818,539	4,658,873	96.69%	26,673	4,685,546	97.24%
2015	4,846,006	4,695,831	96.90%	16,614	4,712,445	97.24%
2016	4,855,326	4,698,261	96.77%	8,789	4,707,050	96.95%
2017	5,011,728	4,847,411	96.72%	19,179	4,866,590	97.10%
2018	5,315,904	5,142,754	96.74%	5,696	5,148,450	96.85%
2019	5,670,836	5,487,015	96.76%	6,731	5,493,746	96.88%
2020	6,131,377	5,932,210	96.75%	1,889	5,934,099	96.78%
2021	6,539,008	6,310,711	96.51%	2,143	6,312,854	96.54%

Notes: ¹Amounts collected within the fiscal year of the levy are inclusive of legally available early payment discounts (ranging from 4% to 1%).

²Information is reported based on the fiscal year in which associated tax revenue is recognized - e.g. the 2020 tax roll data is reported here for Fiscal Year 2021, as that is the period of collection and revenue recognition.

Source: Lake County Property Appraiser

**CITY OF LEESBURG, FLORIDA
GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(UNAUDITED ACCRUAL BASIS OF ACCOUNTING)**

Fiscal Year	Property Tax	Local Option Gas Tax	Sales Tax	Franchise Fees	Utility Service Tax	Communications Services Tax	Total
2012	\$ 4,858,023	\$ 614,906	\$ 1,647,465	\$ 133,135	\$ 3,102,871	\$ 1,107,841	\$ 11,464,241
2013	4,858,023	594,535	1,629,454	133,135	3,102,871	1,155,595	11,473,613
2014	4,858,023	603,878	1,740,150	133,135	3,102,871	1,058,798	11,496,855
2015	4,712,444	625,941	1,891,707	243,760	3,404,080	1,014,467	11,892,399
2016	4,712,444	500,950	1,982,521	243,760	3,404,080	1,037,210	11,880,965
2017	4,712,444	438,089	2,070,288	243,760	3,404,080	1,089,220	11,957,881
2018	5,148,450	399,305	2,076,793	322,793	3,656,281	1,076,822	12,680,444
2019	5,493,746	390,498	2,123,574	377,751	3,816,666	855,154	13,057,389
2020	5,934,099	359,067	2,155,466	398,142	3,807,987	833,150	13,487,911
2021	6,312,854	364,702	2,617,066	426,220	3,807,204	859,035	14,387,081

**CITY OF LEESBURG, FLORIDA
GREATER LEESBURG COMMUNITY REDEVELOPMENT AGENCY
HISTORICAL REVENUES**

Fiscal Year	Taxable Values	HISTORICAL REVENUES				Total Revenues
		Lake County	City of Leesburg	Ambulance	Lake County Water Authority	
2012	\$ 124,993,979	\$ 171,163	\$ 156,846	\$ 13,940	\$ 8,736	\$ 350,685
2013	121,370,315	154,878	141,982	12,614	8,398	317,872
2014	121,719,997	156,736	143,416	12,765	8,483	321,400
2015	122,062,401	179,978	144,821	15,469	8,566	348,834
2016	117,626,545	154,793	125,156	13,507	7,490	300,946
2017	118,624,754	154,175	129,203	13,945	7,732	305,055
2018	123,528,506	179,578	150,463	16,242	9,004	355,287
2019	131,096,543	214,755	179,769	19,423	20,640	434,587
2020	144,522,802	214,079	180,714	19,533	15,062	429,388
2021	146,340,983	275,391	225,585	25,330	18,492	544,798

Note: The City of Leesburg created the Greater Leesburg Community Redevelopment Agency (GLCRA) on May 28, 1996 (Resolution 4994) pursuant to Section 163.512, Florida Statutes. The GLCRA is part of the City's Comprehensive Plan to enhance the downtown district and surrounding areas. The base year was established in 1996 with an assessed taxable value of \$86,757,505. The GLCRA generates a majority of its annual income from tax increment revenues and will expire in 2026.

Source: Lake County Property Appraiser

**CITY OF LEESBURG, FLORIDA
 CARVER HEIGHTS/MONTCLAIR AREA COMMUNITY REDEVELOPMENT AGENCY
 HISTORICAL REVENUES**

Fiscal Year	Taxable Values	HISTORICAL REVENUES					Total Revenues
		Lake County	City of Leesburg	Ambulance	Lake County Water Authority		
2012	\$ 77,113,815	\$ 84,826	\$ 78,486	\$ 6,908	\$ 4,372	\$ 174,592	
2013	74,700,591	74,107	68,587	6,035	4,057	152,786	
2014	76,430,497	81,935	75,683	6,673	4,477	168,768	
2015	76,432,394	93,216	75,691	8,012	4,477	181,396	
2016	74,770,987	83,259	68,077	7,265	4,074	162,675	
2017	82,264,234	99,181	83,759	8,970	5,012	196,922	
2018	85,869,492	116,918	98,377	10,575	5,887	231,757	
2019	89,246,275	133,174	112,067	12,045	12,867	270,153	
2020	105,251,563	159,856	135,438	14,585	11,288	321,167	
2021	115,623,566	207,516	170,358	19,086	13,965	410,925	

Note: The City of Leesburg created the Carver Heights/Montclair Area Community Redevelopment Agency (CHCRA) on December 10, 2001 (Ordinance 01-61) pursuant to Section 163.512, Florida Statutes. The CHCRA was created to identify and address blighted conditions within its boundaries and to enable the City to establish a mechanism to finance redevelopment projects through Tax Increment Financing (TIF). The base year was established in 2001 with an assessed value of \$57,980,259. The CHCRA generates a majority of its annual income from tax increment revenues.

On July 13, 2015 (Ordinance 16-26), the City amended the plan for the CHCRA, expanded the boundaries and extended the timeframe to add thirty (30) years from the time of amendment. The agency will expire in 2046.

Source: Lake County Property Appraiser

**CITY OF LEESBURG, FLORIDA
U.S. HIGHWAY 441 & 27 COMMUNITY REDEVELOPMENT AGENCY
HISTORICAL REVENUES**

Fiscal Year	Taxable Values	HISTORICAL REVENUES				Total Revenues
		Lake County	City of Leesburg	Ambulance	Lake County Water Authority	
2012	\$ 348,560,375	\$ -	\$ -	\$ -	\$ -	\$ -
2013	331,802,542	-	-	-	-	-
2014	325,800,698	-	-	-	-	-
2015	326,674,034	-	-	-	-	-
2016	333,357,278	-	-	-	-	-
2017	343,475,725	42,991	41,024	3,888	2,455	90,358
2018	369,121,082	167,907	145,189	15,187	8,689	336,972
2019	390,366,522	270,906	231,139	24,502	26,538	553,085
2020	458,745,008	382,501	327,452	34,900	27,292	772,145
2021	478,361,989	592,377	489,410	54,486	40,119	1,176,392

Note: The City of Leesburg created the U.S. Highway 441 & 27 Community Redevelopment Agency (Agency) on February 13, 2006 (Ordinance 06-13) pursuant to Section 163.512, Florida Statutes. The Agency determined the existence of blighted areas and is part of the City's plan to improve conditions within the corridor areas. The base year was established in 2006 with an assessed taxable value of \$352,255,087. In FY 2016, the Agency was rebased with an assessed taxable value of \$333,357,278. The Agency generates a majority of its annual income from tax increment revenues which expires in 2046.

In FY 2012, taxable values dropped below the base year values resulting in zero tax revenue for the CRA.

On December 7, 2015, Ordinance 15-49 amended the base year for computation of tax increment revenues specifying the use of the tax roll adopted by the Property Appraiser of Lake County, Florida for tax year 2015.

Source: Lake County Property Appraiser

CITY OF LEESBURG, FLORIDA
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities			Business-Type Activities		Total Primary Government	% of Personal Income ¹	Per Capita ²
	Capital Improvement Bonds	Notes Payable	Capital Leases	Utility System Revenue Bonds	Notes Payable			
2012	\$ 29,575,000	\$ 11,145,788	\$ 199,297	\$ 79,968,888	\$ 12,705,971	\$ 133,594,944	20.16%	\$ 32,697
2013	29,575,000	9,905,310	162,648	79,968,888	17,635,000	137,246,846	19.96%	33,398
2014	29,120,000	8,624,202	124,460	79,968,888	32,038,000	149,875,550	18.51%	34,445
2015	28,500,000	8,310,998	84,668	62,871,451	30,991,000	130,758,117	17.45%	34,782
2016	28,500,000	8,310,998	84,668	72,494,584	30,991,000	140,381,250	15.34%	36,327
2017	28,500,000	8,310,998	84,668	70,707,186	30,991,000	138,593,852	14.06%	37,480
2018	12,780,000	16,597,400	209,243	68,474,788	13,121,000	111,182,431	11.77%	40,541
2019	12,235,000	16,158,400	873,393	66,152,389	12,088,000	107,507,182	10.55%	42,190
2020	11,670,000	15,587,400	774,745	63,764,992	26,119,000	117,916,137	12.46%	43,425
2021	11,090,000	14,989,400	694,986	61,292,596	39,914,916	127,981,898	11.10%	46,563

Notes: Details regarding the City's outstanding debt can be found in Note 8 of the Financial Statements.

¹See Demographic and Economic Statistics for personal income and population data.

²US Department of Commerce, Bureau of Economic Analysis (<http://bea.gov>) for Lake County. The actual per capita personal income for the City is not known. The County's per capita figures are multiplied by the City's population to determine the total personal income for the City.

**CITY OF LEESBURG, FLORIDA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
SEPTEMBER 30, 2021**

<u>Taxing District</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Direct Debt – City of Leesburg			\$ 26,774,386
<u>Overlapping Debt</u>			
Lake County Board of County Commissioners	\$ 11,835,000	6.50%	768,831
School District	-	6.50%	-
Subtotal – Overlapping Debt			<u>768,831</u>
Total Direct and Overlapping Debt			<u>\$ 27,543,217</u>

Notes: The City has no general obligation debt. Utility revenue bonds are excluded.

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Leesburg. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

Sources: Lake County Board of County Commissioners
Lake County School District
Assessed value data used to estimate applicable percentage provided by the Lake County Property Appraiser.



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**CITY OF LEESBURG, FLORIDA
LEGAL DEBT MARGIN INFORMATION**

The City of Leesburg has no general obligation debt outstanding as of September 30, 2021.

There is no legal debt margin established for the City of Leesburg pursuant to Florida Statutes,
City ordinance or other laws applicable to the City of Leesburg.

**CITY OF LEESBURG, FLORIDA
 PLEDGED REVENUE COVERAGE
 CAPITAL IMPROVEMENT REVENUE BONDS/NOTES
 SERIES 2004, 2009, & 2013
 LAST TEN FISCAL YEARS**

	<u>2012</u>		<u>2013</u>		<u>2014</u>		<u>2015</u>
Half-Cent Sales Tax ¹	\$ 913,146		\$ 993,946		\$ 1,069,082		\$ 1,162,792
Guaranteed Entitlement ²	<u>309,234</u>		<u>309,234</u>		<u>309,234</u>		<u>309,234</u>
Net Revenues Available	1,222,380		1,303,180		1,378,316		1,472,026
Debt Service on Refunding Promissory Note, Series 2009 ⁵	<u>478,474</u>		<u>478,778</u>		<u>478,608</u>		<u>477,966</u>
Combined Refunded & Refunding Debt Service	478,474		478,778		478,608		478,608
Debt Service Coverage on Series 1999 Bonds & 2009 Note	2.55	X	2.72	X	2.88	X	3.08
2009 Senior Lien Note Required							
Minimum Coverage	1.30	X ³	1.30	X ³	1.30	X ³	1.30
Net Revenues Available After Debt Service on 1999 Bonds & 2009 Note	743,906		824,402		899,708		994,060
Plus Public Service Tax ⁴	<u>3,102,871</u>		<u>3,195,794</u>		<u>3,255,533</u>		<u>3,404,080</u>
Net Revenues Available	3,846,777		4,020,196		4,155,241		4,398,140
Debt Service on Series 2004 Bonds ⁶	1,106,460		746,685		-		-
Debt Service on Series 2013 Bonds ⁷	-		-		986,090		1,016,563
Debt Service Coverage on Series 2004 & 2013 Bonds	3.48	X	5.38	X	4.21	X	4.33
Required Minimum Coverage	1.30	X ³	1.30	X ³	1.30	X ³	1.30
Net Revenues Available after all Debt Service	<u><u>\$ 2,740,317</u></u>		<u><u>\$ 3,273,511</u></u>		<u><u>\$ 3,169,151</u></u>		<u><u>\$ 3,381,577</u></u>

Notes: ¹Gross Sales Tax Revenues are defined as the proceeds of the local governmental Half-Cent Sales Tax as described in Title XIV, Chapter 218, Part VI, Florida Statutes.

²Guaranteed Portion-State Revenue Sharing is the portion of state revenue sharing funds available to the City that are pledged, or set aside as a trust for the payment of principal or interest on the bonds pursuant to Title XIV, Chapter 218, Part II, Florida Statutes.

³1.30X Debt Service Coverage is not a Financial Covenant, rather an Additional Bonds Test Requirement. No additional senior lien parity bonds can be issued.

⁴Public Service Tax is a tax that may be levied by a municipality on the purchase of electricity, metered natural gas, liquefied petroleum gas, manufactured gas, and water service pursuant to Title XII, Chapter 166, Section 231, Florida Statutes.

**CITY OF LEESBURG, FLORIDA
 PLEDGED REVENUE COVERAGE
 CAPITAL IMPROVEMENT REVENUE BONDS/NOTES
 SERIES 2004, 2009, & 2013
 LAST TEN FISCAL YEARS**

	<u>2016</u>		<u>2017</u>		<u>2018</u>		<u>2019</u>		<u>2020</u>		<u>2021</u>
\$	1,232,094	\$	1,289,822	\$	1,365,801	\$	1,365,903	\$	1,402,403	\$	1,644,070
	309,234		309,234		309,234		309,234		309,234		309,234
	1,541,328		1,599,056		1,675,035		1,675,137		1,711,637		1,953,304
	476,850		480,143		477,845		488,334		484,381		484,954
	476,850		480,143		477,845		488,334		484,381		484,954
	3.23 X		3.33 X		3.51 X		3.43 X		3.53 X		4.03 X
	1.30 X ³		1.30 X ³		1.30 X ³		1.30 X ³		1.30 X ³		1.30 X ³
	1,064,478		1,118,913		1,197,190		1,186,803		1,227,256		1,468,350
	3,640,419		3,606,282		3,656,281		3,816,666		3,807,987		3,807,204
	4,704,897		4,725,195		4,853,471		5,003,469		5,035,243		5,275,554
	-		-		-		-		-		-
	1,016,562		1,013,787		1,013,113		1,023,813		1,021,863		1,023,663
	4.63 X		4.66 X		4.79 X		4.89 X		4.93 X		5.15 X
	1.30 X ³		1.30 X ³		1.30 X ³		1.30 X ³		1.30 X ³		1.30 X ³
\$	<u>3,688,335</u>	\$	<u>3,711,408</u>	\$	<u>3,840,358</u>	\$	<u>3,979,656</u>	\$	<u>4,013,380</u>	\$	<u>4,251,891</u>

Notes:

⁵Series 2009

Resolution 8557, adopted October 26, 2009, the City authorized the issuance of a "bank qualified" loan to refund all of the outstanding Refunding and Capital Improvement Revenue Bonds, Series 1999 pledging the revenues as defined in Notes 1 & 2.

⁶Series 2004

Resolution 7162, adopted July 12, 2004, the City authorized the issuance of the Capital Improvement Revenue Bonds, Series 2004, that closed on August 4, 2004, pledging the net available revenues after considering the Series 1999 Bonds. In addition, Public Service Tax revenues were pledged to cover the Series 2004 Bonds as defined in Note 4.

⁷Series 2013

Resolutions 9181 and 9182, adopted April 22, 2013, the City authorized the Series 2013 Capital Improvement Bonds refunding the Series 2004 Bond issuance, pledging the net available revenues after considering the Series 2009 Note. In addition, Public Service Tax revenues were pledged to cover the Series 2013 Bonds.

**CITY OF LEESBURG, FLORIDA
 PLEDGED REVENUE COVERAGE
 SERIES 2015 GREATER LEESBURG CRA REVENUE NOTE
 LAST SEVEN FISCAL YEARS**

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Revenue:				
City of Leesburg	\$ 144,821	\$ 125,156	\$ 129,203	\$ 150,463
Lake County	204,013	175,790	175,852	204,824
Interest	<u>6,448</u>	<u>14,228</u>	<u>4,663</u>	<u>7,594</u>
Total	355,282	315,174	309,718	362,881
Debt Service on 2015 Note	6,224	80,343	100,510	101,313
Debt Service Coverage on Series 2015 Note	57.08 X	3.92 X	3.08 X	3.58 X
Net Revenues Available after Debt Service on 2015 Note	<u>\$ 349,058</u>	<u>\$ 234,831</u>	<u>\$ 209,208</u>	<u>\$ 261,568</u>

Note: This information is provided as part of the Financial Trend Data and should be presented in a ten year format. The current presentation begins with the first year of the Series 2015 Note.

Resolution 31 of the Greater Leesburg Community Redevelopment Agency, adopted January 12, 2015, authorized the issuance of the Redevelopment Revenue Note, Series 2015, a "qualified tax-exempt obligation". This note closed January 14, 2015.

Resolution 9533, of the City Commission of the City of Leesburg, adopted January 12, 2015, authorized and approved the issuance by the Greater Leesburg Community Redevelopment Agency of a \$1,000,000 principal amount Redevelopment Revenue Note, Series 2015. This resolution authorized the execution and delivery of an interlocal agreement, with said Community Redevelopment Agency, pursuant to which the City will covenant to budget and appropriate non-ad valorem revenues to make debt service payments, on said note, to the extent increment revenues are insufficient.

**CITY OF LEESBURG, FLORIDA
 PLEDGED REVENUE COVERAGE
 SERIES 2015 GREATER LEESBURG CRA REVENUE NOTE
 LAST SEVEN FISCAL YEARS**

<u>2019</u>	<u>2020</u>	<u>2021</u>
\$ 179,769	\$ 180,714	\$ 225,585
254,818	248,674	319,213
8,214	4,730	(285)
442,801	434,118	544,513
101,894	101,537	102,121
4.35 X	4.28 X	5.33 X
\$ 340,907	\$ 332,581	\$ 442,392

**CITY OF LEESBURG, FLORIDA
 PLEDGED REVENUE COVERAGE
 US HIGHWAY 441 & 27 AREA CRA REVENUE BONDS, SERIES 2009
 TAX INCREMENT REFUNDING REVENUE NOTE, SERIES 2016
 LAST TEN FISCAL YEARS**

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Revenue:				
City of Leesburg	\$ -	\$ -	\$ -	\$ -
Lake County	-	-	-	-
Interest	<u>10,292</u>	<u>41,694</u>	<u>9,612</u>	<u>9,061</u>
Total	<u>10,292</u>	<u>41,694</u>	<u>9,612</u>	<u>9,061</u>
Debt Service on 2009 Bonds	695,131	799,831	801,231	797,481
Debt Service on 2016 Note	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Debt Service	695,131	799,831	801,231	797,481
Debt Service Coverage on all Debt	0.01 X	0.05 X	0.01 X	0.01 X
Net Revenues Available after all Debt Service	<u>\$ (684,839) ¹</u>	<u>\$ (758,137) ¹</u>	<u>\$ (791,619) ¹</u>	<u>\$ (788,420) ¹</u>

Note: This information is provided as part of the Financial Trend Data and should be presented in a ten year format. The current presentation begins with the first year of the Series 2009 Bonds.

Resolution 10 of the Community Redevelopment Agency for the U.S. Highway 441 & 27 Area, adopted October 12, 2009, authorized the issuance of the Tax Increment Revenue Bonds, Series 2009 to refinance the Agency's Subordinate Capital Improvement Bond Anticipation Note, Series 2008 to finance the construction of projects in the redevelopment area. The pledged revenues are the tax increment revenues and amounts held in the funds and accounts established by this agreement.

Resolution 8525, adopted October 12, 2009, the City authorized the issuance of the Tax Increment Revenue Bonds, Series 2009 for the Community Redevelopment Agency for the US Highway 441 & 27 Area.

Resolution 30 of the Community Redevelopment Agency for the U. S. Highway 441 & 27 Area adopted November 28, 2016, authorized the issuance of the Tax Increment Refunding Revenue Note, Series 2016 to advance refund the Agency's outstanding Tax Increment Revenue Bonds, Series 2009. The pledged revenues are the tax increment revenues and amounts held in the funds and accounts established by this agreement.

Resolution 9922, adopted November 28, 2016, the City authorized the issuance of the Tax Increment Refunding Revenue Note, Series 2016 for the Community Redevelopment Agency for the U. S. Highway 441 & 27 Area.

¹Due to the downturn in property values, the debt service payment for the Series 2009 Bonds is being paid from the bond proceeds in accordance with bond covenants.

²Due to the downturn in property values, the debt service payment for the Series 2016 Note is being paid from the note proceeds and other note created funds in accordance with note covenants.

**CITY OF LEESBURG, FLORIDA
 PLEDGED REVENUE COVERAGE
 US HIGHWAY 441 & 27 AREA CRA REVENUE BONDS, SERIES 2009
 TAX INCREMENT REFUNDING REVENUE NOTE, SERIES 2016
 LAST TEN FISCAL YEARS**

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
\$ -	\$ 41,024	\$ 145,189	\$ 231,139	\$ 327,452	\$ 489,410
-	49,334	191,783	321,946	444,693	686,982
9,061	9,061	15,702	42,501	36,974	7,206
<u>9,061</u>	<u>99,419</u>	<u>352,674</u>	<u>595,586</u>	<u>809,119</u>	<u>1,183,598</u>
903,419	397,950	-	-	-	-
-	<u>178,961</u>	<u>367,928</u>	<u>375,078</u>	<u>486,517</u>	<u>496,273</u>
<u>903,419</u>	<u>576,911</u>	<u>367,928</u>	<u>375,078</u>	<u>486,517</u>	<u>496,273</u>
0.01 X	0.17 X	0.96 X	1.59 X	1.66 X	2.38 X
<u>\$ (894,358) ¹</u>	<u>\$ (477,492) ²</u>	<u>\$ (15,254) ²</u>	<u>\$ 220,508</u>	<u>\$ 322,602</u>	<u>\$ 687,325</u>

**CITY OF LEESBURG, FLORIDA
 PLEDGED REVENUE COVERAGE
 ELECTRIC SYSTEM REVENUE BONDS/NOTES
 SERIES 2004, 2007A, 2007B, 2010, 2013, 2014, 2016, & 2020
 LAST TEN FISCAL YEARS**

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Gross Revenues¹	\$ 57,419,323	\$ 62,808,975	\$ 60,924,004	\$ 59,587,185
Less Operation and Maintenance Expenses ²	45,244,248	47,863,727	50,744,245	46,454,026
Net Revenues Available³	<u>12,175,075</u>	<u>14,945,248</u>	<u>10,179,759</u>	<u>13,133,159</u>
Debt Service on 2004 Bonds ⁴	1,089,885	1,090,160	742,180	-
Debt Service on 2007A Bonds ⁵	551,906	551,906	551,906	551,906
Debt Service on 2007B Bonds ⁵	942,799	939,469	940,011	939,425
Debt Service on 2010 Note ⁶	2,852	48,898	-	-
Debt Service on 2013 Note ⁷	-	84,360	273,600	619,747
Debt Service on 2014 Note ⁸	-	-	300,378	622,788
Debt Service on 2016 Bond ⁹	-	-	-	-
Debt Service on 2016 Note ¹⁰	-	-	-	-
Debt Service on 2020 Note ¹¹	-	-	-	-
Total Debt Service	<u>2,587,442</u>	<u>2,714,793</u>	<u>2,808,075</u>	<u>2,733,866</u>
Debt Service Coverage	4.71 X	5.51 X	3.63 X	4.80 X
Required Minimum Coverage	1.25 X	1.25 X	1.25 X	1.25 X
Total Net Revenues less Electric Utility Debt Service	<u>\$ 9,587,633</u>	<u>\$ 12,230,455</u>	<u>\$ 7,371,684</u>	<u>\$ 10,399,293</u>

Notes: ¹Gross Revenues are defined as all income and earnings derived by the City from the ownership, operation, leasing, or use of the system, and investment income excluding capital expansion and system improvement grants.

²Operation and Maintenance Expenses are defined as the cost of operation and maintenance as current expenses, paid or accrued, less depreciation and amortization expense.

³Net Revenues are defined as gross revenues less operation and maintenance expenses.

⁴Series 2004

Resolution 7141 and supplemented by Resolution 7142, adopted June 14, 2004, the City authorized the issuance of the Electric System Revenue Bonds, Series 2004, that closed on July 14, 2004, pledging the net revenues derived by the City from the operation of the Electric System.

⁵Series 2007A & 2007B

Resolution 7964, adopted July 23, 2007, the City amended Resolution 7141 for the purpose of authorizing the issuance of the Electric System Revenue Bonds Series 2007A and Taxable Electric System Revenue Bonds, Series 2007B ("Series 2007 Bonds") on a parity with the City's outstanding Electric System Revenue Bonds, Series 2004.

**CITY OF LEESBURG, FLORIDA
 PLEDGED REVENUE COVERAGE
 ELECTRIC SYSTEM REVENUE BONDS/NOTES
 SERIES 2004, 2007A, 2007B, 2010, 2013, 2014, 2016, & 2020
 LAST TEN FISCAL YEARS**

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
\$	61,069,325	\$ 63,322,570	\$ 61,851,781	\$ 63,315,971	\$ 58,826,236	\$ 60,876,244
	46,934,467	50,150,411	48,265,420	49,535,075	46,588,490	48,456,212
	<u>14,134,858</u>	<u>13,172,159</u>	<u>13,586,361</u>	<u>13,780,896</u>	<u>12,237,746</u>	<u>12,420,032</u>
	-	-	-	-	-	-
	551,906	-	-	-	-	-
	953,427	946,008	947,461	963,490	959,875	964,785
	-	-	-	-	-	-
	625,154	-	-	-	-	-
	1,042,279	-	-	-	-	-
	-	582,526	1,125,600	1,129,150	1,132,450	1,130,300
	-	537,202	596,502	600,686	600,487	600,022
	-	-	-	-	-	386,063
	<u>3,172,766</u>	<u>2,065,736</u>	<u>2,669,563</u>	<u>2,693,326</u>	<u>2,692,812</u>	<u>3,081,170</u>
	4.46 X	6.38 X	5.09 X	5.12 X	4.54 X	4.03 X
	1.25 X	1.25 X	1.25 X	1.25 X	1.25 X	1.25 X
\$	<u><u>10,962,092</u></u>	<u><u>\$ 11,106,423</u></u>	<u><u>\$ 10,916,798</u></u>	<u><u>\$ 11,087,570</u></u>	<u><u>\$ 9,544,935</u></u>	<u><u>\$ 9,338,862</u></u>

- Notes: ⁶**Series 2010**
 Resolution 8692, adopted August 4, 2010, the City authorized the issuance of an "up to \$20,000,000" Note with a 3 year interest only drawdown facility.
- ⁷**Series 2013**
 Resolution 9199, adopted May 28, 2013, the City authorized the Series 2013 Electric System Note refunding the Electric System Revenue Note, Series 2010 on a parity with the existing Electric System Bonds.
- ⁸**Series 2014**
 Resolution 9366, adopted March 10, 2014, the City authorized the Series 2014 Electric System Refunding Revenue Note to refund the Electric System Revenue Bonds, Series 2004 on a parity with the existing Electric System Bonds & Note.
- ⁹**Series 2016**
 Resolutions 9792 and 9793, adopted May 9, 2016, the City authorized the Series 2016 Electric System Refunding Revenue Bond to advance refund the outstanding Electric System Revenue Bonds, Series 2007A, and current refund the outstanding Electric System Refunding Revenue Note, Series 2014 on a parity with the existing Electric System Bonds & Note. Payments for the debt service begin October 1, 2016 and are due Semi-annually April 1 and October 1 thereafter.
- ¹⁰**Series 2016**
 Resolution 9816, adopted June 13, 2016, the City authorized the Series 2016 Electric System Refunding Revenue Note to refund all of the City's Electric System Refunding Revenue Note, Series 2013 on a parity with the existing Electric System Bonds & Note. Payments for the debt service begin October 1, 2016 and are due Semi-annually April 1 and October 1 thereafter.
- ¹¹**Series 2020**
 Resolution 10,683, adopted July 16, 2020, the City authorized the issuance of Series 2020 Electric System Revenue Note on a parity with the existing Electric System Revenue Bonds, 2007B, outstanding Electric System Refunding Revenue Note, Series 2016, and outstanding Electric System Refunding Revenue Bonds, Series 2016. Payments for the debt service begin October 1, 2020 and are due Semi-annually April 1 and October 1 thereafter.

**CITY OF LEESBURG, FLORIDA
 PLEDGED REVENUE COVERAGE
 UTILITY SYSTEM REVENUE BONDS/NOTES
 (GAS, WATER AND WASTEWATER SYSTEMS)
 SERIES 2004, 2007A, 2007B, 2010, 2013, 2016, & 2020
 LAST TEN FISCAL YEARS**

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Gross Revenues¹	\$ 23,727,878	\$ 24,885,126	\$ 24,539,498	\$ 24,393,186
Less Expenses ²	14,382,430	16,075,773	14,834,367	13,601,215
Net Revenues Available³	9,345,448	8,809,353	9,705,131	10,791,971
Debt Service on 2004 Bonds ⁴	1,504,074	1,009,462	-	-
Debt Service on 2007A Bonds ⁵	1,339,844	1,345,444	1,335,844	1,335,644
Debt Service on 2007B Bonds ⁵	79,885	78,705	82,230	80,755
Debt Service on 2010 Note ⁶	355,690	358,573	356,455	806,243
Debt Service on 2013 Bonds ⁷	-	281,985	1,437,331	1,384,031
Debt Service on 2016 Bonds ⁸	-	-	-	-
Debt Service on 2020 Note ⁹	-	-	-	-
Total Debt Service	3,279,493	3,074,169	3,211,860	3,606,673
Debt Service Coverage	2.85 X	2.87 X	3.02 X	2.99 X
Required Minimum Coverage	1.15 X	1.15 X	1.15 X	1.15 X
Plus Capacity Charges	24,701	26,171	179,333	279,359
Debt Service Coverage inclusive of Capacity Charges	2.86 X	2.87 X	3.08 X	3.07 X
Required Minimum Coverage inclusive of Capacity Charges	1.25 X	1.25 X	1.25 X	1.25 X
Total Net Revenues less Utility Debt Service	<u>\$ 6,090,656</u>	<u>\$ 5,761,355</u>	<u>\$ 6,672,604</u>	<u>\$ 7,464,657</u>

Notes: ¹Gross Revenues are defined pursuant to Resolution 7143 adopted June 14, 2004, as all income and earnings derived by the City from the ownership, operation, leasing, or use of the system, and investment income, excluding capital expansion and system improvement grants.

²Expenses are defined as Operation and Maintenance Expenses paid or accrued, less depreciation and amortized expenses.

³Net Revenues and Pledged Revenues are defined as gross revenues less operation and maintenance expenses plus capacity charges.

⁴**Series 2004**

Resolution 7143 and supplemented by Resolution 7144, adopted June 14, 2004, the City authorized the issuance of the Utility System Revenue Bonds, Series 2004, that closed on July 14, 2004.

⁵**Series 2007A & 2007B**

Resolution 7965, adopted July 23, 2007, the City amended Resolution 7143 authorizing the issuance of the Utility System Revenue Bonds Series 2007A and Taxable Utility System Revenue Bonds, Series 2007B ("Series 2007 Bonds") on a parity with the City's outstanding Utility System Revenue Bonds, Series 2004.

**CITY OF LEESBURG, FLORIDA
 PLEDGED REVENUE COVERAGE
 UTILITY SYSTEM REVENUE BONDS/NOTES
 (GAS, WATER AND WASTEWATER SYSTEMS)
 SERIES 2004, 2007A, 2007B, 2010, 2013 & 2016
 LAST TEN FISCAL YEARS**

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
\$	24,370,859	\$ 25,126,511	\$ 25,251,640	\$ 32,058,160	\$ 29,438,152	\$ 28,394,621
	13,398,493	14,412,658	15,160,217	16,252,144	15,434,625	15,793,381
	<u>10,972,366</u>	<u>10,713,853</u>	<u>10,091,423</u>	<u>15,806,016</u>	<u>14,003,527</u>	<u>12,601,240</u>
	-	-	-	-	-	-
	1,342,744	441,038	438,869	-	-	-
	80,755	83,100	81,330	83,380	86,315	83,955
	815,751	815,751	828,769	868,726	864,014	858,131
	1,383,907	1,379,881	1,381,481	1,394,994	1,394,194	1,399,194
	-	547,034	705,850	1,161,850	1,157,900	1,158,649
	-	-	-	-	116,875	1,140,000
	<u>3,623,157</u>	<u>3,266,804</u>	<u>3,436,299</u>	<u>3,508,950</u>	<u>3,619,297</u>	<u>4,639,929</u>
	3.03 X	3.28 X	2.94 X	4.50 X	3.87 X	2.72 X
	1.15 X	1.15 X	1.15 X	1.15 X	1.15 X	1.15 X
	379,060	439,237	469,336	392,142	742,143	1,200,978
	3.13 X	3.41 X	3.07 X	4.62 X	4.07 X	2.97 X
	1.25 X	1.25 X	1.25 X	1.25 X	1.25 X	1.25 X
\$	<u><u>7,728,269</u></u>	<u><u>7,886,286</u></u>	<u><u>7,124,460</u></u>	<u><u>12,689,208</u></u>	<u><u>11,126,373</u></u>	<u><u>9,162,289</u></u>

Notes: ⁶**Series 2010**
 Resolution 8673, adopted June 28, 2010, the City authorized the issuance of an \$8,000,000 note that fully paid off a prior \$8,000,000 Plantation System seller's note. This prior note was part of the purchase price for this \$15,000,000 utility, and the 2010 note is on parity with the 2004 and 2007A&B bonds.

⁷**Series 2013**
 Resolution 9183 and 9184, adopted April 22, 2013, the City authorized the Series 2013 Utility System Revenue Bonds refunding the Series 2004 Utility System Revenue Bonds and is on a parity with the City's other Utility System Revenue Bonds.

⁸**Series 2016**
 Resolutions 9794 and 9795, adopted May 9, 2016, the City authorized the Series 2016 Utility System Refunding Revenue Bonds to refund the City's outstanding Utility System Revenue Bonds, Series 2007A maturing on and after October 1, 2018, on a parity with the existing Utility System Bonds & Note. Payments for the debt service began October 1, 2016 and are due semi-annually April 1 and October 1 thereafter.

⁹**Series 2020**
 Resolution 10,625, adopted April 16, 2020, the City authorized the issuance of an \$15,000,000 note that is on parity with the City's outstanding Taxable Utility Refunding Revenue Bonds, Series 2007B, Utility System Revenue Refunding Note, Series 2010, and Utility Systems Refunding Revenue Bonds, Series 2016.

**CITY OF LEESBURG, FLORIDA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN CALENDAR YEARS**

Fiscal Year	Population ¹	Personal Income (thousands of dollars) ²	Lake County Per Capita Personal Income ³	Median Age ⁴	Unemployment Rate ⁵		
					Lake County	Florida	United States
2012	20,263	\$ 662,539	\$ 32,697	42.6	8.4%	8.2%	7.5%
2013	20,761	693,376	33,398	41.0	6.3%	6.4%	7.0%
2014	21,057	725,308	34,445	40.2	5.8%	5.8%	5.8%
2015	21,547	749,448	34,782	40.2	5.1%	5.2%	5.1%
2016	22,000	799,194	36,327	37.8	4.8%	5.0%	4.8%
2017	21,913	838,523	38,266	37.8	3.4%	3.7%	4.1%
2018	23,297	944,484	40,541	37.8	2.9%	3.0%	3.6%
2019	23,993	1,012,265	42,190	38.3	2.9%	3.0%	3.3%
2020	24,539	1,065,606	43,425	34.0	7.4%	7.2%	7.7%
2021	24,761	1,152,946	46,563	40.0	4.3%	4.8%	4.8%

Sources: ¹Florida Bureau of Economic and Business Research (BEBR) as of April 1, 2021.

²The actual per capita personal income for the City is not known. The County's per capita figures are multiplied by the City's population to determine the total personal income for the City.

³U.S. Department of Commerce, Bureau of Economic Analysis (<http://bea.gov>)

⁴U. S. Census Bureau 2019 American Community Survey 5-Year Estimates (<http://census.gov>)

⁵State of Florida, Department of Labor and Employment Security, Bureau of Labor Market Information (<http://freida.labormarketinfo.com>) as of September 2021.

**CITY OF LEESBURG, FLORIDA
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO**

Employer¹	2021			2012		
	Employees¹	City Rank	Percentage of Total County Employment	Employees³	City Rank	Percentage of Total County Employment
UF Health Leesburg (fka CFHA)	1,525	1	0.95%	1,770	1	1.35%
Lake County School District (fka LCSB)	737	2	0.46%	505	5	0.39%
Publix (3 stores 2020, 3 stores 2012)	521	3	0.32%	390	7	0.30%
City of Leesburg	502	4	0.31%	515	4	0.39%
Lifestream Behavioral Center	407	5	0.25%	521	3	0.40%
Wal-Mart Stores, Inc.	360	6	0.22%	-	-	-
First Baptist Church of Leesburg	327	7	0.20%	153	10	0.12%
Lake Port Properties	298	8	0.19%	400	6	0.31%
Leware Construction Company	185	9	0.12%	-	-	-
Cutrale Citrus Juice USA, Inc	165	10	0.10%	356	8	0.27%
Lake Sumter State College	165	11	0.10%	531	2	0.41%
Lowe's	154	12	0.10%	-	-	-
Lake-Sumter EMS	-	-	-	260	9	0.20%
Total	5,346		3.33%	5,401		4.13%
Lake County Labor Force²	160,647			130,910		

Sources: ¹City of Leesburg 2022 Annual Budget

²Labor Force data for Lake County, Florida Labor Market Statistics, September 2021 <http://freida.labormarketinfo.com>

³City of Leesburg 2012 Comprehensive Annual Financial Report

CITY OF LEESBURG, FLORIDA
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Government:										
Legislative	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Executive	6.00	6.00	6.00	5.90	4.90	5.90	6.90	5.90	5.65	4.90
Finance	47.00	46.00	46.00	40.00	42.00	41.00	41.00	41.35	42.35	41.35
Human Resources	6.00	6.00	4.85	4.95	4.95	3.95	3.95	4.20	4.20	4.20
Information Technology (MIS)	11.50	12.50	12.50	10.00	11.00	11.00	11.00	11.50	11.50	11.50
Police:										
Officers	72.25	72.25	72.00	72.00	65.00	65.00	71.00	71.00	71.00	73.00
Civilians	34.00	34.00	23.00	23.00	25.00	26.00	27.00	29.00	30.00	30.00
Fire:										
Firefighters and Officers	59.00	60.00	57.00	52.00	46.00	46.00	46.00	46.00	49.00	49.00
Civilians	1.00	1.00	1.00	1.00	1.00	1.00	1.00	2.00	2.00	2.00
GIS / Engineering	4.50	5.50	5.50	5.00	5.00	5.00	5.00	4.50	4.50	4.50
Public Works	15.10	6.10	33.10	24.10	23.60	24.60	25.60	25.60	25.85	27.85
Planning & Zoning	2.95	2.95	2.95	2.95	4.25	5.25	5.25	6.25	6.25	6.00
Housing & Economic Development	2.00	2.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Library	23.65	23.65	21.79	22.64	22.30	22.97	20.15	21.75	21.00	32.00
Recreation	33.00	36.00	8.10	15.00	15.00	15.00	16.00	16.00	19.00	19.00
Airport ¹	1.00	1.00	2.00	-	-	-	-	-	-	-
Subtotal for Governmental Activities	323.95	319.95	301.79	284.54	276.00	278.67	285.85	291.05	298.30	311.30
Business-Type:										
Electric	48.00	53.00	52.00	47.00	46.00	45.00	45.00	45.00	45.00	45.00
Gas	23.00	23.00	23.00	22.00	20.00	20.00	20.00	23.00	23.00	23.00
Water	26.50	27.00	26.50	26.00	24.75	26.75	26.75	27.70	27.75	27.75
Wastewater	45.50	45.00	45.84	43.34	43.09	42.09	42.09	41.04	41.29	41.29
Stormwater	5.00	5.00	5.66	5.66	5.66	5.66	5.66	5.66	6.01	6.01
Communications	5.00	6.00	7.00	6.00	6.00	6.00	6.00	-	-	-
Solid Waste	17.90	17.90	16.90	16.90	16.90	16.90	16.90	17.00	16.10	16.10
Airport ¹	-	-	-	2.10	2.10	2.10	2.10	2.10	2.10	2.10
Carver Heights CRA	-	-	-	-	-	-	-	-	-	-
Health Insurance	-	-	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.80
Workers Compensation	-	-	0.25	0.25	0.25	0.25	0.25	0.65	0.65	0.65
Fleet Services	-	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00
Affordable Housing	-	-	-	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Building Permits	4.05	4.05	4.05	5.05	4.75	7.75	8.75	8.75	10.00	10.00
Subtotal for Business-Type Activities	174.95	188.95	190.00	184.10	179.30	182.30	183.30	180.70	181.70	181.70
Total	498.90	508.90	491.79	468.64	455.30	460.97	469.15	471.75	480.00	493.00

Note: ¹ Airport became its own Business-Type fund in 2015 and no longer has governmental employees.

Source: City Annual Budget. Library FTEs per City payroll records due to large number of part-time employees.

**CITY OF LEESBURG, FLORIDA
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS**

Function	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Police										
Responses to calls for service	51,837	50,312	49,936	53,838	52,740	57,820	62,261	67,832	67,832	66,906
Part I crimes	1,235	1,170	1,191	1,300	1,303	1,543	1,402	1,372	1,372	1,053
Traffic crashes & citations	7,120	6,808	4,704	4,440	4,225	5,793	4,997	5,103	3,708	4,049
Fire										
Emergency responses	7,233	6,238	6,471	8,610	10,112	10,833	10,642	10,565	9,988	11,046
Inspections	215	169	202	210	768	376	102	69	111	94
Pre-fire plans	44	5	5	35	600	20	1	5	16	16
Solid Waste										
Residential tons taken to incinerator	8,036	7,875	8,633	8,293	8,814	9,972	9,089	9,317	9,817	10,123
Residential tons of recyclables	389	409	427	421	497	577	628	642	717	770
Hand commercial collected	588	600	483	446	434	476	523	532	455	409
Commercial dumpster collected	11,743	11,978	12,533	12,041	12,959	14,190	13,292	13,546	12,877	14,022
Fleet Maintenance										
Vehicles owned by the City	589	537	559	543	580	562	550	580	575	557
Percent maintained by Fleet	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Preventive maintenance complete	468	524	635	853	853	865	568	883	1,053	771
Community Development										
Building permits issued within the City	1,210	1,491	1,568	1,820	1,539	2,212	3,506	3,680	4,413	6,187
Construction value of permits (thousands)	\$ 19,419	\$ 20,596	\$ 28,799	\$ 34,907	\$ 67,028	\$ 197,362	\$ 479,356	\$ 643,048	\$ 629,095	\$ 874,714
Culture and Recreation										
Youth programs	34	36	36	37	37	37	38	38	38	38
Number of bookings at rental facilities	2,269	2,006	1,348	1,554	1,973	1,443	1,321	1,274	1,045	1,736
Total service hours	6,279	5,791	3,901	3,957	5,992	6,907	6,762	6,540	5,406	7,852
Participants using the pools ¹	6,418	9,558	6,995	9,125	11,092	25,519	20,394	17,147	8,310	14,837
Library service hours	2,610	2,624	2,642	2,607	2,623	2,590	2,575	2,676	2,246	2,662
Circulation - Adults	257,037	257,037	257,037	243,360	240,672	222,354	214,130	220,078	191,086	152,884
Circulation - Juvenile	83,174	87,151	80,931	83,263	72,223	76,021	67,441	75,789	95,543	76,448
Internet use	141,924	115,637	106,848	104,318	98,238	81,805	50,373	57,751	63,834	12,683
Electric										
Number of residential customers	17,608	17,867	17,944	18,321	23,233	23,886	22,942	24,128	24,954	22,643
Average daily consumption (KWh)	25.74	30.89	30.56	31.66	31.76	29.99	30.90	32.84	32.74	32.27
Gas										
Number of residential customers ²	11,141	11,180	11,205	11,169	11,199	11,239	11,285	14,009	12,052	15,681
Average daily consumption (therms) ³	0.41	0.47	0.52	0.50	0.43	0.39	0.48	0.36	0.41	0.35
Water										
Number of residential customers	18,058	18,278	19,077	18,899	19,764	20,031	20,031	20,031	21,955	23,125
Average daily consumption (gallons)	425.30	404.31	387.38	368.80	404.78	399.38	399.38	466.85	335.43	364.84
Wastewater										
Number of residential customers	13,319	13,487	13,529	13,743	15,714	15,732	16,146	17,630	15,249	15,449
Average daily sewage treatment (gallons)	195.21	177.95	229.14	203.74	178.19	203.41	198.19	181.51	209.85	207.13

Note: ¹Increase in participants using the pools in FY17 is the result of the addition of the Splash Pad in the summer of 2017.

²Increase in gas number of residential customers in FY19 is the result of installing new services in The Villages.

³Decrease in gas average daily consumption (therms) in FY19 is due to new customers in The Villages did not use gas for the entire year and are not using gas furnaces.

Source: Various City departments

**CITY OF LEESBURG, FLORIDA
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS**

Function	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Public Safety										
Police stations	1	1	1	1	1	1	1	1	1	1
Fire stations	4	4	4	4	4	4	4	4	4	4
Solid Waste										
Collection Trucks	18	15	15	18	18	20	20	19	19	19
Annexation Acres										
	18.88	11.91	19.68	34.46	474	712	359	-	-	-
Corporate Limits										
Acres	25,125	25,137	25,157	25,191	26,986	27,698	28,057	28,057	27,280	27,521
Square Miles	39.26	39.27	39.31	39.36	42.17	43.27	43.84	43.84	42.62	43.00
Streets										
Paved (miles)	83.1	83.1	83.1	83.1	83.1	83.1	83.1	83.2	83.2	115.0
Unpaved (miles)	1.9	1.9	1.9	1.9	1.9	1.9	1.9	1.8	1.8	1.8
Culture and Recreation										
Rental facilities	25	25	25	25	25	25	25	25	25	25
Museum	1	1	1	1	1	1	1	1	1	1
Parks facilities managed	25	25	45	45	45	45	46	46	46	46
Parks acreage	360	360	360	360	363	363	367	367	367	367
Library facilities	1	1	1	1	1	1	1	1	1	1
Volumes in collection	142,441	145,961	132,656	132,960	138,570	141,159	136,997	129,492	123,323	117,879
Electric										
Primary electric lines within the city (miles)	445	453	482	486	489	490	493	500	523	564
Overhead conductor replaced (feet)	2,000	2,000	6,000	1,100	5,000	9,580	4,800	5,090	13,772	26,124
Underground primary conductor replaced (feet)	2,500	7,400	5,000	9,000	12,530	7,000	1,000	6,907	73,866	257,753
Gas										
Gas mains (miles)	240	240	240	243	243	245	246	250	252	257
Gate stations	2	2	2	2	2	2	2	2	3	3
Water										
Water mains (miles)	332	332	332	332	335	335	337	333	333	400
Maximum capacity (millions of gallons)	28	28	28	28	28	29	29	29	29	29
Deep wells	19	19	19	19	19	18	18	18	18	17
Wastewater										
Sewers force mains (miles)	87	88	88	88	89	85	86	86	86	94
Sewers gravity lines (miles)	178	179	179	182	182	175	176	180	180	182
Lift stations	174	174	174	174	174	174	174	175	175	177
Disposal plants	2	2	2	2	2	2	2	2	2	2
Maximum capacity (millions of gallons per day)	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50	8.00

Source: Various City departments



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COMPLIANCE SECTION

CITY OF LEESBURG, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2021

Federal Grantor/Pass-Through Grantor/ Program Title/Project Title	Federal AL Number	Contract/ Grant Number	Total Federal Expenditures
FEDERAL AWARDS			
U.S. Department of Housing and Urban Development			
Passed through Lake County			
Community Development Block Grant (Teen Enrichment Center)	14.218		\$ 293,505
Total U.S. Department of Housing and Urban Development			<u>293,505</u>
U.S. Department of the Interior, U.S. Fish and Wildlife Service			
Direct Awards			
Sports Fish Restoration-Boating Access (Venetians Gardens Dock)	15.605	19023	369,432
Total U.S. Department of the Interior			<u>369,432</u>
U.S. Department of Justice, Office of Justice Programs			
Direct Awards			
COVID-19 Coronavirus Emergency Supplemental Funding Program (CESF)	16.034	2020-VD-BX-0510	19,607
Bulletproof Vest Partnership Program BVPs	16.607		1,965
COPS Hiring Program	16.710	2017-UM-WX-0137	87,334
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2020-DJ-BX-0117	14,064
Passed through Florida Department of Law Enforcement			
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2019-MU-BX-0036	9,219
Program Total 16.738			<u>23,283</u>
Total U.S. Department of Justice			<u>132,189</u>
U.S. Department of Transportation, Federal Aviation Administration			
Direct Awards			
COVID-19 Airport Improvement Program	20.106	3-12-0042-026-2020	45,975
COVID-19 Airport Improvement Program	20.106	3-12-0042-027-2021	24,251
Airport Improvement Program (Runway 13/31)	20.106	3-12-0042-025-2020	4,959,693
Total U.S. Department of Transportation			<u>5,029,919</u>
U.S. Department of the Treasury			
Passed through the Department of State			
COVID-19 Coronavirus Relief Fund	21.019	Y2267	1,348,749
COVID-19 American Rescue Plan Act	21.027	Y5187	5,688
Total U.S. Department of the Treasury			<u>1,354,437</u>
Federal Emergency Management Agency			
Passed Through the State of Florida, Division of Emergency Management			
Hazard Mitigation Grant Program (Resource Center Generator)	97.039	H0200	119,696
Liftstation Emergency Power Generator Project	97.039	H0172	237,698
Assistance to Firefighters Grant (Electric/Gas Powered Saws/Tools)	97.044	EMW-2020-FG-10142	227,123
Total Federal Emergency Management Agency			<u>584,517</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u><u>\$ 7,763,999</u></u>

Continued

CITY OF LEESBURG, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2021

State Grantor/Pass-Through Grantor/ Program Title/Project Title	State CSFA Number	Contract/ Grant Number	Total State Expenditures
STATE FINANCIAL ASSISTANCE			
State of Florida, Department of Transportation			
Direct Awards			
Aviation Grant Programs (T-Hangers - Design & Bidding Services)	55.004	G1572	\$ 601,667
Aviation Grant Programs (Apron Rehabilitation Project)	55.004	G1L74	41,840
Aviation Grant Programs (U.S. Customs and Border Patrol)	55.004	G1H86	445,774
Aviation Grant Programs (Air Traffic Control Tower Equipment)	55.004	G1L69	37,238
Total Florida Department of Transportation			<u>1,126,519</u>
TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE			<u><u>\$ 1,126,519</u></u>
TOTAL EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE			<u><u>\$ 8,890,518</u></u>

See notes to the Schedule of Expenditures of Federal Awards and State Financial Assistance on the next page.

CITY OF LEESBURG, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2021

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS:

NOTE 1 -REPORTING ENTITY

For reporting entity purposes, the Schedule of Expenditures of Federal Awards and State Financial Assistance includes the federal and state grant activities of the primary government of the City of Leesburg, Florida (the "City").

NOTE 2 -SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Schedule of Expenditures of Federal Awards and State Financial Assistance is prepared on the modified accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America as applicable to governmental organizations.

NOTE 3 -CONTINGENCIES

Grant monies received by the City are for specific purposes and are subject to review by the grantor agencies. Such audits may result in requests for reimbursement due to disallowed expenditures. Based upon prior experience, the City does not believe such disallowances, if any, would have a material effect on the financial position of the City. As of September 30, 2021, there were no material questioned or disallowed costs as a result of grant audits in process or completed of which management was aware. Any adjustments as a result of grant findings are recorded in the year the adjustment occurs.

NOTE 4 -INDIRECT COST RATE

The City has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.



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Certified Public Accountants

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

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

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Leesburg, Florida, (the City) as of and for the fiscal year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated March 22, 2022.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

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

We reported certain other matters to management of the City in a separate letter dated March 22, 2022.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

MSL, P.A.

Certified Public Accountants

Orlando, Florida
March 22, 2022



Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND MAJOR STATE PROJECT AND ON INTERNAL CONTROL OVER COMPLIANCE AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE AND CHAPTER 10.550, RULES OF THE AUDITOR GENERAL

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

Report on Compliance for Each Major Federal Program and State Project

We have audited the compliance of the City of Leesburg, Florida (the City) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* and Department of Financial Services *State Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs and major state projects for the fiscal year ended September 30, 2021. The City's major federal programs and major state project are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its state projects.

Auditor's Responsibility

Our responsibility is to express an opinion on the City's compliance based on our audit. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations*, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.550, *Rules of the Auditor General*. Those standards, the Uniform Guidance, and Chapter 10.550, *Rules of the Auditor General*, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program or major state project identified in the accompanying Schedule of Findings and Questioned Costs occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program and major state project. However, our audit does not provide a legal determination of the City's compliance.

Opinion on Each Major Federal Program and Major State Project

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to in the first paragraph that could have a direct and material effect on each of its major federal programs and major state project for the fiscal year ended September 30, 2021.

Report on Internal Control over Compliance

The management of the City is responsible for establishing and maintaining effective internal control over compliance with the compliance requirements referred to above. In planning and performing our audit, we considered the City's internal control over compliance with requirements that could have a direct and material effect on each of its major federal programs or major state project as a basis for designing auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards and State Financial Assistance Required by the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of and for the fiscal year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated March 22, 2022, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance is presented for the purposes of additional analysis, as required by the Uniform Guidance, and Chapter 10.550, *Rules of the Auditor General*, and is not a required part of the basic financial statements.

Report on Schedule of Expenditures of Federal Awards and State Financial Assistance Required by the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General (Cont.)*

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

MSL, P.A.

Certified Public Accountants

Orlando, Florida
March 22, 2022

CITY OF LEESBURG, FLORIDA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended September 30, 2021

Section I - Summary of Independent Auditor's Results

Financial Statements

Type of Auditor's Report Issued:

Unmodified Opinion

Internal control over financial reporting:

- Material weakness(es) identified?
Significant deficiency(ies) identified?

Noncompliance material to financial statements noted?

State Financial Assistance

Internal control over major projects:

- Material weakness(es) identified?
Significant deficiency(ies)?

Type of report issued on compliance for major federal programs and state projects:

Unmodified Opinion

Any audit findings disclosed that are required to be reported in accordance with 200.516 of the Uniform Guidance or Chapter 10.557, Rules of the Auditor General?

Identification of Major Federal Programs and Major State Projects:

Table with 2 columns: AL Numbers, Name of Federal Programs. Rows include 21.019 Coronavirus Relief Fund and 20.106 Airport Improvement Program.

Table with 2 columns: CSFA Number, Name of State Project. Row includes 55.004 Aviation Grant Programs.

Dollar threshold used to distinguish between Type A and Type B programs/projects: Federal \$750,000 State \$337,955

CITY OF LEESBURG, FLORIDA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS *(Continued)*

For the Year Ended September 30, 2021

Section II - Findings Related to the Financial Statement Audit, as required to be reported in accordance with *Government Auditing Standards*

No matters are reported.

Section III - Federal Award and State Financial Assistance Findings and Questioned Costs Section reported in accordance with the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*

No matters are reported.

CITY OF LEESBURG, FLORIDA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the Year Ended September 30, 2021

Prior Year Audit Findings

No matters were reported over federal awards or state financial assistance in the prior year.



Certified Public Accountants

INDEPENDENT ACCOUNTANT'S REPORT

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

We have examined the compliance of the City of Leesburg, Florida (the City) with the requirements of Section 218.415, Florida Statutes, during the fiscal year ended September 30, 2021. Management is responsible for the City's compliance with those requirements. Our responsibility is to express an opinion on the City's compliance based on our examination.

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

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

MSL, P.A.

Certified Public Accountants

Orlando, Florida
March 22, 2022



Certified Public Accountants

INDEPENDENT AUDITOR'S MANAGEMENT LETTER

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

Report on the Financial Statements

We have audited the financial statements of the City of Leesburg, Florida (the City) as of and for the fiscal year ended September 30, 2021, and have issued our report thereon dated March 22, 2022.

Auditor's Responsibility

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

Other Reporting Requirements

We have also issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditor's Report on Compliance for Each Major State Project and Report on Internal Control over Compliance and Report on the Schedule of Expenditures of State Financial Assistance Required by Chapter 10.550, *Rules of the Auditor General*; Schedule of Findings and Questioned Costs; and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports and schedule, which are dated March 22, 2022, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., *Rules of the Auditor General*, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no recommendations made in the preceding annual financial audit report.

Official Title and Legal Authority

Section 10.554(1)(i)4., *Rules of the Auditor General*, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The legal authority is disclosed in the notes to the financial statements.

Financial Condition and Management

Sections 10.554(1)(i)5.a. and 10.556(7), *Rules of the Auditor General*, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the City has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the City did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), *Rules of the Auditor General*, we applied financial condition assessment procedures for the City. It is management's responsibility to monitor the City's financial condition, and our financial condition assessment was based, in part, on representations made by management and the review of financial information provided by same.

Section 10.554(1)(i)2., *Rules of the Auditor General*, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Special District Component Units

Section 10.554(1)(i)5.c., *Rules of the Auditor General*, requires, if appropriate, that we communicate the failure of a special district that is a component unit of a county, municipality, or special district, to provide the financial information necessary for proper reporting of the component unit, within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we did not note any special district component units that failed to provide the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

Specific information for Carver Heights/Montclair Community Redevelopment Agency, Greater Leesburg Community Redevelopment Agency, and the U.S. Highway 441/27 Community Redevelopment Agency (collectively, the CRAs), that is required by Section 218.39(3)(c), Florida Statutes, and Section 10.544(1)(i)6, *Rules of the Auditor General*, is reported in the respective CRAs' management letter for the fiscal year ended September 30, 2021.

Additional Matters

Section 10.554(1)(i)3., *Rules of the Auditor General*, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, federal and other granting agencies, the Mayor, City Commission, and applicable management and is not intended to be, and should not be, used by anyone other than these specified parties.

MSL, P.A.

Certified Public Accountants

Orlando, Florida
March 22, 2022



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**DEBT DISCLOSURE SECTION
(UNAUDITED)**



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**CITY OF LEESBURG, FLORIDA
DEBT DISCLOSURE SECTION**

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**HISTORICAL OPERATING RESULTS - CAPITAL IMPROVEMENT
(AMOUNTS EXPRESSED IN THOUSANDS)**

The historical operating results of the Capital Improvement Debt have been prepared pursuant to certain provisions of the Bond Resolution and therefore reflect certain differences from the City's audited financial statements.

Description	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Half-Cent Sales Tax	\$ 913	\$ 994	\$ 1,069	\$ 1,163	\$ 1,163	\$ 1,163	\$ 1,366	\$ 1,366	\$ 1,402	\$ 1,644
Guar. Entitlement	309	309	309	309	309	309	309	309	309	309
Misc. Revenues	-	-	-	-	-	-	-	-	-	-
Subtotal Revenues	1,222	1,303	1,378	1,472	1,472	1,472	1,675	1,675	1,711	1,953
Debt Service on 2009 Note ¹	474	474	473	351	477	480	478	480	481	477
Revenues less Debt Service	748	829	905	1121	995	992	1197	1195	1230	1476
Public Service Tax	3,103	3,196	3,255	3,404	3,404	3,404	3,656	3,817	3,808	3,807
Total	3,851	4,025	4,160	4,525	4,399	4,396	4,853	5,012	5,038	5,283
Debt Service on 2004 Bonds ²	1,106	747	-	-	-	-	-	-	-	-
2013 Bonds ³ 5	-	203	1,047	753	753	753	1,013	1,012	1,015	1,010
Debt Serv Coverage	3.48 X	4.24 X	3.98 X	6.01 X	5.84 X	5.84 X	4.79 X	4.95 X	4.96 X	5.23 X
Required Coverage ⁴	1.30 X	1.30 X	1.30 X	1.30 X	1.30 X	1.30 X	1.30 X	1.30 X	1.30 X	1.30 X

Notes:

Small variances may exist in this schedule due to rounding.

¹On November 30, 2009, the Series 1999 Bonds were refunded by the Capital Improvement Refunding Promissory Note, Series 2009 with the same pledged revenues and coverage requirements.

²On July 21, 2004, the Series 2004 Bonds were issued for the purpose of constructing certain Citywide capital improvements as defined in the Bond Resolution. This series was issued on parity with the Series 1999 Bonds with an additional pledged revenue of Public Services Tax.

³On May 2, 2013, the Series 2013 Bonds were issued to refund the Series 2004 Bonds with the same parity, pledged revenues and coverage requirements.

⁴On July 21, 2004, the required coverage changed based on the new Capital Improvement Revenue Bonds, Series 2004.

⁵In fiscal year 2015 the accounting method was changed from accruing interest for governmental debt to recording the payment when made. This resulted in only one interest payment recorded in fiscal year 2015.

HISTORICAL OPERATING RESULTS - ELECTRIC UTILITY
(AMOUNTS EXPRESSED IN THOUSANDS)

The historical operating results of the Electric System have been prepared pursuant to certain provisions of the Bond Resolution and therefore reflect certain differences from the City's audited financial statements.

Description	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Operating Revenues	\$ 57,283	\$ 62,149	\$ 60,439	\$ 59,075	\$ 60,057	\$ 63,072	\$ 61,345	\$ 62,183	\$ 58,098	\$ 60,588
Less: Operating Expenses ¹	45,244	47,864	50,744	46,454	46,454	46,454	48,254	49,535	46,588	48,456
Net Operating Revenues	12,039	14,285	9,695	12,621	13,603	16,618	13,091	12,648	11,510	12,132
Other Income ²	136	660	485	512	1,012	251	420	1,133	728	288
Total Available for Debt Service	12,175	14,945	10,180	13,133	14,615	16,869	13,511	13,781	12,238	12,420
Debt Service										
Series 2004 Bonds ³	1,105	1,105	347	-	-	-	-	-	-	-
Series 2007A and 2007B Bonds ⁴	1,510	1,511	1,512	1,516	1,573	935	935	933	935	930
Series 2010 Note ⁵	3	49	-	-	-	-	-	-	-	-
Series 2013 Note ⁶	-	84	631	631	636	-	-	-	-	-
Series 2014 Note ⁷	-	-	365	1,052	1,042	-	-	-	-	-
Series 2016 Bonds ⁸	-	-	-	-	205	754	1,122	1,124	1,117	1,120
Series 2016 Note ⁹	-	-	-	-	57	573	592	590	590	590
Series 2020 Note ¹¹	-	-	-	-	-	-	-	-	-	213
Total Debt Service	2,618	2,749	2,855	3,199	3,251	2,262	2,649	2,647	2,642	2,853
Capital Contribution/Impact Fees	220	165	727	202	429	420	577	824	914	558
Amount Available for Working Capital, Transfer to General Fund & Capital Improvements	9,777	12,361	8,052	10,136	11,793	15,027	11,439	11,958	10,510	10,125
Total Transfers In/(Out)	(5,799)	(6,546)	(6,538)	(6,478)	(6,478)	(6,478)	(5,346)	(5,402)	(5,392)	(5,171)
Net Available from Operations	\$ 3,978	\$ 5,815	\$ 1,514	\$ 3,658	\$ 5,315	\$ 8,549	\$ 6,093	\$ 6,556	\$ 5,118	\$ 4,954
Debt Service Coverage: ¹⁰										
Debt Service Coverage on Bonds	4.65 X	5.44 X	3.57 X	4.11 X	4.50 X	7.46 X	5.10 X	5.21 X	4.63 X	4.35 X
Required Coverage Test	1.25 X	1.25 X	1.25 X	1.25 X	1.25 X	1.25 X	1.25 X	1.25 X	1.25 X	1.25 X

HISTORICAL OPERATING RESULTS - ELECTRIC UTILITY (*continued*)

Definitions:

Gross Revenues are defined pursuant to Resolution 7143 adopted June 14, 2004, as all income and earnings derived by the City from the ownership, operation, leasing, or use of the system, and investment income, excluding capital expansion and system improvement grants.

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

Net Revenues and Pledged Revenues are defined as gross revenues less operation and maintenance expenses plus capacity charges.

Notes:

¹ Amounts shown exclude depreciation and amortization expenses.

² The amounts shown are as defined in the Bond Resolution and exclude interest earnings on Construction Fund balances.

³ **Series 2004** - First three years of payments for these bonds are interest only. Payments began on October 1, 2004, and are due semiannually April 1 and October 1 thereafter. The annualized interest payments for fiscal years 2004, 2005 and 2006 were \$166,793, \$779,813 and \$779,813 respectively, and were paid 100% from the Capitalized Interest fund of \$1,726,418.

⁴ **Series 2007A & 2007B** - Resolution 7064, adopted July 23, 2007, the City amended Resolution 7141 for the purpose of authorizing the issuance of the Electric System Revenue Bonds, Series 2007A and Taxable Electric System Revenue Bonds, Series 2007B ("Series 2007 Bonds") on a parity with the City's outstanding Electric System Revenue Bonds, Series 2004. First two years of payments for these bonds were interest only and were paid 100% from the Capitalized Interest fund of \$1,341,602.

⁵ **Series 2010** - Resolution 8692, adopted August 4, 2010, the City authorized the issuance of an "up to \$20,000,000" Note with a 3 year interest only drawdown facility.

⁶ **Series 2013** - Resolution 9199, adopted May 28, 2013, the City authorized the issuance of a Note to refund the Series 2010 Note on parity with the City's outstanding Electric System Revenue Bonds, Series 2007A and Taxable Electric System Revenue Bonds, Series 2007B.

⁷ **Series 2014** - Resolution 9366, adopted March 10, 2014, the City authorized the Series 2014 Electric System Refunding Revenue Note to refund the Electric System Revenue Bonds, Series 2004 on a parity with the existing Electric System Bonds & Note.

⁸ **Series 2016** - Resolution 9792 and 9793, adopted May 9, 2016, the City authorized the issuance of the Series 2016 Electric System Refunding Revenue Bonds, for the purpose of advance refunding the Outstanding Electric System Revenue Bonds, Series 2007A, current refunding of the Outstanding Electric System Refunding Revenue Note, Series 2014, and paying the cost of issuance of the Series 2016 Bonds.

⁹ **2016 Note** - Resolution 9816, adopted June 13, 2016, the City authorized the issue the 2016 Note, for the purpose of refunding all of the City's Outstanding Electric System Refunding Revenue Note, Series 2013.

¹⁰ Excludes revenues from capacity charges per Bond Resolution.

¹¹ **Series 2020** - Resolution 10,683, adopted July 16, 2020, the City authorized the Series 2020 Electric System Note to use for the construction and installation of a feeder backbone line, underground residential distribution facilities and individual services and meters, reconductoring lines, and purchase of three substation transformers and other improvements to the City's Electric System. This note is on parity with Taxable Electric System Revenue Bonds, 2007B, Electric System Refunding Revenue Note, Series 2016, and the Electric Systems Refunding Revenue Bonds, Series 2016.

HISTORICAL OPERATING RESULTS - GAS UTILITY
(AMOUNTS EXPRESSED IN THOUSANDS)

Description	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Operating Revenues	\$ 6,898	\$ 7,631	\$ 7,691	\$ 6,886	\$ 6,886	\$ 6,886	\$ 6,800	\$ 6,717	\$ 6,731	\$ 6,934
Less: Operating Expenses	4,472	6,251	5,198	4,391	4,391	4,391	4,627	5,254	4,378	4,489
Net Operating Revenues	2,426	1,380	2,493	2,495	2,495	2,495	2,173	1,463	2,353	2,445
Other Income	20	101	8	61	136	45	71	134	568	6
Total Available for Debt Service	2,446	1,481	2,501	2,556	2,631	2,540	2,244	1,597	2,921	2,451
Debt Service										
Series 2004 Bonds ¹	255	174	-	-	-	-	-	-	-	-
Series 2007A and 2007B Bonds ²	154	153	153	153	159	59	50	-	-	-
Series 2010 Note ³	50	49	113	113	113	113	116	117	116	115
Series 2013 Bonds ⁴	-	166	234	234	232	231	229	231	229	227
Series 2016 Bonds ⁵	-	-	-	-	-	62	80	130	130	129
Series 2020 Note ⁸	-	-	-	-	-	-	-	-	16	158
Total Debt Service	\$ 459	\$ 542	\$ 500	\$ 500	\$ 504	\$ 465	\$ 475	\$ 478	\$ 491	\$ 629
Debt Service Coverage:⁶										
Debt Service Coverage on Bonds	5.33 X	2.73 X	5.00 X	5.11 X	5.22 X	5.46 X	4.72 X	3.34 X	5.95 X	3.90 X
Required Coverage Test	1.15 X	1.15 X	1.15 X	1.15 X	1.15 X	1.15 X	1.15 X	1.15 X	1.15 X	1.15 X
Capital Contribution/Impact Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Amount Available for Working Capital, Transfer to General Fund & Capital Improvements	1,987	939	2,001	2,056	2,127	2,075	1,769	1,119	2,430	1,822
Total Transfers In/(Out)	(659)	(1,848)	(1,970)	(1,830)	(1,830)	(1,830)	(1,830)	(722)	(749)	(745)
Net Available from Operations	\$ 1,328	\$ (909)	\$ 31	\$ 226	\$ 296	\$ 244	\$ (61)	\$ 397	\$ 1,681	\$ 1,077
Debt Service Coverage:⁷										
Debt Service Coverage on Bonds	5.33 X	2.73 X	5.00 X	5.11 X	5.22 X	5.46 X	4.72 X	3.34 X	5.95 X	3.90 X
Required Coverage Test	1.25 X	1.25 X	1.25 X	1.25 X	1.25 X	1.25 X	1.25 X	1.25 X	1.25 X	1.25 X

Notes:

See notes on Combined Totals Sheet, pg. 2

HISTORICAL OPERATING RESULTS - WATER UTILITY
(AMOUNTS EXPRESSED IN THOUSANDS)

Description	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Operating Revenues	\$ 7,165	\$ 7,152	\$ 6,851	\$ 7,132	\$ 8,036	\$ 8,240	\$ 7,865	\$ 8,731	\$ 8,947	\$ 8,725
Less: Operating Expenses	3,955	3,975	3,836	3,734	3,734	3,734	4,444	4,880	4,317	4,534
Net Operating Revenues	3,200	3,177	3,015	3,398	4,302	4,506	3,421	3,851	4,630	4,191
Other Income	23	110	23	59	156	80	128	288	156	15
Total Available for Debt Service	3,223	3,287	3,038	3,457	4,458	4,586	3,549	4,139	4,786	4,206
Debt Service										
Series 2004 Bonds ¹	530	361	-	-	-	-	-	-	-	-
Series 2007A and 2007B Bonds ²	882	876	876	876	908	340	285	-	-	-
Series 2010 Note ³	172	171	389	389	370	388	401	402	400	397
Series 2013 Bonds ⁴	-	344	487	486	483	481	477	481	476	472
Series 2016 Bonds ⁵	-	-	-	-	-	355	458	744	745	742
Series 2020 Note ⁸	-	-	-	-	-	-	-	-	56	544
Total Debt Service	\$ 1,584	\$ 1,752	\$ 1,752	\$ 1,751	\$ 1,761	\$ 1,564	\$ 1,621	\$ 1,627	\$ 1,677	\$ 2,155
Debt Service Coverage: ⁶										
Debt Service Coverage on Bonds	2.03 X	1.88 X	1.73 X	1.97 X	2.53 X	2.93 X	2.19 X	2.54 X	2.85 X	1.95 X
Required Coverage Test	1.15 X	1.15 X	1.15 X	1.15 X	1.15 X	1.15 X	1.15 X	1.15 X	1.15 X	1.15 X
Capital Contribution/Impact Fees	\$ 9	\$ 8	\$ 53	\$ 82	\$ 115	\$ 247	\$ 410	\$ 332	\$ 587	\$ 896
Amount Available for Working Capital, Transfer to General Fund & Capital Improvements	1,648	1,543	1,339	1,788	2,812	3,269	2,338	2,844	3,696	2,947
Total Transfers In/(Out)	(861)	(1,460)	(930)	(905)	(905)	(905)	(988)	(1,022)	(1,011)	(1,071)
Net Available from Operations	\$ 787	\$ 83	\$ 409	\$ 883	\$ 1,907	\$ 2,364	\$ 1,350	\$ 1,822	\$ 2,685	\$ 1,876
Debt Service Coverage: ⁷										
Debt Service Coverage on Bonds	2.04 X	1.88 X	1.76 X	2.02 X	2.60 X	3.09 X	2.44 X	2.75 X	3.20 X	2.37 X
Required Coverage Test	1.25 X	1.25 X	1.25 X	1.25 X	1.25 X	1.25 X	1.25 X	1.25 X	1.25 X	1.25 X

Notes:

See notes on Combined Totals Sheet, pg. 2

HISTORICAL OPERATING RESULTS - WASTEWATER UTILITY
(AMOUNTS EXPRESSED IN THOUSANDS)

Description	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Operating Revenues	\$ 9,595	\$ 9,789	\$ 9,927	\$ 10,155	\$ 11,119	\$ 11,015	\$ 11,124	\$ 11,806	\$ 12,176	\$ 12,724
Less: Operating Expenses	5,945	5,850	5,801	5,476	5,476	5,476	6,068	6,118	6,740	6,770
Net Operating Revenues	3,650	3,939	4,126	4,679	5,643	5,539	5,056	5,688	5,436	5,954
Other Income	27	102	39	101	235	124	185	4,382	1,337	(10)
Total Available for Debt Service	3,677	4,041	4,165	4,780	5,878	5,663	5,241	10,070	6,773	5,944
Debt Service										
Series 2004 Bonds ¹	734	500	-	-	-	-	-	-	-	-
Series 2007A and 2007B Bonds ²	404	405	404	407	418	125	186	83	86	84
Series 2010 Note ³	138	138	314	314	314	313	323	325	323	321
Series 2013 Bonds ⁴	-	477	675	674	669	667	661	667	658	655
Series 2016 Bonds ⁵	-	-	-	-	-	130	168	273	273	272
Series 2020 Bonds ⁸	-	-	-	-	-	-	-	-	45	439
Total Debt Service	\$ 1,276	\$ 1,520	\$ 1,393	\$ 1,395	\$ 1,401	\$ 1,235	\$ 1,338	\$ 1,348	\$ 1,385	\$ 1,771
Debt Service Coverage: ⁶										
Debt Service Coverage on Bonds	2.88 X	2.66 X	2.99 X	3.43 X	4.20 X	4.59 X	3.92 X	7.47 X	4.89 X	3.36 X
Required Coverage Test	1.15 X	1.15 X	1.15 X	1.15 X	1.15 X	1.15 X	1.15 X	1.15 X	1.15 X	1.15 X
Capital Contribution/Impact Fees	\$ 16	\$ 18	\$ 126	\$ 197	\$ 197	\$ 614	\$ 646	\$ 1,038	\$ 1,018	\$ 3,290
Amount Available for Working Capital, Transfer to General Fund & Capital Improvements	2,417	2,539	2,898	3,583	4,674	5,042	4,549	9,760	6,406	7,463
Total Transfers In/(Out)	(763)	(841)	(860)	(813)	(843)	(843)	(879)	(892)	(971)	(966)
Net Available from Operations	\$ 1,654	\$ 1,698	\$ 2,038	\$ 2,770	\$ 3,831	\$ 4,199	\$ 3,670	\$ 8,868	\$ 5,435	\$ 6,497
Debt Service Coverage: ⁷										
Debt Service Coverage on Bonds	2.89 X	2.67 X	3.08 X	3.57 X	4.34 X	5.08 X	4.40 X	8.24 X	5.63 X	5.21 X
Required Coverage Test	1.25 X	1.25 X	1.25 X	1.25 X	1.25 X	1.25 X	1.25 X	1.25 X	1.25 X	1.25 X

Notes:
See notes on Combined Totals Sheet, pg. 2

HISTORICAL OPERATING RESULTS - COMBINED GAS, WATER & WASTEWATER UTILITY
(AMOUNTS EXPRESSED IN THOUSANDS)

The historical operating results of the Utilities System have been prepared by individual utility pursuant to certain provisions of the Bond Resolution and therefore reflect certain differences from the City's audited financial statements.

Description	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Operating Revenues	\$ 23,658	\$ 24,572	\$ 24,469	\$ 24,173	\$ 25,328	\$ 25,738	\$ 25,789	\$ 27,254	\$ 27,855	\$ 28,383
Less: Operating Expenses	14,382	16,076	14,835	13,601	13,399	14,413	15,140	16,252	15,435	15,793
Net Operating Revenues	9,276	8,496	9,634	10,572	11,929	11,325	10,649	11,002	12,420	12,590
Other Income	70	313	70	221	527	249	383	4,804	1,584	11
Total Available for Debt Service	9,346	8,809	9,704	10,793	12,456	11,574	11,032	15,806	14,004	12,601
Debt Service										
Series 2004 Bonds ¹	1,519	1,035	-	-	-	-	-	-	-	-
Series 2007A and 2007B Bonds ²	1,440	1,434	1,433	1,436	1,486	524	520	83	86	84
Series 2010 Note ³	360	358	816	816	797	815	841	844	839	833
Series 2013 Bonds ⁴	-	987	1,396	1,394	1,384	1,380	1,367	1,380	1,364	1,354
Series 2016 Bonds ⁵	-	-	-	-	-	547	706	1,147	1,148	1,143
Series 2020 Bonds ⁸	-	-	-	-	-	-	-	-	117	1,141
Total Debt Service	\$ 3,319	\$ 3,814	\$ 3,645	\$ 3,646	\$ 3,667	\$ 3,266	\$ 3,434	\$ 3,454	\$ 3,554	\$ 4,555
Debt Service Coverage: ⁶										
Debt Service Coverage on Bonds	2.82 X	2.31 X	2.66 X	2.96 X	3.40 X	3.54 X	3.21 X	4.58 X	3.94 X	2.77 X
Required Coverage Test	1.15 X	1.15 X	1.15 X	1.15 X	1.15 X	1.15 X	1.15 X	1.15 X	1.15 X	1.15 X
Capital Contribution/Impact Fees	\$ 25	\$ 26	\$ 179	\$ 279	\$ 312	\$ 861	\$ 1,056	\$ 1,371	\$ 1,605	\$ 2,706
Amount Available for Working Capital, Transfer to General Fund & Capital Improvements	6,052	5,021	6,238	7,426	9,101	9,169	8,654	13,723	12,055	10,753
Total Transfers In/(Out)	(2,283)	(4,149)	(3,760)	(3,548)	(3,589)	(3,793)	(2,685)	(2,636)	(2,731)	(2,781)
Net Available from Operations	\$ 3,769	\$ 872	\$ 2,478	\$ 3,878	\$ 5,512	\$ 5,376	\$ 5,969	\$ 11,087	\$ 9,324	\$ 7,971
Debt Service Coverage: ⁷										
Debt Service Coverage on Bonds	2.82 X	2.32 X	2.71 X	3.04 X	3.48 X	3.81 X	3.52 X	4.97 X	4.39 X	3.36 X
Required Coverage Test	1.25 X	1.25 X	1.25 X	1.25 X	1.25 X	1.25 X	1.25 X	1.25 X	1.25 X	1.25 X

Notes:

Gross Revenues are defined pursuant to Resolution 7143 adopted June 14, 2004, as all income and earnings derived by the City from the ownership, operation, leasing, or use of the system, and investment income, excluding capital expansion and system improvement grants.

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

Net Revenues and Pledged Revenues are defined as gross revenues less operation and maintenance expenses plus capacity charges.

¹ **Series 2004** - The annualized interest payments for fiscal years 2004, 2005 and 2006 were paid 100% from the Capitalized Interest Fund of \$2,380,265. This series was refunded by the Series 2013 Bonds as discussed in note 5 below.

² **Series 2007A & 2007B** - Resolution 7965, adopted July 23, 2007, the City amended Resolution 7143 for the purpose of authorizing the issuance of the Utility System Revenue Bonds, Series 2007A and Taxable Utility System Revenue Bonds, Series 2007B ("Series 2007 Bonds") on a parity with the City's outstanding Utility System Revenue Bonds, Series 2004. First two years payments for these bonds were interest only and were paid 100% from the Capitalized Interest fund of \$1,341,602.

³ **Series 2010** - Resolution 8673, adopted June 28, 2010, the City authorized the issuance of an \$8,000,000 note that fully paid off a prior \$8,000,000 Plantation System seller's note. This prior note was part of the purchase price for this \$15,000,000 utility and the 2010 note is on parity with the 2004 and 2007A&B bonds.

⁴ **Series 2013** - Resolutions 9183 and 9184, adopted April 22, 2013, the City authorized the issuance of the Utility System Refunding Revenue Bonds, Series 2013 to refund the Series 2004 Utility Bonds with the same parity and pledged revenues as the Series 2004.

⁵ **Series 2016** - Resolutions 9794 and 9795, adopted May 9, 2016, the City authorized the issuance of the Utility System Refunding Revenue Bonds, Series 2016 to refund all or a portion of the City's outstanding Utility System Revenue Bonds, Series 2007A, on parity with the outstanding Taxable Utility System Revenue, Series 2007B, Utility System Revenue Refunding Note 2010 and Utility System Refunding Revenue Bonds, Series 2013.

⁶ Excludes revenues from capacity charges per Bond Resolution.

⁷ Includes revenues from capacity charges per Bond Resolution.

⁸ **Series 2020** - Resolution 10,625, adopted on April 16, 2020, the City authorized the issuance of an \$15,000,000 note. This note is payable from and secured solely by net revenues of the City's utility system on parity with the City's outstanding Taxable Utility System Revenue Bonds 2007B, Utility System Revenue Refunding Note 2010, and Utility System Refunding Revenue Bonds Series 2016. Proceeds from the note were used for the expansion of the Turnpike Wastewater Plant and other improvements to the City's Water and Wastewater System.



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Electric System

For the Fiscal Year Ending September 30, 2021

Schedule of Rates

	Customer Charge (\$/Cust/mo)	Energy Charge (\$/kWh)	Demand Charge (\$/kW)
Residential (RS) (First 1,000 kWh)	12.20	0.089879	
Residential (RS) (Over 1,000 kWh)	12.20	0.111688	
General Service Non-Demand (GSND)	12.20	0.098622	
Municipal Service (MS)	12.20	0.098622	
Municipal Service (MS - greater than 20 kw)	25.92	0.046575	13.50
General Service Demand (GSD)	25.92	0.046575	13.50

Ten Largest Customers

(Revenue Based)

	Revenues	% of Total Revenues	Volume (MWh)	% of Total Volume
Cutral Citrus Juices USA, Inc.	\$ 1,649,744	2.75%	12,341	2.49%
UF Health (fka Central Florida Health Alliance)	1,624,590	2.71%	19,902	4.01%
Lake County School District	1,149,799	1.92%	9,525	1.92%
City of Leesburg	729,503	1.22%	9,258	1.87%
CCRC-Lake Port Square, LLC	565,561	0.94%	5,918	1.19%
Lake-Sumter State College	430,061	0.72%	4,922	0.99%
Centurylink	348,912	0.58%	4,122	0.83%
Coca-Cola North America	348,047	0.58%	4,330	0.87%
Lifestream Behavioral Center	346,635	0.58%	4,029	0.81%
Walmart Stores Inc.	322,389	0.54%	3,922	0.79%
Total 10 Largest Electric Customers	\$ 7,515,241	12.54%	78,269	15.79%

Total Electric System Revenues

\$ 59,933,642 100.00% 495,832 100.00%

Rate Comparison

The tables on this and following pages provide a comparison of the rates of the City Electric System with those of neighboring utilities.

Electric Residential Services		Monthly Usage (kWh)		
Comparable Utility	Fuel Adj. (\$/1000kWh)	1000	1200	2500
City of Leesburg - Existing Rates	\$ 10.00 *	\$ 112.08	\$ 136.42	\$ 294.61
<u>Surveyed Florida Utilities:</u>				
Florida Municipalities or Cooperatives:				
City of Jacksonville Beach	\$ 21.84	\$ 109.91	\$ 130.99	\$ 268.03
City of Lakeland	40.00	104.87	125.08	262.57
City of Mount Dora	47.13	105.18	124.11	247.13
City of Ocala	14.00	120.64	141.37	276.10
City of Winter Park	42.01	125.23	153.31	335.85
Gainesville Regional Utilities	30.00	129.59	156.71	333.00
Florida Investor-Owned Utilities:				
Florida Power and Light	\$ 25.10	\$ 100.44	\$ 122.99	\$ 269.53
Duke Energy	32.28	128.93	157.88	346.04
Tampa Electric Company	39.38	115.12	139.14	295.24
<u>Surveyed Florida Utilities:</u>				
Average	\$ 32.42	\$ 115.55	\$ 139.06	\$ 292.61
Minimum	14.00	100.44	122.99	247.13
Maximum	47.13	129.59	157.88	346.04

*The City's fuel adjustment is \$10.00 at the time of this report; however, it is adjusted periodically.

Note: Amounts shown are based on the rates for single phase service and reflect, when applicable, inside City service. Amounts shown include the energy conservation, capacity and environmental cost recovery charges where appropriate, as filed with the PSC.

Rate Comparison (cont.)

Electric General Service (Non-Demand)		Monthly Usage (kWh)	
Comparable Utility	Fuel Adj. (\$/1000kWh)	750	1,500
City of Leesburg - Existing Rates	\$ 10.00 *	\$ 120.82	\$ 175.13
<u>Surveyed Florida Utilities:</u>			
Florida Municipalities or Cooperatives:			
City of Jacksonville Beach	\$ 21.84	\$ 85.06	\$ 164.12
City of Lakeland	40.00	82.78	152.54
City of Mount Dora	47.13	81.52	152.50
City of Ocala	14.00	98.58	177.16
City of Winter Park	42.01	99.05	180.54
Gainesville Regional Utilities	30.00	134.49	235.95
Florida Investor-Owned Utilities:			
Florida Power and Light	\$ 25.10	\$ 81.08	\$ 151.51
Duke Energy	32.28	108.83	202.41
Tampa Electric Company	39.38	97.43	176.81
<u>Surveyed Florida Utilities:</u>			
Average	\$ 32.42	\$ 96.54	\$ 177.06
Minimum	14.00	81.08	151.51
Maximum	47.13	134.49	235.95

*The City's fuel adjustment is \$10.00 at the time of this report; however, it is adjusted periodically.

Note: Amounts shown are based on the rates for single phase service and reflect, when applicable, inside City service. Amounts shown include the energy conservation, capacity and environmental cost recovery charges where appropriate, as filed with the PSC.

Rate Comparison (cont.)

Comparable Utility	Fuel Adj. (\$/1000kWh)	75 KW			150 KW		
		15,000 kWh	30,000 kWh	75 KW	30,000 kWh	150 KW	60,000 kWh
		Monthly Usage					
City of Leesburg - Existing Rates	\$ 10.00 *	\$ 1,887.12	\$ 2,735.82	\$ 3,748.32	\$ 5,445.72		
<u>Surveyed Florida Utilities:</u>							
Florida Municipalities or Cooperatives:							
City of Jacksonville Beach	\$ 21.84	\$ 2,020.40	\$ 3,387.05	\$ 4,024.55	\$ 6,757.85		
City of Lakeland	40.00	1,604.34	2,538.17	3,166.67	5,034.35		
City of Mount Dora	47.13	1,264.10	2,070.20	2,504.45	4,116.65		
City of Ocala	14.00	1,665.95	2,764.40	3,352.10	5,517.20		
City of Winter Park	42.01	1,723.48	3,049.93	3,428.68	6,081.68		
Gainesville Regional Utilities	30.00	2,417.25	3,915.75	4,729.50	7,726.50		
Florida Investor-Owned Utilities:							
Florida Power and Light	\$ 25.10	\$ 1,652.48	\$ 2,430.98	\$ 3,278.48	\$ 4,835.48		
Duke Energy	32.28	1,903.00	2,911.75	3,790.75	5,808.25		
Tampa Electric Company	39.38	1,775.05	2,768.65	3,520.00	5,507.20		
<u>Surveyed Florida Utilities:</u>							
Average	\$ 32.42	\$ 1,780.67	\$ 2,870.76	\$ 3,532.80	\$ 5,709.46		
Minimum	14.00	1,264.10	2,070.20	2,504.45	4,116.65		
Maximum	47.13	2,417.25	3,915.75	4,729.50	7,726.50		

*The City's fuel adjustment is \$10.00 at the time of this report; however, it is adjusted periodically.

Note: Amounts shown are based on the rates for single phase service and reflect, when applicable, inside City service. Amounts shown include the energy conservation, capacity and environmental cost recovery charges where appropriate, as filed with the PSC.

The Utility Debt is supported by revenues from three funds:

Natural Gas Utility Fund

Water Utility Fund

Wastewater Utility Fund

Information is listed by individual fund on the following pages.

Natural Gas System

For the Fiscal Year Ending September 30, 2021

Schedule of Rates

Monthly Available Charge (per account)	
Residential Standard (Year-Round) Service	\$ 13.40
Residential Heat-Only Service	17.74
Public Building, Commercial and Small Industrial Service	13.32

Delivery Charge (per Therm)	
All Services	\$ 0.60823

Purchased Gas Adjustment Charge (per Therm)	
Adjusted monthly to pass through the actual costs	
All Services	\$ 0.72188

Ten Largest Customers
(Revenue Based)

	Revenues	% of Total Revenues	Volume	% of Total Volume
Wastewater				
CCRC-Lake Port Square, LLC	\$ 162,070	1.30%	18,442	1.01%
UF Health (fks Central Florida Health Alliance)	149,601	1.20%	74,281	4.05%
Sleepy Hollow Phase II	95,515	0.77%	38,347	2.09%
Lake County School Board	83,223	0.67%	22,388	1.22%
Beacon College	54,699	0.44%	13,988	0.76%
Cobblestone I PMR LLC	38,672	0.31%	18,076	0.99%
Lifestream Behavioral Center	36,363	0.29%	9,335	0.51%
Community Housing Partners	36,361	0.29%	17,702	0.97%
South Campus Care Center	32,912	0.26%	7,129	0.39%
Medic Home Health Center	28,619	0.23%	5,914	0.32%
Total 10 Largest Wastewater Customers	\$ 718,035	5.75%	225,602	12.31%

Total Wastewater System Revenues	\$ 12,481,565	100.00%	1,833,225	100.00%
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NM (Not Meaningful) - A majority of Cutrale's volume is for transportation charges only. This volume of natural gas was independently purchased.

Rate Comparison

The tables on this and following pages provide a comparison of the rates of the City Utility System with those of neighboring utilities.

Comparable Utility	Natural Gas Residential Services					
	10	30	50	70	100	
	Monthly Usage (therms)					
City of Leesburg - Existing Rates	\$ 26.70	\$ 53.30	\$ 79.91	\$ 106.51	\$ 133.11	\$ 146.41
<u>Surveyed Florida Utilities:</u>						
Florida Municipalities or Cooperatives:						
City of Clearwater	\$ 28.00	\$ 56.00	\$ 84.00	\$ 112.00	\$ 140.00	\$ 154.00
City of Jacksonville Beach	21.00	39.00	57.00	75.00	93.00	102.00
City of Tallahassee	33.37	79.36	125.36	171.36	217.35	240.35
Energy Services of Pensacola	35.90	87.82	139.74	191.65	243.57	269.53
Gainesville Regional Utilities	20.45	41.84	63.23	84.62	106.01	116.71
<u>Regulated Natural Gas Companies:</u>						
Peoples Gas System	\$ 29.12	\$ 57.17	\$ 85.22	\$ 113.27	\$ 141.32	\$ 155.34
Florida Public Utilities	23.78	49.35	74.91	100.48	126.05	138.83
St. Joe Natural Gas Co.	40.53	95.60	150.67	205.74	260.81	288.34
<u>Surveyed Florida Utilities:</u>						
Average	\$ 29.02	\$ 63.27	\$ 97.52	\$ 131.76	\$ 166.01	\$ 183.14
Minimum	20.45	39.00	57.00	75.00	93.00	102.00
Maximum	40.53	95.60	150.67	205.74	260.81	288.34

Rate Comparison (cont.)

		Natural Gas Commerical Services					
		Monthly Usage (therms)					
Comparable Utility		100	300	500	700	1,000	2,000
City of Leesburg - Existing Rates	\$	150.75	\$ 416.78	\$ 682.80	\$ 948.82	\$ 1,347.86	\$ 2,677.98
<u>Surveyed Florida Utilities:</u>							
Florida Municipalities or Cooperatives:							
City of Clearwater	\$	172.00	\$ 466.00	\$ 760.00	\$ 1,054.00	\$ 1,495.00	\$ 2,965.00
City of Jacksonville Beach		102.00	282.00	462.00	642.00	912.00	1,840.00
City of Tallahassee		138.59	378.68	618.77	858.86	1,219.00	2,419.46
Energy Services of Pensacola		276.77	795.15	1,313.53	1,831.91	2,609.48	5,201.38
Gainesville Regional Utilities		132.82	308.46	484.10	659.74	923.20	1,801.40
<u>Regulated Natural Gas Companies:</u>							
Peoples Gas System	\$	148.22	\$ 383.46	\$ 618.69	\$ 853.93	\$ 1,206.79	\$ 2,844.04
Florida Public Utilities		137.14	371.41	605.68	852.95	1,204.36	2,375.72
St. Joe Natural Gas Co.		181.89	505.66	829.44	1,153.21	1,638.87	3,257.74
<u>Surveyed Florida Utilities:</u>							
Average	\$	161.18	\$ 436.35	\$ 711.53	\$ 988.33	\$ 1,401.09	\$ 2,838.09
Minimum		102.00	282.00	462.00	642.00	912.00	1,801.40
Maximum		276.77	795.15	1,313.53	1,831.91	2,609.48	5,201.38

Water System

For the Fiscal Year Ending September 30, 2021

Schedule of Rates

Effective November 1, 2021

Capacity Impact Charge	\$ 1,175.00
Residential Single Family Home (1.000 ERU)	
Monthly Customer Charge (per account)	\$ 9.62
Residential, Master-Meter and Commercial	
Consumption Charge (per 1,000 gallons)	
Residential Service:	
0-4,000	\$ 1.078264
5,000-8,000	1.335578
9,000-15,000	1.874710
16,000-33,000	2.536372
Over 33,000	4.656140
Commercial	
All gallons	\$ 1.80119

Ten Largest Customers
(Revenue Based)

	Revenues	% of Total Revenues	Volume (gallons)	% of Total Volume
Water & Irrigation				
City of Leesburg	\$ 119,435	1.39%	57,798	1.74%
UF Health (fka Central Florida Health Alliance)	116,149	1.35%	74,281	2.24%
CRCC-Lake Port Square, LLC	79,542	0.92%	18,442	0.56%
Sleepy Hollow Phase II	73,494	0.85%	38,347	1.16%
Lake County School Board	60,013	0.70%	22,388	0.67%
Florida Rock Industries, Inc.	45,077	0.52%	25,588	0.77%
Beacon College	41,564	0.48%	13,988	0.42%
Community Housing Partners	37,727	0.44%	17,702	0.53%
Cobblestone I PMR LLC	37,333	0.43%	18,076	0.54%
Highland Lakes Prop Owners	32,189	0.37%	10,891	0.33%
Total 10 Largest Water Customers	\$ 642,523	7.47%	297,501	8.97%
Total Water System Revenues	\$ 8,605,403	100.00%	3,318,200	100.00%

Rate Comparison

The tables on this and following pages provide a comparison of the rates of the City Utility System with those of neighboring utilities.

		Water Residential Services					
		Monthly Usage					
		5/8" Meter (gallons)					
Comparable Utility		3,000	5,000	7,500	10,000	15,000	20,000
City of Leesburg - Existing Rates	\$	12.85	15.01	23.68	28.37	37.74	60.35
<u>Surveyed Florida Utilities:</u>							
City of Clearwater	\$	25.05	45.37	70.77	98.81	162.81	226.81
City of Clermont		9.42	11.78	14.73	17.68	28.83	36.48
City of DeLand		15.52	20.32	26.32	48.02	102.37	157.52
City of Eustis		19.14	24.06	30.21	42.36	57.66	72.96
City of Jacksonville Beach		25.94	39.89	52.79	65.69	91.49	329.89
City of Mount Dora		16.28	20.01	24.68	47.99	66.63	122.58
City of Ocala		14.03	16.25	19.02	21.80	53.21	67.38
City of Sanford		14.66	19.44	30.97	38.79	68.24	88.49
City of Sunrise		33.14	41.32	51.55	61.77	82.22	102.67
City of Tallahassee		15.29	19.51	30.71	37.96	52.46	81.96
City of Tavares		21.41	27.14	40.94	48.79	80.84	101.99
City of Wildwood		15.42	18.94	30.09	36.74	50.04	63.34
Gainesville Regional Utilities		16.86	28.80	38.48	48.18	67.50	130.25
<u>Surveyed Florida Utilities:</u>							
Average	\$	18.63	25.60	35.48	47.27	74.18	121.72
Minimum		9.42	11.78	14.73	17.68	28.83	36.48
Maximum		33.14	45.37	70.77	98.81	162.81	329.89

Rate Comparison (cont.)

		Water Commercial Services			
Comparable Utility		Monthly Usage 2" Meter (gallons)			
		50,000	150,000	200,000	500,000
City of Leesburg - Existing Rates	\$	99.68	\$ 279.80	\$ 369.86	\$ 910.22
<u>Surveyed Florida Utilities:</u>					
City of Clearwater	\$	1,945.55	\$ 1,945.55	\$ 1,945.55	\$ 5,072.75
City of Clermont		166.88	488.88	649.88	1,615.88
City of DeLand		265.09	1,185.59	1,558.59	3,796.59
City of Eustis		176.03	481.03	633.53	1,548.53
City of Jacksonville Beach		347.57	863.57	1,121.57	2,669.57
City of Mount Dora		324.50	915.67	1,211.26	2,984.78
City of Ocala		418.62	1,826.38	2,389.88	5,770.90
City of Sanford		358.46	955.46	1,253.96	3,044.96
City of Sunrise		480.90	912.90	1,128.90	2,424.90
City of Tallahassee		114.73	366.73	492.73	1,248.73
City of Tavares		350.62	773.62	985.12	2,254.12
City of Wildwood		158.16	394.16	512.16	1,220.16
Gainesville Regional Utilities		213.50	600.50	794.00	1,955.00
<u>Surveyed Florida Utilities:</u>					
Average	\$	409.28	\$ 900.77	\$ 1,129.01	\$ 2,738.99
Minimum		114.73	366.73	492.73	1,220.16
Maximum		1,945.55	1,945.55	2,389.88	5,770.90

Wastewater System
For the Fiscal Year Ending September 30, 2021

Schedule of Rates
Effective November 1, 2021

Capacity Impact Charge		
Residential Single Family Home (1,000 ERU)	\$	2,778.00
Monthly Customer Charge (per account)		
Residential Service	\$	25.73
Commercial Service		111.90
Consumption Charge (per 1,000 gallons)		
Residential Service:		
0-15,000	\$	1.784084
capped at 15,000		1.784084 (maximum charge)
Commercial Service		
All gallons	\$	4.55 Per 1,000 gallons

Ten Largest Customers
(Revenue Based)

	Revenues	Revenues	Volume	Volume
	%	%	%	%
	of Total	of Total	of Total	of Total
	Revenues	Revenues	Volume	Volume
Wastewater				
CCRC-Lake Port Square, LLC	\$ 162,070	1.30%	18,442	1.01%
UF Health (fks Central Florida Health Alliance)	149,601	1.20%	74,281	4.05%
Sleepy Hollow Phase II	95,515	0.77%	38,347	2.09%
Lake County School Board	83,223	0.67%	22,388	1.22%
Beacon College	54,699	0.44%	13,988	0.76%
Cobblestone I PMR LLC	38,672	0.31%	18,076	0.99%
Lifestream Behavioral Center	36,363	0.29%	9,335	0.51%
Community Housing Partners	36,361	0.29%	17,702	0.97%
South Campus Care Center	32,912	0.26%	7,129	0.39%
Medic Home Health Center	28,619	0.23%	5,914	0.32%
Total 10 Largest Wastewater Customers	\$ 718,035	5.75%	225,602	12.31%

Total Wastewater System Revenues \$ 12,481,565 100.00% 1,833,225 100.00%

Rate Comparison

The tables on this and following page provide a comparison of the rates of the City Utility System with those of neighboring utilities.

		Wastewater Residential Services					
		Monthly Usage					
		5/8" Meter (gallons)					
Comparable Utility		3,000	5,000	7,500	10,000	15,000	20,000
City of Leesburg - Existing Rates	\$	31.08	\$ 34.65	\$ 39.11	\$ 43.57	\$ 52.49	\$ 52.49
<u>Surveyed Florida Utilities:</u>							
City of Clearwater	\$	34.50	\$ 57.50	\$ 86.25	\$ 115.00	\$ 172.50	\$ 230.00
City of Clermont		23.81	28.31	33.94	39.56	50.81	53.06
City of DeLand		39.48	49.28	61.53	73.78	73.78	73.78
City of Eustis		38.05	44.97	53.62	62.27	62.27	62.27
City of Jacksonville Beach		36.07	49.93	81.73	103.88	148.18	148.18
City of Mount Dora		46.65	58.47	73.25	88.03	117.59	147.14
City of Ocala		36.07	42.80	51.23	58.72	58.72	58.72
City of Sanford		30.52	42.82	58.20	73.57	98.17	98.17
City of Sunrise		42.16	50.48	60.88	71.28	92.08	96.24
City of Tallahassee		40.99	54.37	71.10	87.82	121.27	154.72
City of Tavares		36.19	44.37	54.60	64.82	97.54	97.54
City of Wildwood		31.01	39.67	50.49	61.31	82.96	104.60
Gainesville Regional Utilities		29.45	42.75	59.38	76.00	109.25	142.50
<u>Surveyed Florida Utilities:</u>							
Average	\$	35.76	\$ 46.59	\$ 61.24	\$ 75.08	\$ 98.85	\$ 112.84
Minimum		23.81	28.31	33.94	39.56	50.81	53.06
Maximum		46.65	58.47	86.25	115.00	172.50	230.00

Rate Comparison (cont.)

		Wastewater Commercial Services			
		Monthly Usage 2" Meter (gallons)			
Comparable Utility		50,000	150,000	200,000	500,000
City of Leesburg - Existing Rates		\$ 339.20	\$ 793.79	\$ 1,021.09	\$ 2,384.88
<u>Surveyed Florida Utilities:</u>					
City of Clearwater		\$ 2,679.50	\$ 2,679.50	\$ 2,679.50	\$ 5,750.00
City of Clermont		249.08	474.08	586.58	1,261.58
City of DeLand		443.21	933.21	1,178.21	2,648.21
City of Eustis		246.74	662.74	870.74	2,118.74
City of Jacksonville Beach		644.01	1,733.01	2,277.51	5,544.51
City of Mount Dora		324.50	915.67	1,211.26	2,984.78
City of Ocala		597.04	933.94	1,102.39	2,113.08
City of Sanford		404.13	1,019.13	1,326.63	3,171.63
City of Sunrise		585.02	1,001.02	1,209.02	2,457.02
City of Tallahassee		501.82	1,170.82	1,505.32	3,512.32
City of Tavares		395.86	804.86	1,009.36	2,236.36
City of Wildwood		281.93	714.83	931.28	2,229.98
Gainesville Regional Utilities		342.00	1,007.00	1,339.50	3,334.50
<u>Surveyed Florida Utilities:</u>					
Average		\$ 591.91	\$ 1,080.75	\$ 1,325.18	\$ 3,027.90
Minimum		246.74	474.08	586.58	1,261.58
Maximum		2,679.50	2,679.50	2,679.50	5,750.00

AN ORDINANCE OF THE CITY OF LEESBURG, FLORIDA, AMENDING §22-246 OF THE CODE OF ORDINANCES PERTAINING TO NATURAL GAS RATES; INCREASING MONTHLY CHARGES FOR ALL CLASSIFICATIONS OF CUSTOMER; PROVIDING FOR ANNUAL INFLATION ADJUSTMENT; CHANGING THE GROSS PROFIT MARGIN OF THE CITY; CHANGING THE CALCULATION METHOD FOR THE FUEL ADJUSTMENT CHARGE; REPEALING CONFLICTING ORDINANCES; PROVIDING A SEVERANCE CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

BE IT ENACTED BY THE PEOPLE OF THE CITY OF LEESBURG, FLORIDA:

SECTION I.

§22-246 of the Code of Ordinances for the City of Leesburg, Florida, is hereby amended in its entirety to read as set forth below:

Sec. 22-246. Gas service rate schedule.

The rates for the furnishing of gas service by the city shall be as set forth below. Rates shown shall be subject to periodic adjustment under §22-166 of this Code. The automatic annual adjustment described by 22-166 shall not apply to the Energy Conservation Adjustment. Rates described herein shall be effective for all utility bills rendered on or after the first day of the month following adoption of this Ordinance.

(1) Residential.

- a. Applicable. Service under the rate shall apply only to gas service used in a single private dwelling unit and its appurtenances and used for other than heating only and shall not be resold. Each dwelling unit in an apartment house shall be separately metered. Housing projects in which gas service is furnished by the lessor may be singularly metered and billed.
- b. Deposits. Deposits for each account shall be required as set forth more particularly in § 22-181 of this Code.
- c. Monthly rate.
Availability charge exclusive of use . . . \$6.78
Delivery Charge per therm, effective 6-1-2007 0.464400

(2) Heating only, residential.

- a. Applicable. Service under this rate shall apply only to gas service used for heating only in a single private dwelling unit and its appurtenances and shall

not be resold. Each dwelling unit in an apartment shall be separately metered. Housing projects in which gas service is furnished by the lessor may be singularly metered and billed.

b. Deposits. Deposits for each account shall be required as set forth more particularly in § 22-181 of this Code.

c. Monthly rate.
Availability charge, exclusive of use . . . \$10.17

Delivery Charge per therm, effective 6-1-20070.464400

(3) Public building, commercial and small industrial (not contract).

a. Applicable. To all publicly owned buildings, school buildings, commercial and industrial consumers.

b. Monthly rate.
Availability charge, exclusive of use . . . \$10.17
Energy Charge per therm, effective 6-1-20070.464400

(4) Large industrial--Contract.

a. Applicable. Gas service under this rate shall apply to large consumers of gas.

b. Rate. The rate shall be as fixed by contract between the city and the consumer, negotiated by the city manager, with the approval of the city commission.

(5) Reconnection charge. When any service is cut off for nonpayment of bill, and when connection service is requested to be performed after normal business hours, the reconnection charge shall be pursuant to the Utility Service Fee Schedule described in §22-6 of this Code. Service will not be restored after it is cut off for nonpayment until the account is paid current and the reconnection charge is paid.

(6) Fuel adjustment charge. All non-contract natural gas rates shall include a fuel adjustment charge. The fuel adjustment charge is the average cost of natural gas, per delivered therm. The calculation of the fuel adjustment charge shall be based upon past and estimated future costs. The fuel adjustment charge shall be calculated by the Finance Director, or his delegate, and revised as frequently as necessary to assure that the City recovers the total cost of all natural gas purchased.

(7) Turn-off and turn-on fee for gas service interrupted at customer's request. Any gas service interrupted at the request of the customer and restored for the same customer at the same address shall have the fees assessed according to the Utility Service Fee Schedule pursuant to §22-6 of this Code.

(8) Master metering. Where natural gas service charges are measured, in whole or in part, by a master meter, the availability charge on the master meter shall be the number of units served by the master meter times the rate per month availability charge. All consumption on the master meter shall be billed at the monthly rate per therm, as applicable, plus all other charges. The master meter shall be classified to the rate schedule which yields the highest

revenue consistent with the applicability clauses of the rate classes. Each and every user served by the master meter may be billed, at the discretion of the city, for the fixed charge assessed for each user within the particular user's service classification, and the person or entity in whose name the master meter is registered on the city's records shall in such event be billed for the variable charge assessed for the service being provided. As used in this subsection, the following terms shall have the meanings indicated:

- a. Master meter: Shall refer to a meter measuring the service provided to two (2) or more occupancy units being served by a single meter.
- b. Occupancy unit: Shall refer to that portion of any commercial establishment, single- or multi-unit residential building, or trailer, mobile home, manufactured housing, or recreational vehicle park, or marina which is set apart from the rest of such facility by clearly determinable boundaries, as described in the rental, lease or ownership agreement for such unit, or in the absence of such an agreement, where that portion of the facility is clearly set apart from the rest of the facility in a manner which evidences an intent to render the unit suitable for occupancy as a residential, commercial or other space as a discrete unit, separate and apart from the use or occupancy of other units within the same facility.
- c. User: Shall refer to the occupant(s) of any individual occupancy unit served by a master meter.
- d. Fixed charge: Shall refer to the minimum charge imposed by the city during a billing period, in the particular customer's service classification, for the availability of the service, if no service is actually used by the customer in a given billing period.
- e. Variable charge: Shall refer to that portion of the bill for the utility service which is assessed in addition to the fixed charge and which is based on actual usage in a given billing period.

(9) Initial connection fee. An initial connection fee per utility shall be charged according to the Utility Service Fee Schedule described in §22-6 of this Code.

(10) Energy conservation adjustment (Rider ECA). A rider applicable to all firm standard natural gas therm rates to recover the cost of energy conservation programs undertaken by the Leesburg Gas System and approved by the city manager. The ECA will not be applied to interruptible natural gas or contract rates. The currently calculated ECA rate is:

Natural gas rate schedule ECA, per therm . . . \$0.05

The above ECA rate is based on twelve (12) months projected expense levels. This ECA rate will normally be reviewed semi-annually in April and October and may be adjusted upward or downward based on actual and projected energy conservation program costs and projected consumption levels in order to recover the total cost of applicable gas system programs, including energy conservation incentive payments as well as the labor and other costs attributable to such energy conservation programs. The over and under recovery of these ECA costs will be computed and an adjustment in the ECA rate will be made. However, the ECA rate will be adjusted anytime the over or under recovery for a 12-month

period exceeds or is projected to exceed fifty thousand dollars (\$50,000.00) Any adjustment must be approved by the city manager and will be reported to the city commission at the first regularly scheduled commission meeting following the adjustment.

(11) Tax adjustment clause, TAC.

- a. Applicability. Tax adjustment clause shall be applicable to the monthly rate of each filed rate schedule as indicated with reference to billing adjustment.
- b. Calculation of tax adjustment. Calculation shall be minus or plus the applicable proportionate part of any taxes and assessments imposed by any governmental authority below or in excess of those in effect on the effective date hereof including, but not limited to, the City of Leesburg's Utility Service Tax, which are assessed on the basis of revenues from natural gas or service sold or the volume of natural gas purchased for sale or sold. Such taxes and assessments are to be reflected on the bills of only those customers within the jurisdiction of the governmental authority imposing the taxes and assessments.

SECTION II.

If any portion of this ordinance is declared invalid or unenforceable, then to the extent it is possible to do so without destroying the overall intent and effect of this ordinance, the portion deemed invalid or unenforceable shall be severed herefrom and the remainder of this ordinance shall continue in full force and effect as if it were enacted without including the portion found to be invalid or unenforceable.

SECTION III.

All ordinances or parts of ordinances which are in conflict with this ordinance are hereby repealed, to the extent necessary to alleviate the conflict, but shall continue in effect insofar as they are not in conflict herewith, unless repeal of the conflicting portion destroys the overall intent and effect of any of the conflicting ordinance, in which case those ordinances so affected shall be hereby repealed in their entirety.

SECTION IV.

This ordinance shall become effective immediately upon its passage.

THE CITY OF LEESBURG, FLORIDA

By: *Sanna Henderson*
Mayor

Attest: *Jelly McRichardson*
City Clerk

ORDINANCE NO. 08-14

AN ORDINANCE OF THE CITY OF LEESBURG, FLORIDA, AMENDING SECTION 22-227 OF THE CODE OF ORDINANCES PERTAINING TO POLLUTION ABATEMENT CHARGES; ESTABLISHING NEW RATE SCHEDULES FOR POLLUTION ABATEMENT CHARGES; PROVIDING FOR RATES EFFECTIVE MARCH 1, 2008; PROVIDING NEW PROPOSED BLOCK RATES; PROVIDING FOR RATES INSIDE AND OUTSIDE CITY LIMITS; PROVIDING FOR CONFLICTS; PROVIDING A SAVINGS CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

BE IT ENACTED BY THE PEOPLE OF THE CITY OF LEESBURG, FLORIDA, that:

SECTION 1.

Section 22-227, of the Code of Ordinances of the City of Leesburg, Florida, is hereby amended in its entirety to read as:

Each classification of user shall be assessed the following charges for pollution abatement:

(1) Inside the City Wastewater Rates (CCF):

Customer Charge Residential and Master-Meter

Line No.	Description	Proposed Rates Rates Effective 03/01/2008	New Proposed Block Rates 03/01/2008
<hr/>			
	<u>Meter Size</u>		
1.	ALL METER SIZES	\$ 20.10	
Consumption Charge (Per 1 CCF = Cubic Feet = 748 Gallons)			
	<u>Consumption Charge Wastewater Residential Block Rates (Per CCF)</u>		<u>New Proposed Block Rates CCF)</u>
2.	Usage Up to 15 CCF	\$ 1.04200	Up to 21 CCF
<u>Customer Charge Commercial and Municipal Commercial and Municipal Classes</u>			
3.	COMMERCIAL I	\$ 20.91	
4.	COMMERCIAL II	\$ 35.59	
5.	COMMERCIAL III	\$ 87.43	
6.	COMMERCIAL IV	\$ 20.10	

Consumption Charge (Per 1 CCF = 100 Cubic Feet = 748 Gallons)

Consumption Charge Wastewater Commercial and Municipal
Block Rates (Per CCF)

7.	COMMERCIAL I All CCF (No CAP)	\$ 1.71900
8.	COMMERCIAL II All CCF (No CAP)	\$ 2.13600
9.	COMMERCIAL III All CCF (No CAP)	\$ 2.65700
10.	COMMERCIAL IV All CCF (No CAP)	\$ 1.04200

(2) Inside the City Wastewater rates (1,000 Gallons):

Customer Charge Residential and Master-Meter

	<u>Meter Size</u>	
1.	ALL METER SIZES	\$ 20.10

Consumption Charge (Per 1,000 Gallons)
Consumption Charge Wastewater Residential
Block Rates (Per 1,000 Gallons)

2.	Usage Up to 11,000 Gallons	\$ 1.39400	New Proposed <u>Blocks(Th. Gall.)</u> Up to 15,000 Gall.
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Customer Charge Commercial and Municipal
Commercial and Municipal Classes

3.	COMMERCIAL I	\$ 20.91
4.	COMMERCIAL II	\$ 35.59
5.	COMMERCIAL III	\$ 87.43
6.	COMMERCIAL IV	\$ 20.10

Consumption Charge Wastewater Commercial and Municipal
Block Rates (Per 1,000 Gallons)

7.	COMMERCIAL I All CCF (No CAP)	\$ 2.29800
8.	COMMERCIAL II All CCF (No CAP)	\$ 3.85600

9. COMMERCIAL III
All CCF (No CAP) \$ 3.55200

10. COMMERCIAL IV
All CCF (No CAP) \$ 1.39400

(3) Outside the City Wastewater Rates (CCF):

Customer Charge Residential and Master-Meter

Line No.	Description	Proposed Rates Rates Effective 03/01/2008	New Proposed Block Rates 03/01/2008
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Meter Size

1. ALL METER SIZES \$ 25.13

Consumption Charge (Per 1 CCF = 100 Cubic Feet = 748 Gallons)

Consumption Charge Wastewater Residential Block Rates (Per CCF)	New Proposed Block Rates Th. Gall).
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2. Usage Up to 15 CCF \$ 1.30300 Up to 21 CCF

**Customer Charge Commercial and Municipal
Commercial and Municipal Classes**

3. COMMERCIAL I	\$ 26.14
4. COMMERCIAL II	\$ 44.49
5. COMMERCIAL III	\$ 109.29
6. COMMERCIAL IV	\$ 25.13

Consumption Charge (Per 1 CCF = 100 Cubic Feet = 748 Gallons)

Consumption Charge Wastewater Commercial and Municipal
Block Rates (Per CCF)

7. COMMERCIAL I
All CCF (No CAP) \$ 2.14900

8. COMMERCIAL II
All CCF (No CAP) \$ 2.67000

9. COMMERCIAL III
All CCF (No CAP) \$ 3.32100

10. COMMERCIAL IV
All CCF (No CAP) \$ 1.30300

(4) Outside the City Wastewater Rates (1,000 Gallons):

Customer Charge Residential and Master-Meter

Line No.	Description	Proposed Rates Rates Effective 03/01/2008	New Proposed Block Rates 03/01/2008
<u>Meter Size</u>			
1.	ALL METER SIZE Consumption Charge (Per 1,000 Gallons) Consumption Charge Wastewater Residential	\$ 25.13	
<u>Block Rates (Per 1,000 Gallons)</u>			New Proposed
Usage Up to 11,000 Gallons			<u>Block Rates (Th. Gall.)</u>
2.	Usage Up to 11,000 Gallons	\$ 1.74200	Up to 15,000 Gall.
Customer Charge Commercial and Municipal			
<u>Commercial and Municipal Classes</u>			
3.	COMMERCIAL I	\$ 26.14	
4.	COMMERCIAL II	\$ 44.49	
5.	COMMERCIAL III	\$ 109.29	
6.	COMMERCIAL IV	\$ 25.13	
Consumption Charge Wastewater Commercial and Municipal			
<u>Block Rates (Per 1,000 Gallons)</u>			
7.	COMMERCIAL I All CCF (No CAP)	\$ 2.87300	
8.	COMMERCIAL II All CCF (No CAP)	\$ 3.57000	
9.	COMMERCIAL III All CCF (No CAP)	\$ 4.44000	
10.	COMMERCIAL IV All CCF (No CAP)	\$ 1.74200	

SECTION 2.

All ordinances or part of ordinances which are in conflict with this Ordinance are hereby repealed, to the extent necessary to alleviate the conflict, but shall continue in effect insofar as they are not in conflict herewith, unless repeal of the conflicting portion destroys the overall intent and effect of any of the conflicting ordinance, in which case those ordinances so affected shall be hereby repealed in their entirety.

SECTION 3.

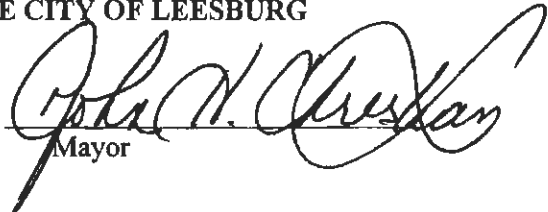
If any portion of this Ordinance is declared invalid or unenforceable, and to the extent that it is possible to do so without destroying the overall intent and effect of this Ordinance, the portion deemed invalid or unenforceable shall be severed herefrom and the remainder of the ordinance shall continue in full force and effect as if it were enacted without including the portion found to be invalid or unenforceable.

SECTION 4.

This Ordinance shall become effective upon its passage and adoption according to law.

PASSED AND ADOPTED at the regular meeting of the City Commission of the City of Leesburg, Florida, held on the 11th day of February, 2008.

THE CITY OF LEESBURG

By: 
Mayor

ATTEST:


City Clerk

ORDINANCE NO. 09- 89

AN ORDINANCE OF THE CITY OF LEESBURG, FLORIDA, AMENDING SECTION 22-211 OF THE CODE OF ORDINANCES PERTAINING TO WATER SERVICE RATES, AS AMENDED PREVIOUSLY BY ORDINANCE 09 - 64; ESTABLISHING A NEW RATE SCHEDULE FOR WATER; PROVIDING FOR RATES EFFECTIVE AS OF NOVEMBER 1, 2009; PROVIDING FOR RATES EFFECTIVE AS OF NOVEMBER 1, 2010; PROVIDING FOR RATES INSIDE AND OUTSIDE THE CITY LIMITS; PROVIDING FOR ADOPTION OF RECONNECTION CHARGES BY RESOLUTION; PROVIDING FOR CONTINUOUS SERVICE TO FIRE PROTECTION SYSTEMS FOR SAFETY REASONS IN THE EVENT OF A CUTOFF OF SERVICE; PROVIDING FOR CONFLICTS; PROVIDING A SAVINGS CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

BE IT ENACTED BY THE PEOPLE OF THE CITY OF LEESBURG, FLORIDA, that:

SECTION 1.

Section 22-211, of the Code of Ordinances of the City of Leesburg, Florida, is hereby amended in its entirety to read as:

(a) *Water conservation service rate:*

(1) *Inside The City Water Rates (CCF):*

Line No.	<u>Description</u>	<u>Proposed Rates Effective 11/01/2009</u>	<u>Proposed Rates Effective 11/01/2010</u>
	Customer Charge Residential, Master-Meter, Commercial, and Sprinklers		
1.	All Meter Sizes	\$7.70	\$7.85
	Customer Charge Irrigation		
2.	All Meter Sizes	\$4.03	\$4.31
	Consumption Charge (Per 1 CCF = 100 Cubic Feet = 748 Gallons)		
	Consumption Charge Potable Water Residential <u>Block Rates (Per CCF)</u>		
3.	BAS1 (0 - 6)	\$0.64	\$0.65
4.	BAS2 (7 - 12)	\$0.77	\$0.82

5.	BAS3 (13 – 21)	\$1.07	\$1.14
6.	BAS4 (22 – 45)	\$1.45	\$1.55
7.	BAS5 (Over 45)	\$2.66	\$2.84

Consumption Charge Potable Water Commercial
Block Rates (Per CCF)

8.	All CCF (No Cap)	\$1.03	\$1.10
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Consumption Charge Irrigation Residential
Block Rates (Per CCF)

9.	BAS1 (0 – 9)	\$1.07	\$1.14
10.	BAS2 (10 – 33)	\$1.45	\$1.55
11.	BAS3 (Over 33)	\$2.66	\$2.84

Consumption Charge Irrigation Commercial and Common Area
Block Rates (Per CCF)

12.	BAS1 (0 – 33)	\$1.07	\$1.14
13.	BAS2 (Over 33)	\$1.45	\$1.55

(2) *Inside The City Water Rates (TGAL):*

Line No.	Description	Proposed Rates Effective 11/01/2009	Proposed Rates Effective 11/01/2010
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Customer Charge Residential, Master-Meter, Commercial, and Sprinklers

14.	All Meter Sizes	\$7.70	\$7.85
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Customer Charge Irrigation

15.	All Meter Sizes	\$4.03	\$4.31
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Consumption Charge (Per 1 TGAL = 1000 Gallons)

Consumption Charge Potable Water Residential
Block Rates (Per TGAL)

16.	BAS1 (0 – 4)	\$0.86	\$0.88
17.	BAS2 (5 – 8)	\$1.02	\$1.09
18.	BAS3 (9 – 15)	\$1.43	\$1.53
19.	BAS4 (16 – 33)	\$1.94	\$2.07
20.	BAS5 (Over 33)	\$3.56	\$3.80

Consumption Charge Potable Water Commercial
Block Rates (Per TGAL)

21.	All CCF (No Cap)	\$1.38	\$1.47
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Consumption Charge Irrigation Residential
Block Rates (Per TGAL)

22.	BAS1 (0 – 7)	\$1.43	\$1.53
23.	BAS2 (8 – 25)	\$1.94	\$2.07
24.	BAS3 (Over 25)	\$3.56	\$3.80

Consumption Charge Irrigation Commercial and Common Area
Block Rates (Per TGAL)

25.	BAS1 (0 – 25)	\$1.43	\$1.53
26.	BAS2 (Over 25)	\$1.94	\$2.07

(3) *Outside The City Water Rates (CCF):*

Line No.	Description	Proposed Rates Effective 11/01/2009	Proposed Rates Effective 11/01/2010
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Customer Charge Residential, Master-Meter, Commercial, and Sprinklers

27.	All Meter Sizes	\$9.63	\$9.81
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Customer Charge Irrigation

28.	All Meter Sizes	\$5.04	\$5.39
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Consumption Charge (Per 1 CCF = 100 Cubic Feet = 748 Gallons)

Consumption Charge Potable Water Residential
Block Rates (Per CCF)

29.	BAS1 (0 – 6)	\$0.80	\$0.81
30.	BAS2 (7 – 12)	\$0.96	\$1.03
31.	BAS3 (13 – 21)	\$1.34	\$1.43
32.	BAS4 (22 – 45)	\$1.81	\$1.94
33.	BAS5 (Over 45)	\$3.33	\$3.55

Consumption Charge Potable Water Commercial
Block Rates (Per CCF)

34.	All CCF (No Cap)	\$1.29	\$1.38
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Consumption Charge Irrigation Residential
Block Rates (Per CCF)

35.	BAS1 (0 – 9)	\$1.34	\$1.43
36.	BAS2 (10 – 33)	\$1.81	\$1.94
37.	BAS3 (Over 33)	\$3.33	\$3.55

Consumption Charge Irrigation Commercial and Common Area
Block Rates (Per CCF)

38.	BAS1 (0 – 33)	\$1.34	\$1.43
39.	BAS2 (Over 33)	\$1.81	\$1.94

(4) *Outside The City Water Rates (TGAL):*

Line No.	Description	Proposed Rates Effective 11/01/2009	Proposed Rates Effective 11/01/2010
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Customer Charge Residential, Master-Meter, Commercial, and Sprinklers

40.	All Meter Sizes	\$9.63	\$9.81
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Customer Charge Irrigation

41.	All Meter Sizes	\$5.04	\$5.39
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Consumption Charge (Per 1 TGAL = 1000 Gallons)

Consumption Charge Potable Water Residential
Block Rates (Per TGAL)

42.	BAS1 (0 – 4)	\$1.08	\$1.10
43.	BAS2 (5 – 8)	\$1.28	\$1.36
44.	BAS3 (9 – 15)	\$1.79	\$1.91
45.	BAS4 (16 – 33)	\$2.43	\$2.59
46.	BAS5 (Over 33)	\$4.45	\$4.75

Consumption Charge Potable Water Commercial
Block Rates (Per TGAL)

47.	All CCF (No Cap)	\$1.73	\$1.84
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Consumption Charge Irrigation Residential
Block Rates (Per TGAL)

48.	BAS1 (0 – 7)	\$1.79	\$1.91
49.	BAS2 (8 – 25)	\$2.43	\$2.59
50.	BAS3 (Over 25)	\$4.45	\$4.75

Consumption Charge Irrigation Commercial and Common Area
Block Rates (Per TGAL)

51.	BAS1 (0 – 25)	\$1.79	\$1.91
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(4) *Fixed charge*: Shall refer to the minimum charge imposed by the city during a billing period, in the particular customer's service classification, for the availability of the service, whether or not service is actually used by the customer in a given billing period.

(5) *Variable charge*: Shall refer to that portion of the bill for the utility service which is assessed in addition to the fixed charge and which is based on actual usage in a given billing period.

SECTION 2.

All ordinances or parts of ordinances which are in conflict with this ordinance are hereby repealed, to the extent necessary to alleviate the conflict, but shall continue in effect insofar as they are not in conflict herewith, unless repeal of the conflicting portion destroys the overall intent and effect of any of the conflicting ordinances, in which case those ordinances so effected shall be hereby repealed in their entirety. Except as specifically modified by this Ordinance, the provisions of Ordinance 09 – 64 are hereby ratified and confirmed as originally enacted and shall be and remain in full force *nunc pro tunc* to its original adoption date of October 26, 2009.

SECTION 3.

If any portion of this ordinance is declared invalid or unenforceable, and to the extent it is possible to do so without destroying the overall intent and effect of this ordinance, the portion deemed invalid or unenforceable shall be severed herefrom and the remainder of this ordinance shall continue in full force and effect as if it were enacted without including the portion found to be invalid or unenforceable.

SECTION 4.

This ordinance shall become effective upon passage.

PASSED AND ADOPTED at the regular meeting of the City Commission of the City of Leesburg, Florida, held on the 21 day of December, 2009.

THE CITY OF LEESBURG

By: _____

Mayor

ATTEST:

Betty Richardson
City Clerk

AN ORDINANCE OF THE CITY OF LEESBURG, FLORIDA, AMENDING §22 – 211 OF THE CODE OF ORDINANCES PERTAINING TO WATER RATES, PROVIDING NEW RATE TABLES FOR CUSTOMERS CONNECTED TO THE ROYAL HIGHLANDS WATER TREATMENT PLANT; AMENDING SUBSECTIONS (a)(3) AND (a)(4) OF §22 – 211 TO EXCLUDE FROM THE RATE TABLES IN THOSE SUBSECTIONS ANY CUSTOMERS CONNECTED TO THE ROYAL HIGHLANDS WATER TREATMENT PLANT; CREATING SUBSECTIONS (a)(5) AND (a)(6) OF §22 – 211 TO SPECIFY THE RATES FOR CUSTOMERS CONNECTED TO THE ROYAL HIGHLANDS WATER TREATMENT PLANT; LIMITING CONNECTIONS TO THE ROYAL HIGHLANDS WATER TREATMENT PLANT TO CONFORM TO THE WITHDRAWAL LIMITATIONS FOR THAT FACILITY IN THE CITY’S CONSUMPTIVE USE PERMIT; SETTING FOR LEGISLATIVE FINDINGS; REPEALING CONFLICTING ORDINANCES; AND PROVIDING AN EFFECTIVE DATE.

NOW THEREFORE, BE IT ENACTED BY THE PEOPLE OF THE CITY OF LEESBURG, FLORIDA:

SECTION I.

The City Commission of the City of Leesburg, Florida, makes the following legislative findings with respect to the rates charged for water supplied by the City’s Royal Highlands Water Treatment Plant:

- The City of Leesburg provides potable water to its customers under the provisions of Consumptive Use Permit (CUP) # 94, issued by St. Johns River Water Management District (SJRWMD).
- CUP # 94 was issued by SJRWMD on November 16, 2010.
- SJRWMD has previously established Minimum Flows and Levels (MFL’s) for Lake Apshawa (North and South).
- The MFL’s for Lake Apshawa have been violated in the historic period since establishment of the MFL’s for that body of water.
- CUP permitting rules prohibit issuance of a permit which will impact an MFL which has been violated.
- Hydrogeologic modeling of ground water withdrawals from the Royal Highlands Wellfield demonstrated that the MFL’s for Lake Apshawa would be impacted by then-current withdrawals, necessitating a reduction of ground water withdrawals from the Royal Highlands Wellfield.
- CUP # 94 contains Condition # 24, which allocates maximum annual groundwater withdrawals from the Royal Highlands Wellfield as follows:
 - 354.05 million gallons (0.97 million gallons per day (mgd) average) in 2010,
 - 321.20 million gallons (0.88 mgd average) in 2011,
 - 292.00 million gallons (0.80 mgd average) in 2012,
 - 277.40 million gallons (0.76 mgd average) in 2013,
 - 266.45 million gallons (0.73 mgd average) in 2014,

- 259.15 million gallons (0.71 mgd average) in 2015 and,
- 251.85 million gallons (0.69 mgd average) in 2016 through 2030.
- 2010 groundwater withdrawals from the Royal Highlands Wellfield were 0.94 mgd, which is acceptable under condition # 24 but exceeds the allocation for 2011.
- Implementation of an enhanced conservation rate structure is necessary to discourage high water consumption that would cause overwithdrawal from the Royal Highlands Wellfield and therefore violate Condition 24 of CUP # 94 in 2011 and succeeding years.
- The enhanced conservation rate structure should be applied to all residential customers attached to the Royal Highlands Water Treatment Plant.

SECTION II.

§22 – 211(a) of the Code of Ordinances of the City of Leesburg, Florida, is hereby amended to read as follows:

(a) *Water conservation service rate:*

(1) *Inside the city water rates (CCF):*

TABLE INSET:

Line No.	Description	Rates Effective 11/01/2009	Rates Effective 11/01/2010
	Customer Charge Residential, Master-Meter, Commercial, and Sprinklers		
	Meter Size		
1.	ALL METER SIZES	\$7.70	\$7.85
	Customer Charge Irrigation		
	Meter Size		
2.	ALL METER SIZES	\$4.03	4.31
	Consumption Charge (Per 1 CCF = 100 Cubic Feet = 748 Gallons)		
	Consumption Charge Potable Water Residential		
	Block Rates (Per CCF)		
3.	BAS1 (0--6)	\$0.64	\$0.65
4.	BAS2 (7--12)	\$0.77	\$0.82
5.	BAS3 (13--21)	\$1.07	\$1.14
6.	BAS4 (22--45)	\$1.45	\$1.55
7.	BAS5 (Over 45)	\$2.66	\$2.84
	Consumption Charge Potable Water Commercial		
	Block Rates (Per CCF)		
8.	All CCF (No Cap)	\$1.03	\$1.10
	Consumption Charge Residential Irrigation		
	Block Rates (Per		

	CCF)		
9.	BAS1 (0--9)	\$1.07	\$1.14
10.	BAS2 (10--33)	\$1.45	\$1.55
11.	BAS3 (Over 33)	\$2.66	\$2.84
	Consumption Charge Commercial and Common Area Irrigation		
	Block Rates (Per CCF)		
12.	BAS1 (0--33)	\$1.07	\$1.14
13.	BAS2 (Over 33)	\$1.45	\$1.55

(2) *Inside the city water rates (TGAL):*

TABLE INSET:

Line No.	Description	Rates Effective 11/01/2009	Rates Effective 11/01/2010
	Customer Charge Residential, Master-Meter, Commercial, and Sprinklers		
	Meter Size		
14.	ALL METER SIZES	\$7.70	\$7.85
	Customer Charge Irrigation		
15.	ALL METER SIZES	\$4.03	\$4.31
	Consumption Charge (Per 1,000 Gallons)		
	Consumption Charge Potable Water Residential		
	Block Rates (Per TGAL)		
16.	BAS1 (0--4)	\$0.86	\$0.88
17.	BAS2 (5--8)	\$1.02	\$1.09
18.	BAS3 (9--15)	\$1.43	\$1.53
19.	BAS4 (16--33)	\$1.94	\$2.07
20.	BAS5 (Over 33)	\$3.56	\$3.80
	Consumption Charge Potable Water Commercial		
	Block Rates (Per TGAL)		
21.	All CCF (No Cap)	\$1.38	\$1.47
	Consumption Charge Irrigation Residential		
	Block Rates (Per TGAL)		
22.	BAS1 (0--7)	\$1.43	\$1.53
23.	BAS2 (8--25)	\$1.94	\$2.07
24.	BAS3 (Over 25)	\$3.56	\$3.80

	Consumption Charge Irrigation Commercial and Common Area		
	Block Rates (Per TGAL)		
25.	BAS1 (0--25)	\$1.43	\$1.53
26.	BAS2 (Over 25)	\$1.94	\$2.07

(3) Outside the city water rates excluding customers connected to the Royal Highlands Water Treatment Plant (CCF):

TABLE INSET:

Line No.	Description	Rates Effective 11/01/2009	Rates Effective 11/01/2010
	Customer Charge Residential, Master-Meter, Commercial, Irrigation and Sprinklers		
	Meter Size		
27.	ALL METER SIZES	\$9.63	\$9.81
	Customer Charge Irrigation		
28.	ALL METER SIZES	\$5.04	\$5.39
	Consumption Charge (Per 1 CCF = 100 Cubic Feet = 748 Gallons)		
	Consumption Charge Potable Water Residential		
	Block Rates (Per CCF)		
29.	BAS1 (0--6)	\$0.80	\$0.81
30.	BAS2 (7--12)	\$0.96	\$1.03
31.	BAS3 (13--21)	\$1.34	\$1.43
32.	BAS4 (22--45)	\$1.81	\$1.94
33.	BAS5 (Over 45)	\$3.33	\$3.55
	Consumption Charge Potable Water Commercial		
	Block Rates (Per CCF)		
34.	All CCF (No Cap)	\$1.29	\$1.38
	Consumption Charge Irrigation Residential		
	Block Rates (Per CCF)		
35.	BAS1 (0--9)	\$1.34	\$1.43
36.	BAS2 (10--33)	\$1.81	\$1.94
37.	BAS3 (Over 33)	\$3.33	\$3.55
	Consumption Charge Irrigation Commercial and Common Area		
	Block Rates (Per CCF)		
38.	BAS1 (0--33)	\$1.34	\$1.43
39.	BAS2 (Over 33)	\$1.81	\$1.94

(4) *Outside the city water rates excluding customers connected to the Royal Highlands Water Treatment Plant (TGAL):*

TABLE INSET:

Line No.	Description	Rates Effective 11/01/2009	Rates Effective 11/01/2010
	Customer Charge Residential, Master-Meter, Commercial, and Sprinklers		
	Meter Size		
40.	ALL METER SIZES	\$9.63	\$9.81
	Customer Charge Irrigation		
	Meter Size		
41.	ALL METER SIZES	\$5.04	\$5.39
	Consumption Charge (Per 1 TGAL = 1000 Gallons)		
	Consumption Charge (Per 1,000 Gallons)		
	Consumption Charge Potable Water Residential		
	Block Rates (Per TGAL)		
42.	BAS1 (0--4)	\$1.08	\$1.10
43.	BAS2 (5--8)	\$1.28	\$1.36
44.	BAS3 (9--15)	\$1.79	\$1.91
45.	BAS4 (16--33)	\$2.43	\$2.59
46.	BAS5 (Over 33)	\$4.45	\$4.75
	Consumption Charge Potable Water Commercial		
	Block Rates (Per TGAL)		
47.	All CCF (No Cap)	\$1.73	\$1.84
	Consumption Charge Irrigation Residential		
	Block Rates (Per TGAL)		
48.	BAS1 (0--7)	\$1.79	\$1.91
49.	BAS2 (8--25)	\$2.43	\$2.59
50.	BAS3 (Over 25)	\$4.45	\$4.75
	Consumption Charge Commercial and Common Area Irrigation		
	Block Rates (Per TGAL)		
51.	BAS1 (0--25)	\$1.79	\$1.91
52.	BAS2 (Over 25)	\$2.43	\$2.59

(3) *Outside the city water rates only for customers connected to the Royal Highlands Water Treatment Plant (CCF):*

TABLE INSET:

Line No.	Description	Rates Effective 08/01/2011
	Customer Charge Residential, Master-Meter, Commercial, Irrigation and Sprinklers	
	Meter Size	
27.	ALL METER SIZES	\$9.81
	Customer Charge Irrigation	
28.	ALL METER SIZES	\$5.39
	Consumption Charge (Per 1 CCF = 100 Cubic Feet = 748 Gallons)	
	Consumption Charge Potable Water Residential	
	Block Rates (Per CCF)	
29.	BAS1 (0--6)	\$0.81
30.	BAS2 (7--12)	\$1.03
31.	BAS3 (13--21)	\$1.43
32.	BAS4 (22--45)	\$3.88
33.	BAS5 (Over 45)	\$10.65
	Consumption Charge Potable Water Commercial	
	Block Rates (Per CCF)	
34.	All CCF (No Cap)	\$1.38
	Consumption Charge Irrigation Residential	
	Block Rates (Per CCF)	
35.	BAS1 (0--9)	\$1.43
36.	BAS2 (10--33)	\$3.88
37.	BAS3 (Over 33)	\$10.65
	Consumption Charge Irrigation Commercial and Common Area	
	Block Rates (Per CCF)	
38.	BAS1 (0--33)	\$1.43
39.	BAS2 (Over 33)	\$1.94

(4) Outside the city water rates only for customers connected to the Royal Highlands Water Treatment Plant (TGAL):

TABLE INSET:

Line No.	Description	Rates Effective 11/01/2010
	Customer Charge Residential, Master-Meter, Commercial, and Sprinklers	
	Meter Size	
40.	ALL METER SIZES	\$9.81
	Customer Charge Irrigation	
	Meter Size	
41.	ALL METER SIZES	\$5.39
	Consumption Charge (Per 1 TGAL = 1000 Gallons)	
	Consumption Charge (Per 1,000 Gallons)	
	Consumption Charge Potable Water Residential	
	Block Rates (Per TGAL)	
42.	BAS1 (0--4)	\$1.10
43.	BAS2 (5--8)	\$1.36
44.	BAS3 (9--15)	\$1.91
45.	BAS4 (16--33)	\$5.18
46.	BAS5 (Over 33)	\$14.25
	Consumption Charge Potable Water Commercial	
	Block Rates (Per TGAL)	
47.	All CCF (No Cap)	\$1.84
	Consumption Charge Irrigation Residential	
	Block Rates (Per TGAL)	
48.	BAS1 (0--7)	\$1.91
49.	BAS2 (8--25)	\$5.18
50.	BAS3 (Over 25)	\$14.25
	Consumption Charge Commercial and Common Area Irrigation	
	Block Rates (Per TGAL)	
51.	BAS1 (0--25)	\$1.91
52.	BAS2 (Over 25)	\$2.59

If the withdrawals from the Royal Highlands Wellfield have been within limits established in Condition 24 of Consumptive Use Permit 94 for two consecutive full calendar years after the effective date of this Ordinance, the BAS4 rates shown in subsections (3) and (4) above, for customers connected to the Royal Highlands Water Treatment Plant only, as those rates may have been adjusted under §22 – 166 of this Code, shall decrease by 25%, and BAS5 rates shown in those same subsections (as adjusted under §22 – 166) shall decrease by 33%. However, if in any calendar year withdrawals exceed the limits of Condition 24, the BAS4 and BAS5 rates in those subsections

shall revert to the higher rate for BAS4 and BAS5, computed based on the rates shown in those subsections as adjusted under §22 – 166 up to the time of the increase.

No additional connections shall be made to the Royal Highlands Water Treatment Plant following the effective date of this Ordinance, except for the following:

- (i) Lots within the following plats comprising the development Royal Highlands, which have never been connected to the Royal Highlands Water Treatment Plant before the effective date of this Ordinance: Plat Book 37, Page 3; Plat Book 43, Page 66; Plat Book 39, Page 32; Plat Book 40, Page 34; Plat Book 41, Page 49; Plat Book 44, Page 31; Plat Book 44, Page 91; Plat Book 46, Page 59; Plat Book 50, Page 30; and Plat Book 38, Page 16; all in the Public Records of Lake County, Florida.
- (ii) Lots within the plat of Whitemarsh, according to the plat thereof recorded in Plat Book 61, Page 22, Public Records of Lake County, Florida, which have never been connected to the Royal Highlands Water Treatment Plant before the effective date of this Ordinance.
- (iii) Such other connections as are approved by Resolution adopted by the Leesburg City Commission.

In all categories, for installations which have fire protection systems utilizing City water, whether or not metered, there shall be imposed a monthly availability charge, regardless of actual usage, in the amount of two dollars (\$2.00) per inch diameter of service pipe serving the fire protection system.

SECTION III.

All ordinances or part of ordinances which are in conflict with this Ordinance are hereby repealed, to the extent necessary to alleviate the conflict, but shall continue in effect insofar as they are not in conflict herewith, unless repeal of the conflicting portion destroys the overall intent and effect of any of the conflicting ordinance, in which case those ordinances so affected shall be hereby repealed in their entirety.

SECTION IV.

If any portion of this Ordinance is declared invalid or unenforceable, and to the extent that it is possible to do so without destroying the overall intent and effect of this Ordinance, the portion deemed invalid or unenforceable shall be severed herefrom and the remainder of the ordinance shall continue in full force and effect as if it were enacted without including the portion found to be invalid or unenforceable.

SECTION V.

This Ordinance shall become effective upon its passage and adoption according to law.

PASSED AND ADOPTED at the regular meeting of the City Commission of the City of Leesburg, Florida, held on the 25 day of July, 2011.

THE CITY OF LEESBURG, FLORIDA

BY: Bill Polk
MAYOR

Attest: Betty M. Richardson
CITY CLERK

AN ORDINANCE OF THE CITY OF LEESBURG, FLORIDA, AMENDING CERTAIN SUBSECTIONS OF §22 – 196 OF THE CODE OF ORDINANCES, PERTAINING TO ELECTRIC RATES, INCREASING THE RATES IN SCHEDULES RS (RESIDENTIAL SERVICE), GS (GENERAL SERVICE NON _ DEMAND), GSD (GENERAL SERVICE DEMAND), AND TOU (TIME OF USE); PROVIDING FOR AUTOMATIC ANNUAL INCREASES OF 5% PER YEAR FOR 2014 AND 2015; SPECIFYING HOW THE ANNUAL 5% RATE INCREASES IN 2013, 2014 AND 2015 ARE TO BE APPLIED IN CONJUNCTION WITH THE AUTOMATIC INCREASES SPECIFIED IN §22 – 166 OF THE CODE OF ORDINANCES; PRESERVING §22 – 196 EXCEPT AS AMENDED HEREBY; REPEALING ANY CONFLICTING ORDINANCES; PROVIDING A SAVINGS CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE PEOPLE OF THE CITY OF LEESBURG, FLORIDA:

SECTION I.

§22 – 196 of the Code of Ordinances of the City of Leesburg, Florida, is hereby amended so that the subsections thereof listed below shall, following the effective date of this Ordinance, read as follows (NOTE: provisions in ~~strikeout~~ are being deleted from the existing ordinance, provisions in double underline are being added or amended by this Ordinance, and text not marked remains the same as in the existing ordinance):

(1) *Rate schedule RS, residential service.*

- a. *Availability:* This rate is available to all applicable customers in the service area.
- b. *Applicability:* The residential electric rate applies to an electrical service supplying electricity to a single-family residence. Service provided under this section shall not be shared with or resold to others.
- c. *Character of service:* Service shall be single-phase, sixty (60) cycles and approximately 120/240 volts. If three (3) phases are desired, additional charges must be paid by the customer.
- d. *Limitations:* Service is subject to all of the rules and regulations of this tariff and general rules and regulations of the utility. Standby or resale service is not permitted.
- e. Rate per month.

Customer charge~~\$10.62~~ 11.77
 All kwh, per kwh~~0.08129~~ 0.090108

The rates per month shall become effective with all bills rendered on or after the first day ~~of the month subsequent to adoption~~ November 1, 2013. Such rates per month are subject to the

annual inflation adjustment component pursuant to section 22-166, beginning as of October 1, 2016.

f. *Minimum charge:* The minimum monthly bill shall be the customer charge plus other applicable charges, covered by ordinance, state statutes or federal law.

g. *Terms of payment:* All bills and charges for electric current are due and payable twenty (20) days following date of billing. If not paid within twenty (20) days a carrying charge equal to five (5) percent of the total bill is added. Service is discontinued if bill and carrying charge are not paid on or before thirty (30) days succeeding that in which electricity shall have been furnished by the city as stated in all bills rendered.

h. *Billing adjustments:* See "Bulk Power Cost Adjustment," "Energy Conservation Cost Recovery," and "Tax Adjustment Clause".

i. *Deposits:* Deposits for each account shall be required as set forth more particularly in section 22-181 of this Code.

j. *Reconnection charge:* When service is cut off for nonpayment of bill, and when connection service is requested to be performed after normal business hours, the reconnection fee shall be as prescribed by the utility service fee schedule pursuant to section 22-6 of this Code. When service is cut off for meter-tampering, the charge to reconnect shall be as prescribed by the utility service fee schedule pursuant to section 22-6 of this Code plus damages and penalties allowed by state statutes.

(2) Rate schedule GS, general service, nondemand.

a. *Availability.* This rate is available to all applicable customers in the service area.

b. *Applicability.* This rate shall be applicable to all electrical services not covered by any of the other rate categories, residential electrical rate, general service demand rate and flat service rate.

c. *Limitation.* Service is subject to all of the rules and regulations of this tariff and general rules and regulations of the utility. Standby or resale is not permitted.

d. *Rate per month.*

Customer charge\$~~10.62~~ 11.77
All kwh~~0.08847~~ 0.098067

The rates per month shall become effective with all bills rendered on or after the first day of ~~the month subsequent to adoption~~ November 1, 2013. Such rates per month are subject to the annual inflation adjustment component pursuant to section 22-166, beginning as of October 2, 2016.

c. *Minimum charge:* The minimum monthly bill shall be the customer charge plus other applicable charges, covered by ordinance, state statutes or federal law.

f. *Terms of payment:* All bills and charges for electric current are due and payable twenty (20) days following date of billing. If not paid within twenty (20) days a carrying charge equal to five (5) percent of the total bill is added. Service is discontinued if bill and carrying charge are not paid on or before thirty (30) days succeeding that in which electricity shall have been furnished by the city as stated in all bills rendered.

g. *Billing adjustments:* See "Bulk Power Cost Adjustment," "Energy Conservation Cost Recovery," and "Tax Adjustment Clause".

h. *Deposits.* Deposits for each account shall be required as set forth more particularly in section 22-181 of this Code.

i. *Reconnection charge:* When service is cut off for nonpayment of bill, and when connection service is requested to be performed after normal business hours, the reconnection fee shall be as prescribed by the utility service fee schedule pursuant to section 22-6 of this Code. When service is cut off for meter tampering, such reconnection charge shall be as prescribed by the utility service fee schedule pursuant to section 22-6 of this Code plus damages and penalties allowed by state statutes.

(3) Rate schedule GSD, general service, demand.

a. *Availability.* This rate is available to all applicable customers in the service area.

b. *Application.*

1. *GSD-1:* For electric service for commercial or industrial lighting, power and any other purpose to any customer with a measured demand in excess of 20 kW and less than 500 kW. Customers with a demand of 20 kW or less may enter into an agreement for service under this schedule based on a demand charge for a minimum of 21 kW.
2. *GSD-2:* For electric service for commercial or industrial lighting, power and any other purpose to any customer with a measured demand of 500 kW and less than 2,000 kW. Customers with a demand of less than 500 kW may enter into an agreement for service under this schedule based on a demand charge for a minimum of 500 kW.
3. *GSD-3:* For electric service for commercial or industrial lighting, power and any other purpose to any customer with a measured demand of 2,000 kW or more. Customers with a demand of less than 2,000 kW may enter into an agreement for service under this schedule based on a demand charge for a minimum of 2,000 kW.

c. *Special provisions.* Any customer whose demand is greater than twenty (20) kw, but less than fifty (50) kw, may at the option of the customer elect to be billed at the general service rate schedule, GS Code 444.2. If the customer modifies electrical usage to the extent the general service demand rate, GSD Code 444.3, produces lower billing, customer may at its option rescind the election to be billed at the general service rate schedule, GS Code 444.2, provided however, that the option of being billed at the general service rate schedule, GS Code 444.2 shall then no longer be available to such customer.

d. *Character of service.* The service shall be three-phase, sixty (60) cycles and approximately one hundred twenty (120) volts or higher, at utility option.

e. *Limitations.* Standby or resale is not permitted.

f. *Rate per month.*

1. *GSD-1.* Billing demand of 21kW—499kW:

Customer charge~~\$22.66~~ 25.02
Demand charge~~10.55~~ 11.38
Energy rate~~0.04165~~ 0.045991

2. *GDS-2.* Billing demand of 500—1,999 kW:

Customer charge~~\$40.16~~ 44.34
Demand charge~~12.05~~ 12.99
Energy rate~~0.03806~~ 0.042024

3. *GSD-3.* Billing demand of 2,000 kW or more:

Customer charge~~\$80.32~~ 88.68
Demand charge~~14.96~~ 16.13
Energy rate~~0.03304~~ 0.036481

The rates per month shall become effective with all bills rendered on or after the first day of the ~~month subsequent to adoption~~ November, 2013. Such rates per month are subject to the annual inflation adjustment component pursuant to section 22-166, beginning as of October 2, 2016.

g. *Minimum charge.* The minimum monthly charge shall be not less than the sum of customer charge and the demand charge for the currently effective billing demand, plus other applicable charges covered by ordinances, state statutes or federal law.

h. *Billing demand.* The maximum fifteen-minute integrated demand established during the current billing period.

i. *Power factor.* When the power factor is less than ninety (90) percent, the billing demand may be determined upon the basis of ninety (90) percent of the calculated kVa, demand.

j. *Deposits.* Deposits for each account shall be required as set forth more particularly in section 22-181 of this Code.

k. *Reconnection charge.* When service is cut off for nonpayment of bill, and when connection service is requested to be performed after normal business hours, the reconnection charge shall be as prescribed by the utility service fee schedule pursuant to section 22-6 of this Code. When service is cut off for meter tampering, there shall be a reconnection charge as prescribed by the utility service fee schedule pursuant to section 22-6 of this Code, plus damages and penalties allowed by state statute.

l. *Terms of payment.* All bills and charges for electric current are due and payable twenty (20) days following date of billing. If not paid within twenty (20) days a carrying charge equal to five (5) percent of the total bill is added. Service is discontinued if bill and carrying charge are not paid on or before thirty (30) days succeeding that in which electricity shall have been furnished by the city as stated in all bills rendered.

m. *Term of service.* Service under this rate shall be for a minimum initial term of twelve (12) months from commencement of service and shall continue thereafter until receipt of notice by the city from the customer to disconnect, or upon disconnect by the city as provided by ordinance, or until the customer's demand is below twenty (20) kw for a consecutive twelve-month period. Customers taking service under another rate schedule who elect to transfer to this rate must remain on this rate for a minimum of twelve (12) months. Where special equipment to serve the customer is required, the city may require a specified term of service contract.

n. *Special provisions.*

1. Any customer other than residential whose monthly demand is greater than twenty (20) kw but does not exceed forty-nine (49) kw for more than two (2) months out of the preceding twelve (12) consecutive months ending with the current billing period may, at the option of the customer, elect to be billed at the General Service Rate Schedule, GS Code 4442. Provided, that once a customer has exceeded forty-nine (49) for more than two (2) months out of the preceding twelve (12) consecutive months, no rate change option is available. If the customer modifies electrical usage to the extent the General Service Demand Rate (GSD Code 4443) produces lower billing, customer may, at its option, rescind the election to be billed at the General Service Rate Schedule, GS Code 4442; provided, that the option of being billed at the General Service Rate Schedule, GS Code 4442, shall then no longer be available to such customer.
2. The city may, under the provisions of this rate, require a contract with the customer. Whenever the customer increases his electrical load, which increase requires the city to increase facilities installed for the specific use of the customer, a new term of service may be required.
3. Any church or religious institution may, at their option, regardless of their demand, elect to be billed at the General Service Non Demand Rate and may not rescind such election thereafter for a period of twelve (12) months. This election may be for the sanctuary and related Sunday School or religious educational buildings.

o. *Billing adjustments.* See "Bulk Power Cost Adjustment," "Energy Conservation Cost Recovery," and "Tax Adjustment Clause".

(13) *Rate Schedules TOU – 1 and TOU – 2, Time of Use Rates.*

- a. *Availability.* Available throughout the entire territory served by the City subject to equipment availability. This is an optional service available at the customer's request. Customer may choose either rate schedule TOU-R1 or TOU-R2.

- b. *Applicability.* The residential electric rate applies to an electrical service supplying electricity to a single-family residence. Service provided under this section shall not be shared with or resold to others.
- c. *Character of Service.* Service shall be single-phase, sixty (60) cycles and approximately 120/240 volts. If three (3) phases are desired, additional charges must be paid by the customer.
- d. *Limitations.* Service is subject to all of the rules and regulations of this ordinance and the general rules and regulations of the City's electric utility. Standby or resale service is not permitted. No customer who elects to obtain service under this TOU rate schedule shall be eligible for any other load management credits offered by the City to residential customers.
- e. *Rates per month.* The following rate schedules shall apply to this TOU rate:

Customer Charge \$~~41.10~~ 11.77

Rate per kWh:

	<u>TOU-R1</u>	<u>TOU-R2</u>
Winter – On-peak	\$0.404134 <u>\$0.424341</u>	\$0.265005 <u>\$0.278255</u>
Winter – Off-peak	0.060165 <u>0.063173</u>	0.070985 <u>0.074534</u>
Summer – On-peak	0.352527 <u>0.370153</u>	0.230715 <u>0.242251</u>
Summer – Off-peak	0.062573 <u>0.065702</u>	0.072777 <u>0.076416</u>

Winter – On-peak is defined as the hours from 7 a.m. to 9 a.m. on Monday through Friday during the months of December, January and February, excluding any federal holiday occurring on those days. Winter – Off-peak is defined as all other hours during the months of December, January and February.

Summer – On-peak is defined as the hours from 3 p.m. to 5 p.m. on Monday through Friday during the months of March through October, excluding any federal holiday occurring on those days. Summer – Off-peak is defined as all other hours during the months of March through October.

The rate per month is subject to the annual inflation adjustment component pursuant to §22 - 166. Promptly after each annual inflation adjustment, the City will for informational purposes notify the Florida Public Services Commission in writing of its then current rates including any annual inflation adjustment.

- f. *Minimum Charge.* The minimum monthly bill shall be the customer charge plus other applicable charges, covered by ordinance, state statutes or federal law.

- g. Maximum Charge.* After the customer's first three billing months under this rate schedule, at the customer's request, the City will calculate the total billings the customer would have been charged under the basic residential rate, Rate RS, and refund to the customer any excess of the actual billings under this rate over such calculated amount.
- b. Term of Service.* Service under this TOU rate schedule shall be for a minimum initial term of twelve (12) months from commencement of service and shall continue thereafter until receipt of notice by the City from the customer to disconnect, or upon disconnect by the City as provided by City ordinance. Customers taking service under another rate schedule who elect to transfer to this rate must remain on this rate for a minimum of twelve (12) months. A customer taking service under this rate schedule who elects to transfer to another rate will be prohibited from taking service on this rate schedule again for a minimum of twelve (12) months.

SECTION II.

The rates set by this Ordinance shall take effect November 1, 2013, and remain in effect until October 31, 2014. On November 1, 2014, those rates each shall increase by 5%, and the increased rate shall remain in effect until October 31, 2015. Beginning November 1, 2015, the rates in effect from November 1, 2014 through October 31, 2015, each shall increase by 5%, and those increased rates shall remain in effect until September 30, 2016. On October 1, 2016, and each year thereafter, the automatic increases specified by §22 – 166 of the Code of Ordinances shall be applied to each rate schedule listed above. Between the effective date of this Ordinance and October 1, 2016, the annual increases specified in this Ordinance shall take the place of the automatic increases provided by §22 – 166.

SECTION III.

Except as specifically amended by this Ordinance, the provisions of §22 – 196 of the Code of Ordinances shall continue in full force and effect in the form existing prior to this Ordinance, and the rate increases specified in §22 – 166 shall continue to apply annually to any rates not specifically increased by this Ordinance.

SECTION IV.

All ordinances or part of ordinances which are in conflict with this Ordinance are hereby repealed, to the extent necessary to alleviate the conflict, but shall continue in effect insofar as they are not in conflict herewith, unless repeal of the conflicting portion destroys the overall intent and effect of any of the conflicting ordinance, in which case those ordinances so affected shall be hereby repealed in their entirety.

SECTION V.


If any portion of this Ordinance is declared invalid or unenforceable, and to the extent that it is possible to do so without destroying the overall intent and effect of this Ordinance, the portion deemed invalid or unenforceable shall be severed herefrom and the remainder of the ordinance shall continue in full force and effect as if it were enacted without including the portion found to be invalid or unenforceable.

SECTION VI.

This Ordinance shall become effective upon its passage and adoption according to law, provided that the rate increases hereby imposed shall not take effect until November 1, 2013.

PASSED AND ADOPTED at the regular meeting of the City Commission of the City of Leesburg, Florida, held on the 22 day of July, 2013.

THE CITY OF LEESBURG, FLORIDA

BY: 
MAYOR

Attest: 
CITY CLERK

ORDINANCE NO. 16-32

AN ORDINANCE OF THE CITY OF LEESBURG, FLORIDA, AMENDING §22-166 OF THE CODE OF ORDINANCES PERTAINING TO ANNUAL UTILITY RATE INCREASES BASED ON AN INDEX; CHANGING THE INCREASES BASED ON THE INDEX SO THEY ARE NOT IMPOSED AUTOMATICALLY ON AN ANNUAL BASIS BUT ARE INSTEAD IMPOSED AT THE DISCRETION OF THE CITY MANAGER; REPEALING CONFLICTING ORDINANCES; PROVIDING A SAVINGS CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

BE IT ENACTED BY THE PEOPLE OF THE CITY OF LEESBURG:

SECTION I.

§22-166 of the Code of Ordinances of the City of Leesburg, Florida, is hereby amended to read as set forth below:

Sec. 22-166. - Annual rate adjustments based on index.

All utility rates and charges established in or through procedures set forth in divisions 3, 4, 5, 6, 7 and 9 of this article V, except for the effects of automatic pass-through rate components such as the bulk power cost adjustment and purchased gas adjustment mechanisms, may at the discretion of the City Manager be adjusted annually on October 1 according to the percentage increase or decrease in the gross domestic product implicit price deflator index (the "Index"). This increase or decrease shall be measured by comparing the final revision of the Index for the second quarter of the current calendar year to the Index at the same time during the previous year. Rates so adjusted shall go into effect as of the next billing cycle following October 1 of the year in which the increase is imposed. This adjustment shall be implemented by written action of the City Manager issued no later than September 1 of any year in which an adjustment is to be made under this Section. The City Manager may apply such an adjustment to any one or more of the utility rates and is not required to increase all rates simultaneously. For any year a rate is not adjusted according to the Index, the amount by which the rate could have been increased may be applied cumulatively with future increases at a later date if the City Manager so determines.

SECTION II.

All ordinances or part of ordinances which are in conflict with this Ordinance are hereby repealed, to the extent necessary to alleviate the conflict, but shall continue in effect insofar as they are not in conflict herewith, unless repeal of the conflicting portion destroys the overall intent and effect of any of the conflicting ordinance, in which case those ordinances so affected shall be hereby repealed in their entirety.

SECTION III.

If any portion of this Ordinance is declared invalid or unenforceable, and to the extent that it is possible to do so without destroying the overall intent and effect of this Ordinance, the portion deemed invalid or unenforceable shall be severed herefrom and the remainder of the ordinance shall continue in full force and effect as if it were enacted without including the portion found to be invalid or unenforceable.

SECTION IV.

This Ordinance shall become effective upon its passage and adoption according to law.

PASSED AND ADOPTED at the regular meeting of the City Commission of the City of Leesburg, Florida, held on the 12th day of September, 2016.

THE CITY OF LEESBURG, FLORIDA

BY: _____


JAY HURLEY, Mayor

Attest: _____


J. ANDI PURVIS, City Clerk

AN ORDINANCE OF THE CITY OF LEESBURG, FLORIDA, CREATING SECTION 22-250 OF THE CODE OF ORDINANCES, SETTING FORTH RATE PARAMETERS FOR PROVIDING NATURAL GAS SERVICE WITHIN THE VILLAGES SERVICE AREA, PROVIDING FOR THE APPLICABILITY OF THIS ORDINANCE, DEFINING THE VILLAGES SERVICE AREA, REPEALING ORDINANCES IN DIRECT CONFLICT, PROVIDING A SAVINGS CLAUSE, AND PROVIDING AN EFFECTIVE DATE.

BE IT ENACTED BY THE PEOPLE OF THE CITY OF LEESBURG, FLORIDA:

SECTION I.

Section 22-250 of the Code of Ordinances of the City of Leesburg, Florida, is created to read as set forth below:

Sec. 22-250 Villages Natural Gas Rate Structure and Method of Setting Rates

- A. Villages Monthly Customer Charge.** The amount charged to natural gas customers within the Villages Service Area ("Villages Monthly Customer Charge") shall, except as provided below, be equal to the total monthly customer charge as issued by the company currently doing business as TECO People's Gas, (hereafter "Peoples") and its successors, from time to time; *provided however*, the City shall not be required to reduce the Villages Monthly Customer Charge for residential or commercial customers below the monthly customer charges imposed against similarly situated customers served by Peoples on January 1, 2018, even if Peoples subsequently reduces its monthly customer charges.
- B. Villages Aggregate Charge.** There shall be a total aggregate charge per therm, which shall generally consist of a distribution charge, other surcharges, and a fuel charge. Subject to the proviso in subsection (A) that the Villages Monthly Customer Charge is not to be reduced below the amount charged by Peoples on January 1, 2018, the Villages Aggregate Charge ("Villages Aggregate Charge") shall be equal to the total aggregate charges per therm for distribution, other surcharges and fuel as issued by Peoples, and its successors, as amended from time to time, with any changes in the monthly fuel charge by either Peoples or the City to be reflected in the distribution charge component of the Villages Aggregate Charge. Notwithstanding the foregoing, the City may request that SSGC consent to a temporary increase in the Villages Aggregate Charge so that the difference between the Villages Aggregate Charge, and the "Native Rate" (as defined in the Agreement), is maintained at the minimum levels described in Paragraph 7(C) of the Agreement.
- C. Service Charges.** The City shall not offer transportation service to any customer, residential, commercial, industrial or other, located in the Service Area. Fees for service turn-on and turnoff shall not exceed those charged by Peoples, unless the fee

charged by Peoples is less than the fee charged to City's natural gas customers outside the Villages Service Area, in which case the charge within the Villages Service Area shall equal the charge imposed on City's natural gas customers outside the Villages Service Area. The City may also charge customers for other miscellaneous non-recurring charges and fees, such as Collection Charges and Late Fees, at the same level and method as the City charges for its customers outside the Villages Service Area. The City shall apply its existing natural gas deposit ordinance for its customers outside the Villages Service Area, as modified from time to time by the Leesburg City Commission, to all customers served under this rate structure. Fees and service charges for services required in this section shall be as set forth in the city's adopted utility service fee schedule, then in effect.

D. This Ordinance shall apply only to natural gas rates within the "Villages Service Area," as that term is defined in the Natural Gas System Construction, Purchase, and Sale Agreement between the City of Leesburg and South Sumter Gas Company, LLC (referred to elsewhere in this Ordinance as "SSGC"), as amended from time to time (referred to elsewhere in this Ordinance as the "Agreement"), and not to rates for natural gas sold by the City of Leesburg outside the Villages Service Area.

SECTION II.

If any portion of this ordinance is declared invalid or unenforceable, then to the extent it is possible to do so without destroying the overall intent and effect of this ordinance, the portion deemed invalid or unenforceable shall be severed herefrom and the remainder of this ordinance shall continue in full force and effect as if it were enacted without including the portion found to be invalid or unenforceable.

SECTION III.

All ordinances or parts of ordinances which are in direct conflict with this ordinance are hereby repealed, to the extent necessary to alleviate the conflict, but shall continue in effect insofar as they are not in direct conflict herewith, unless repeal of the conflicting portion destroys the overall intent and effect of any of the conflicting ordinances, in which case those ordinances so affected shall be hereby repealed in their entirety.

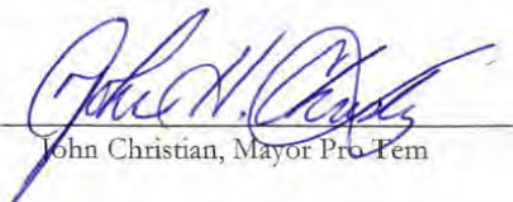
SECTION V.

This ordinance shall become effective upon its passage and adoption according to law.

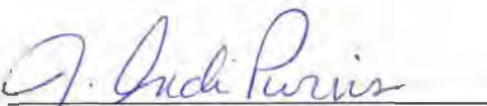
PASSED AND ADOPTED at the regular meeting of the City Commission of the City of Leesburg, Florida, held on the 26th day of February 2018.

THE CITY OF LEESBURG, FLORIDA

BY:


John Christian, Mayor Pro Tem

Attest:


J. Andi Purvis, City Clerk

**CITY OF LEESBURG, FLORIDA
ANTI-DILUTION TEST - BASE METHOD**

First Test	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021
2 Year Average Legally Available Non-Ad Valorem Revenues	\$ 19,303,298	\$ 19,207,024	\$ 19,976,401	\$ 19,675,488	\$ 19,579,056	\$ 19,577,066	\$ 22,331,136	\$ 23,393,939	\$ 21,652,178	\$ 20,888,026
Maximum Annual Debt Service on Non-Ad Valorem Revenue Debt	3,650,239	3,650,239	3,670,954	3,751,298	3,762,022	2,749,721	2,479,569	2,479,569	2,479,569	2,479,569
Coverage¹	5.29	5.26	5.44	5.24	5.20	7.12	9.01	9.43	8.73	8.42
Second Test	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2019/2020
Legally Available Non-Ad Valorem Revenues	A \$ 18,387,621	\$ 20,026,427	\$ 19,926,376	\$ 19,829,043	\$ 19,696,313	\$ 19,457,820	\$ 25,204,453	\$ 21,583,425	\$ 21,720,933	\$ 20,055,119
Non-Enterprise Fund Revenues ²	B 23,245,644	24,971,210	24,882,991	24,320,976	24,673,750	24,662,759	30,882,891	27,812,020	28,534,127	27,614,734
Costs of Essential Services	C 16,735,293	15,732,311	16,613,455	15,585,278	16,134,474	16,944,409	17,909,853	18,961,889	18,921,833	20,344,740
MADS Secured by a Lien on Pledgeable Non-Ad Valorem Revenues	D 1,786,841	1,786,841	1,789,085	1,789,086	1,496,694	1,496,694	1,496,694	1,496,694	1,496,694	1,488,329
Maximum Annual Debt Service on Covenant Debt	E 1,866,059	1,866,059	1,881,869	1,977,024	1,977,024	1,255,791	991,424	991,424	991,424	991,424
Available Revenues - [A - ((A/B) * C) - D] =	F 3,362,935	5,622,577	4,833,185	5,333,182	5,319,952	4,592,741	9,090,991	5,371,421	5,820,439	3,791,483
Coverage [F / E]³	1.80	3.01	2.57	2.70	2.69	3.66	9.17	5.42	5.87	3.82

1 1.10 times coverage required - Additional Bonds Test
2 line A plus Ad Valorem Taxes from the Historical Non-Ad Valorem Revenues Worksheet on the next page
3 2.00 times coverage required - Additional Bonds Test

**CITY OF LEESBURG, FLORIDA
HISTORICAL NON-AD VALOREM REVENUES WORKSHEET**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
CB&A Worksheet -										
CB&A Non-Ad Valorem Revenues										
1. Charges for Services ¹	\$ 540,735	\$ 587,243	\$ 895,084	\$ 1,022,235	\$ 551,697	\$ 680,077	\$ 726,039	\$ 840,323	\$ 885,765	\$ 1,229,062
2. Intergovernmental ¹	2,084,254	2,220,336	2,144,512	2,280,813	2,383,900	2,521,105	2,600,258	2,797,579	2,982,821	4,823,767
3. Licenses, Permits & Assessments ¹	133,435	133,374	166,926	258,885	1,480,640	1,527,224	1,540,698	1,605,500	1,634,859	2,042,959
4. Fines and Forfeitures ¹	122,391	151,693	119,059	115,092	105,829	158,906	356,383	168,245	146,227	219,027
5. Investment Income ¹	24,094	115,408	48,987	118,194	301,546	121,133	177,462	441,577	271,894	42,898
6. Miscellaneous ¹	4,455,952	1,316,156	1,371,047	552,022	600,826	622,212	936,474	740,158	799,710	1,056,563
7. Non Advalorem Taxes ¹	6,053,869	6,180,065	6,263,159	6,514,005	6,865,741	6,961,624	7,004,376	6,996,821	6,969,307	7,311,427
(sum of Utility Taxes and Other Taxes less restricted) ³										
8. Utility and Business Unit Transfers ¹	9,168,459	10,341,723	10,051,357	9,891,736	9,516,319	9,022,790	13,973,265	10,280,444	10,593,887	10,880,481
9. Less funds detailed in worksheet:										
"Diverse General Fund Revenue Sources"	(4,195,568)	(1,019,571)	(1,133,755)	(1,291,183)	(2,110,186)	(2,157,251)	(2,110,502)	(2,287,222)	(2,563,537)	(7,553,065)
Legally Available Non-Ad Valorem Revenues	\$ 18,387,621	\$ 20,026,427	\$ 19,926,376	\$ 19,461,799	\$ 19,696,312	\$ 19,457,820	\$ 25,204,453	\$ 21,583,425	\$ 21,720,933	\$ 20,055,119
Two Year Average	19,303,298	19,207,024	19,976,402	19,694,087	19,579,055	19,577,065	22,331,136	23,393,938	21,652,179	20,888,026
Ad Valorem Taxes ²	\$ 4,858,023	\$ 4,944,783	\$ 4,956,615	\$ 5,022,163	\$ 4,977,437	\$ 5,204,939	\$ 5,678,438	\$ 6,228,595	\$ 6,813,194	\$ 7,559,615
Total Revenue	\$ 23,245,644	\$ 24,971,210	\$ 24,882,991	\$ 24,483,962	\$ 24,673,749	\$ 24,662,759	\$ 30,882,891	\$ 27,812,020	\$ 28,534,127	\$ 27,614,734
Cost of Essential Services										
General Government ¹	\$ 2,730,096	\$ 1,891,217	\$ 3,257,326	\$ 3,242,396	\$ 3,601,492	\$ 3,515,915	\$ 3,664,492	\$ 3,869,799	\$ 3,679,474	\$ 4,089,807
Public Safety ²	14,005,197	13,841,094	13,356,129	12,342,882	12,532,982	13,428,494	14,245,361	15,092,090	15,242,359	16,254,933
Total Cost of Essential Services	\$ 16,735,293	\$ 15,732,311	\$ 16,613,455	\$ 15,585,278	\$ 16,134,474	\$ 16,944,409	\$ 17,909,853	\$ 18,961,889	\$ 18,921,833	\$ 20,344,740
Legally Available Non-Ad Valorem Revenues	\$ 18,387,621	\$ 20,026,427	\$ 19,926,376	\$ 19,461,799	\$ 19,696,312	\$ 19,457,820	\$ 25,204,453	\$ 21,583,425	\$ 21,720,933	\$ 20,055,119
Less MADS on Senior Lien	\$ (1,786,841)	\$ (1,786,841)	\$ (1,789,085)	\$ (1,789,086)	\$ (1,799,811)	\$ (1,793,410)	\$ (1,496,694)	\$ (1,496,694)	\$ (1,488,329)	\$ 1,488,329
Less Allocable Essential Services ⁴	(13,237,845)	(12,617,009)	(13,304,106)	(12,388,418)	(12,879,666)	(13,368,385)	(14,616,768)	(14,715,310)	(14,403,800)	(14,775,307)
Available Revenues	3,362,935	5,622,577	4,833,185	5,284,295	5,016,835	4,296,025	9,090,991	5,371,421	5,828,804	6,768,141
MADS on Covenant Debt	1,866,059	1,866,059	1,881,869	1,977,024	1,977,024	1,255,791	991,424	991,424	991,424	991,424
Coverage	1.80	3.01	2.57	2.67	2.54	3.42	9.17	5.42	5.88	6.83

¹ Source is the Statement of Revenues - the current year Comprehensive Annual Financial Report

² Source is the Statement of Activities - the current year Comprehensive Annual Financial Report

³ This is a calculation: General Fund taxes less ad valorem taxes

⁴ This is a calculation: Total Cost of Essential Services multiplied by (Legally Available Non-Ad Valorem Revenues divided by Total Revenues)

**CITY OF LEESBURG, FLORIDA
DIVERSE GENERAL FUND REVENUE SOURCES**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL
Revenues Available for CB&A	\$ 18,387,620	\$ 20,026,423	\$ 19,926,376	\$ 19,461,798	\$ 19,696,311	\$ 19,457,820	\$ 25,204,453	\$ 21,583,424	\$ 21,720,933	\$ 20,055,119
Revenues not available for CB&A:										
Ad Valorem Revenues	\$ 4,858,024	\$ 4,474,125	\$ 4,466,447	\$ 4,491,933	\$ 4,513,817	\$ 4,612,604	\$ 4,754,422	\$ 4,970,770	\$ 5,290,494	\$ 5,427,500
Non-Ad Valorem Revenues:										
Grant Revenue	630,350	736,319	566,155	599,120	650,735	104,388	58,334	234,826	423,496	5,050,827
Charges For Services	171,100	46,843	330,867	467,402	-	287,807	296,094	304,753	316,358	328,220
Miscellaneous Revenues	3,394,119	236,409	236,734	224,661	262,770	554,040	543,670	523,544	589,465	558,830
Fire Assessment Fees	-	-	-	-	1,196,681	1,211,016	1,212,405	1,224,099	1,234,217	1,615,188
Total not available for CB&A	\$ 4,195,569	\$ 1,019,571	\$ 1,133,756	\$ 1,291,183	\$ 2,110,186	\$ 2,157,251	\$ 2,110,503	\$ 2,287,222	\$ 2,563,536	\$ 7,553,065
	\$ 9,053,593	\$ 5,493,696	\$ 5,600,203	\$ 5,783,116	\$ 6,624,003	\$ 6,769,855	\$ 6,864,925	\$ 7,257,992	\$ 7,854,030	\$ 12,980,565

CITY OF LEESBURG, FLORIDA
SUMMARY OF MAXIMUM ANNUAL NON-AD VALOREM DEBT SERVICE

Fiscal Year	Series 2009 Capital Improvement	Series 2013 Capital Improvement	Series 2015 TIF - GL CRA	Series 2016 TIF - CRA 441/27	Aggregate Debt Service
2021	\$ 477,167	\$ 1,010,262	\$ 100,329	\$ 498,992	\$ 2,086,750
2022	477,386	1,008,537	100,870	890,554	2,477,347
2023	476,895	1,002,662	100,338	889,832	2,469,727
2024	475,695	1,005,287	100,734	889,722	2,471,438
2025	478,667	1,009,662	101,042	890,198	2,479,569
2026	475,811	1,006,162	100,277	890,234	2,472,484
2027	477,128	1,010,337	100,440	889,828	2,477,733
2028	472,617	1,006,903	-	889,984	2,369,504
2029	472,278	1,006,794	-	889,672	2,368,744
2030	473,336	1,009,269	-	889,894	2,372,499
2031	-	1,009,694	-	890,626	1,900,320
2032	-	1,009,069	-	889,838	1,898,907
2033	-	1,001,910	-	890,558	1,892,468
2034	-	1,008,016	-	889,734	1,897,750
2035	-	1,002,853	-	890,392	1,893,245
2036	-	-	-	890,482	890,482
	<u>\$ 4,756,980</u>	<u>\$ 15,107,417</u>	<u>\$ 704,030</u>	<u>\$ 13,850,540</u>	<u>\$ 34,418,967</u>

Maximum: \$ 2,479,569

**CITY OF LEESBURG, FLORIDA
 AGGREGATE SENIOR LIEN EXISTING DEBT SERVICE
 BONDS SECURED BY EXPRESS LIEN ON NON-AD VALOREM REVENUES**

Fiscal Year	Series 2009 Cap Improv	Series 2013 Cap Improv	Aggregate Debt Service
2021	\$ 477,167	\$ 1,010,262	\$ 1,487,429
2022	477,386	1,008,537	1,485,923
2023	476,895	1,002,662	1,479,557
2024	475,695	1,005,287	1,480,982
2025	478,667	1,009,662	1,488,329
2026	475,811	1,006,162	1,481,973
2027	477,128	1,010,337	1,487,465
2028	472,617	1,006,903	1,479,520
2029	472,278	1,006,794	1,479,072
2030	473,336	1,009,269	1,482,605
2031	-	1,009,694	1,009,694
2032	-	1,009,069	1,009,069
2033	-	1,001,910	1,001,910
2034	-	1,008,016	1,008,016
2035	-	1,002,853	1,002,853
	<u>\$ 4,756,980</u>	<u>\$ 15,107,417</u>	<u>\$ 19,864,397</u>

Maximum: \$ 1,488,329

**CITY OF LEESBURG, FLORIDA
 AGGREGATE CB&A DEBT SERVICE
 MAXIMUM ANNUAL COVENANT DEBT SERVICE**

Fiscal Year	Series 2015 GL CRA	Series 2016 CRA Highway 441/27	Aggregate Debt Service
2021	\$ 100,329	\$ 498,992	\$ 599,321
2022	100,870	890,554	991,424
2023	100,338	889,832	990,170
2024	100,734	889,722	990,456
2025	101,042	890,198	991,240
2026	100,277	890,234	990,511
2027	100,440	889,828	990,268
2028	-	889,984	889,984
2029	-	889,672	889,672
2030	-	889,894	889,894
2031	-	890,626	890,626
2032	-	889,838	889,838
2033	-	890,558	890,558
2034	-	889,734	889,734
2035	-	890,392	890,392
2036	-	890,482	890,482
	<u>\$ 704,030</u>	<u>\$ 13,850,540</u>	<u>\$ 14,554,570</u>

Maximum: \$ 991,424

CITY OF LEESBURG, FLORIDA
CAPITAL IMPROVEMENT REFUNDING PROMISSORY NOTE, SERIES 2009

Date	Principal	Interest	Debt Service	Annual Debt Service
10/01/2020	\$ 305,000	\$ 89,690	\$ 394,690	\$ -
04/01/2021	-	82,477	82,477	477,167
10/01/2021	320,000	82,477	402,477	-
04/01/2022	-	74,909	74,909	477,386
10/01/2022	335,000	74,909	409,909	-
04/01/2023	-	66,986	66,986	476,895
10/01/2023	350,000	66,986	416,986	-
04/01/2024	-	58,709	58,709	475,695
10/01/2024	370,000	58,709	428,709	-
04/01/2025	-	49,958	49,958	478,667
10/01/2025	385,000	49,958	434,958	-
04/01/2026	-	40,853	40,853	475,811
10/01/2026	405,000	40,853	445,853	-
04/01/2027	-	31,275	31,275	477,128
10/01/2027	420,000	31,275	451,275	-
04/01/2028	-	21,342	21,342	472,617
10/01/2028	440,000	21,342	461,342	-
04/01/2029	-	10,936	10,936	472,278
10/01/2029	462,400	10,936	473,336	473,336
	<u>\$ 3,792,400</u>	<u>\$ 964,580</u>	<u>\$ 4,756,980</u>	<u>\$ 4,756,980</u>

CITY OF LEESBURG, FLORIDA
CAPITAL IMPROVEMENT REFUNDING REVENUE BONDS, SERIES 2013

Date	Principal	Interest	Debt Service	Annual Debt Service
10/01/2020	\$ 580,000	\$ 220,931	\$ 800,931	\$ -
04/01/2021	-	209,331	209,331	1,010,262
10/01/2021	605,000	209,331	814,331	-
04/01/2022	-	194,206	194,206	1,008,537
10/01/2022	630,000	194,206	824,206	-
04/01/2023	-	178,456	178,456	1,002,662
10/01/2023	665,000	178,456	843,456	-
04/01/2024	-	161,831	161,831	1,005,287
10/01/2024	700,000	161,831	861,831	-
04/01/2025	-	147,831	147,831	1,009,662
10/01/2025	725,000	147,831	872,831	-
04/01/2026	-	133,331	133,331	1,006,162
10/01/2026	755,000	133,331	888,331	-
04/01/2027	-	122,006	122,006	1,010,337
10/01/2027	775,000	122,006	897,006	-
04/01/2028	-	109,897	109,897	1,006,903
10/01/2028	800,000	109,897	909,897	-
04/01/2029	-	96,897	96,897	1,006,794
10/01/2029	830,000	96,897	926,897	-
04/01/2030	-	82,372	82,372	1,009,269
10/01/2030	860,000	82,372	942,372	-
04/01/2031	-	67,322	67,322	1,009,694
10/01/2031	890,000	67,322	957,322	-
04/01/2032	-	51,747	51,747	1,009,069
10/01/2032	915,000	51,747	966,747	-
04/01/2033	-	35,163	35,163	1,001,910
10/01/2033	955,000	35,163	990,163	-
04/01/2034	-	17,853	17,853	1,008,016
10/01/2034	985,000	17,853	1,002,853	1,002,853
	<u>\$ 11,670,000</u>	<u>\$ 3,437,417</u>	<u>\$ 15,107,417</u>	<u>\$ 15,107,417</u>

**CITY OF LEESBURG, FLORIDA
 CAPITAL IMPROVEMENT REVENUE NOTE, SERIES 2015
 (GREATER LEESBURG CRA)**

Date	Principal	Interest	Debt Service	Annual Debt Service
10/01/2020	\$ 83,000	\$ 9,268	\$ 92,268	-
04/01/2021	-	8,061	8,061	100,329
10/01/2021	86,000	8,061	94,061	-
04/01/2022	-	6,809	6,809	100,870
10/01/2022	88,000	6,809	94,809	-
04/01/2023	-	5,529	5,529	100,338
10/01/2023	91,000	5,529	96,529	-
04/01/2024	-	4,205	4,205	100,734
10/01/2024	94,000	4,205	98,205	-
04/01/2025	-	2,837	2,837	101,042
10/01/2025	96,000	2,837	98,837	-
04/01/2026	-	1,440	1,440	100,277
10/01/2026	99,000	1,440	100,440	100,440
	<u>\$ 637,000</u>	<u>\$ 67,030</u>	<u>\$ 704,030</u>	<u>\$ 704,030</u>

CITY OF LEESBURG, FLORIDA
TAX INCREMENT REFUNDING REVENUE NOTE, SERIES 2016
(CRA FOR US HIGHWAY 441/27 TIF PROJECT)

Date	Principal	Interest	Debt Service	Annual Debt Service
11/01/2020	\$ -	\$ 144,496	\$ 144,496	\$ -
05/01/2021	210,000	144,496	354,496	498,992
11/01/2021	-	141,777	141,777	-
05/01/2022	607,000	141,777	748,777	890,554
11/01/2022	-	133,916	133,916	-
05/01/2023	622,000	133,916	755,916	889,832
11/01/2023	-	125,861	125,861	-
05/01/2024	638,000	125,861	763,861	889,722
11/01/2024	-	117,599	117,599	-
05/01/2025	655,000	117,599	772,599	890,198
11/01/2025	-	109,117	109,117	-
05/01/2026	672,000	109,117	781,117	890,234
11/01/2026	-	100,414	100,414	-
05/01/2027	689,000	100,414	789,414	889,828
11/01/2027	-	91,492	91,492	-
05/01/2028	707,000	91,492	798,492	889,984
11/01/2028	-	82,336	82,336	-
05/01/2029	725,000	82,336	807,336	889,672
11/01/2029	-	72,947	72,947	-
05/01/2030	744,000	72,947	816,947	889,894
11/01/2030	-	63,313	63,313	-
05/01/2031	764,000	63,313	827,313	890,626
11/01/2031	-	53,419	53,419	-
05/01/2032	783,000	53,419	836,419	889,838
11/01/2032	-	43,279	43,279	-
05/01/2033	804,000	43,279	847,279	890,558
11/01/2033	-	32,867	32,867	-
05/01/2034	824,000	32,867	856,867	889,734
11/01/2034	-	22,196	22,196	-
05/01/2035	846,000	22,196	868,196	890,392
11/01/2035	-	11,241	11,241	-
05/01/2036	868,000	11,241	879,241	890,482
	<u>\$ 11,158,000</u>	<u>\$ 2,692,540</u>	<u>\$ 13,850,540</u>	<u>\$ 13,850,540</u>



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